

## CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET  
SACRAMENTO, CA 95814-5512  
www.energy.ca.gov



<b>DOCKET</b> <b>07-AFC-4</b>	
<b>DATE</b>	MAY 20 2008
<b>RECD.</b>	MAY 22 2008

May 20, 2008

Dear Librarian:

**DOCUMENT HANDLING FOR THE CHULA VISTA ENERGY UPGRADE PROJECT  
(07-AFC-4)**

The enclosed Preliminary Staff Assessment (PSA) contains the California Energy Commission staff's initial engineering and environmental evaluation of the proposed Chula Vista Energy Upgrade Project. Please make this PSA available for those who may wish to be informed about the project. We request that you not allow the PSA or any of its contents to be removed from the library. To increase accessibility of the document, we ask, if possible, that you cross reference it as a general reference work under the title and author categories, as well as under such subjects as "Energy Commission," "electricity energy/generation," "power plant siting," or any other relevant subject. Please retain the enclosed letter to the public behind the front cover of the PSA.

The Energy Commission's siting process is open to the public and incorporates the input of the public as well as local, state and federal agencies. To facilitate public participation in our review process, the Energy Commission distributes copies of staff documents such as the PSA to public libraries in communities near the proposed project, and in major cities throughout the state.

Thank you for your cooperation. If you have any questions, please contact Christopher Meyer, Project Manager, at (916) 653-1639, or by e-mail at: [cmeyer@energy.state.ca.us](mailto:cmeyer@energy.state.ca.us)

Sincerely,

Eileen Allen  
Siting and Compliance Office Manager

Enclosure

## CALIFORNIA ENERGY COMMISSION

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May 20, 2008

To: MEMBERS OF THE PUBLIC

**PUBLIC PARTICIPATION IN THE REVIEW OF THE CHULA VISTA ENERGY UPGRADE PROJECT PRELIMINARY STAFF ASSESSMENT (07-AFC-4)**

The enclosed Preliminary Staff Assessment (PSA) contains the California Energy Commission staff's initial engineering and environmental evaluation of MMC Energy, Inc.'s (MMC's) proposed Chula Vista Energy Upgrade Project (CVEUP) Application for Certification (07-AFC-4). The PSA was published electronically on April 29, 2008. The PSA contains the California Energy Commission staff's initial engineering and environmental evaluation of the CVEUP, and staff's findings are summarized as follows:

- The map boundaries of the City of Chula Vista Multi-Species Conservation Plan Subarea Plan 75 – 99 percent Conservation Area – Habitat Preserve include the proposed laydown areas for the CVEUP. The two proposed laydown areas are disturbed areas previously and/or currently used as construction laydown areas. After review of the proposed CVEUP and Section 5.4.1 of the City of Chula Vista's Multi-Species Conservation Plan Subarea Plan, staff and U.S. Fish and Wildlife Service recommend that the map *boundaries* of the Subarea Plan are corrected to reflect the actual boundaries of the preserve. With correction of this mapping conflict, the CVEUP will be in compliance with all biological resource Laws, Ordinances, Regulations and Standards (LORS).
- The City of Chula Vista General Plan was revised after the City of Chula Vista permitted the existing 44.5 MW Chula Vista Power Plant. General Plan Policy E 6.4 states that the Agency [Chula Vista Redevelopment Agency] should "*avoid siting new or re-powered energy facilities or other major toxic emitters within 1,000 feet of a sensitive receptor*". The project as proposed is inconsistent with the revised general plan and would require a Conditional Use Permit if licensed by the City of Chula Vista. Staff has reviewed the City of Chula Vista General Plan and the Special Use Permit issued for the Chula Vista Power Plant in 2000 and has proposed mitigation to address the inconsistency. With staff has proposed Condition of Certification **LAND-1**, the CVEUP would be in compliance with all land use LORS. This issue will be further addressed in the Final Staff Assessment.
- The proposed CVEUP has only one access point and the AFC makes no mention of a secondary access point through the perimeter fence. Both the California Fire Code (24 CCR Part 9, chapter 5, section 503.1.2) and the Uniform Fire Code (sections 901 and 902) require that access to the site be reviewed and approved by the fire department. All power plants licensed by the Energy Commission have more than one access point to the power plant site and with the secondary access point proposed by staff, the CVEUP will be in compliance with all fire protection LORS.

- The San Diego Air Pollution Control District has determined that the project complies with the appropriate rules and requirements of the District and will not contribute to the *degradation* of the air quality. The applicant has identified all required emissions reductions credits needed for operation of the proposed project.
- Staff evaluated the greenhouse gas (GHG) emissions from the proposed project and recommends reporting of the GHG emissions as the Air Resources Board develops greenhouse gas regulations and/or trading markets. Prior to the finalization of the Presiding Members Proposed Decision, the project may be subject to additional reporting requirements and GHG reductions not discussed here.
- Transmission system impacts and appropriate mitigation have been fully identified at this point and are acceptable and would comply with all applicable laws, ordinances, regulations, and *standards*. The project interconnection to the grid would not require additional downstream transmission facilities other than those Special Protection Schemes proposed by the applicant.

The proposed CVEUP would be a nominal 100-megawatt (MW) peaking facility, with construction planned to begin in the fall of 2008 and commercial operation planned by the fall of 2009. Primary equipment for the generating facility would include two General Electric (GE) LM6000 natural gas-fired turbine-generators and associated equipment. The project site is located on a 3.8-acre parcel in the city of Chula Vista's Main Street Industrial Corridor and within the city's Light Industrial zoning district. The project site address is 3497 Main Street, Chula Vista, California, 91911. Access to the site is via an easement that runs south from Main Street within an adjacent property. This easement also provides access to employee parking for newly constructed industrial buildings immediately east of the project site.

The CVEUP would replace the existing older and less efficient technology with newer, more efficient equipment with lower emissions. This site is currently occupied by MMC's Chula Vista Power Plant, a 44.5-MW simple-cycle, natural gas-fired peaking power plant using Pratt & Whitney FT4 Twinpac™ technology. As part of the CVEUP, the existing power plant and pollution control equipment would be removed from the southern portion of the project parcel. The proposed plant, using GE LM6000 technology, would be constructed on vacant land in the northern portion of the parcel. Some of the facilities that serve the existing plant would be reused for the new power plant. These facilities include the existing transmission connection; natural gas, water, and sanitary sewer pipelines; fencing and sound attenuation wall; utility/control building; stormwater runoff retention basin; and the 12,000-gallon aqueous ammonia storage tank and tank refilling station. Once the new plant is constructed, the existing plant would be dismantled and removed. The existing power equipment would be sold for salvage and the foundations, piping, and other equipment associated with the existing plant will be removed.

Because the proposed CVEUP would reuse the existing electrical transmission, natural gas, water service, and sanitary sewer pipelines, the proposed project would have no new or modified offsite linear facilities. The existing plant connects to San Diego Gas and

Electric's (SDG&E's) electrical transmission system at the Otay Substation, which is approximately 1,020 feet north of the project site. This connection consists of a 69-kilovolt (kV) single-circuit transmission system mounted on wooden poles that runs north from the project parcel along its western boundary.

The existing plant connects with the Sweetwater Authority's water supply system through a 4-inch-diameter onsite pipe. Project water uses would include turbine washes and process makeup, site landscape irrigation, and domestic and sanitary uses. The existing pipeline extends south from Main Street within an existing utility easement that runs in the access lane and connects the parcel with Main Street immediately to the east. The applicant has stated that reclaimed water is not currently available in or near this location.

The CVEUP would also use the existing project's 8-inch-diameter sanitary wastewater pipeline that currently serves the project site located within a sanitary sewer easement that runs along the western boundary of the property.

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications for construction and operation of thermal electric power plants, 50 MW and greater, proposed for construction in California. The Energy Commission's facility certification process carefully examines public health and safety, environmental impacts and engineering aspects of proposed power plants, and all related facilities such as electric transmission lines and natural gas and water pipelines. The Energy Commission is the lead agency under the California Environmental Quality Act (CEQA), and produces several environmental and decision documents rather than an Environmental Impact Report.

The Energy Commission conducted a publicly noticed workshop in Chula Vista to discuss the PSA on May 12, 2008. Based on the workshop, written comments received on the PSA, and additional information that will be gathered, the Energy Commission staff will revise the PSA and issue a Final Staff Assessment. The public and local, state and federal agencies are encouraged to participate. Written comments should be provided to Christopher Meyer, Project Manager, by June 13, 2008, at 1516 Ninth Street, Sacramento, CA 95814-5512 or by email to [cmeyer@energy.state.ca.us](mailto:cmeyer@energy.state.ca.us). The Energy Commission will provide a separate notice of evidentiary hearings, which are expected to be held in July of 2008.

If you desire information on participating in the Energy Commission's review of the project, please contact the Energy Commission Public Adviser's Office, at (916) 654-4489 toll free in California at (800) 822-6228, or by email at: [pao@energy.state.ca.us](mailto:pao@energy.state.ca.us). Technical or project schedule questions should be directed to Christopher Meyer, Energy Commission Project Manager, at (916) 653-1639, or by email at: [cmeyer@energy.state.ca.us](mailto:cmeyer@energy.state.ca.us). If you need reasonable accommodation in terms of American Disabilities Act assistance or for language translation, please contact Lourdes Quiroz of the Administrative Services Division at (916) 654-5146, or e-mail Lourdes at [lquiroz@energy.state.ca.us](mailto:lquiroz@energy.state.ca.us). The status of the project, copies of notices, and other relevant documents are also available on the

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Energy Commission's Internet web site at:  
<http://www.energy.ca.gov/sitingcases/chulavista>. News media inquiries should be directed to the Energy Commission's Media and Public Communications Office at (916) 654-4989 or email [mediaoffice@energy.state.ca.us](mailto:mediaoffice@energy.state.ca.us).

**Note: Please retain this letter behind the front cover of the PSA. Thank You.**