CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET SACRAMENTO, CA 95814-5112 DOCKET 07-AFC-6 DATE AUG 1 1 2008 RECD AUG 1 1 2008

August 11, 2008

TO: AGENCY DISTRIBUTION LIST

REQUEST FOR AGENCY PARTICIPATION IN THE REVIEW OF THE CARLSBAD ENERGY CENTER PROJECT, APPLICATION FOR CERTIFICATION (07-AFC-6) – SUPPLEMENTAL INFORMATION

On August 1, 2008, the California Energy Commission received a Supplement to the Carlsbad Energy Center Project (CECP), Application for Certification (AFC). The Supplement describes several changes to the proposed project, including switching the facility's water source (from Title 22 reclaimed water from the Encina Waste Water Authority) by constructing a new on-site desalination system, separate and apart from the Poseidon Facility that will be built adjacent to the CECP. The AFC and the AFC Supplement are available for public review through a number of means detailed below.

Background

On September 14, 2007, Carlsbad Energy Center, LLC, (applicant) submitted an AFC to the Energy Commission to develop a thermal power plant at the existing Encina Power Station in the city of Carlsbad, California. The proposed project, a nominal 540 MW combined-cycle generating facility would be built at the existing Encina Power Station (EPS) on 23-acres where three unused fuel oil tanks currently reside. This tank farm would be demolished and removed, and the soil upon which the tanks currently reside would be remediated, as appropriate. The EPS has been in operation and periodically expanded since the early 1950s. The CECP would connect to the adjacent existing San Diego Gas & Electric (SDG&E) Encina 138-kilovolt (kV) Substation and to a proposed new SDG&E Encina East 230-kV Substation via an onsite transmission interconnection comprised of an overhead line and underground cable to the proposed new 230-kV substation. Natural gas would be provided through a new 1,100 footlong interconnection to an existing Southern California Gas Company high pressure natural gas line located adjacent to the CECP site.

Energy Commission's Facility Certification Process

The CECP is under the Energy Commission's jurisdiction. The Energy Commission is responsible for reviewing and ultimately approving or denying all applications to construct and operate thermal electric power plants, 50 MW and greater, 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), but it produces several environmental and decision documents rather than an Environmental Impact Report.

PROOF OF SERVICE (REVISED 7 31) FILED WITH ORIGINAL MAILED FROM SACRAMENTO ON 8 11 08

Energy Commission staff is currently preparing a Preliminary Staff Assessment (PSA) on the proposed project, which we anticipate publishing in early September. After a public comment period and public workshop on the PSA, staff will release its Final Staff Assessment (FSA), which will serve as testimony in evidentiary hearings. A committee of two Commissioners will conduct hearings based on this testimony and then prepare a proposed decision for review and comment and then final consideration by the entire five-member Energy Commission. The Energy Commission will issue notices for these workshops, hearings and all public meetings at least 10 days prior to the event.

Agency Participation

Your agency's participation in the proceeding has been welcomed and appreciated. While not every agency has chosen to submit comments on this particular project, we especially encourage agencies concerned with water and soil resources, biological resources, waste management, and transmission system engineering to review the enclosed copy of the AFC Supplement (CD). We would appreciate receiving your comments on the Supplement by August 28, 2008.

If you would like to receive a hard copy of the AFC Supplement, please contact Mineka Foggie at 916-653-1608, or by e-mail at mfoggie@energy.state.ca.us. If you have questions, or if you would like additional information on local agency reimbursement or on how to participate in the Energy Commission's review of the project, please contact Project Manager Mike Monasmith at (916) 654-4894, or by email at mmonasmi@energy.state.ca.us.

The status of the project, copies of notices, electronic version of the AFC, the AFC Supplement and other relevant documents are also available on the Energy Commission's web site at www.energy.ca.go/sitingcases/carlsbad. You can also receive direct email notification(s) of all project-related activities or reports by subscribing to the Energy Commission's Listserve on our web site at: http://www.energy.ca.gov/listservers/index.html.

Sincerely,

Eric Knight, Office Manager Siting and Docket Office

Enclosure



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA 1516 NINTH STREET, SACRAMENTO, CA 95814 1-800-822-6228 – www.energy.ca.gov

APPLICATION FOR CERTIFICATION
FOR THE CARLSBAD ENERGY CENTER
PROJECT

Docket No. 07-AFC-6 PROOF OF SERVICE (Revised 7/31/2008)

INSTRUCTIONS: All parties shall 1) send an original signed document plus 12 copies <u>OR</u> 2) mail one original signed copy AND e-mail the document to the web address below, AND 3) all parties shall also send a printed <u>OR</u> electronic copy of the documents that <u>shall include a proof of service declaration</u> to each of the individuals on the proof of service:

CALIFORNIA ENERGY COMMISSION Attn: Docket No. 07-AFC-6 1516 Ninth Street, MS-15 Sacramento, CA 95814-5512 docket@energy.state.ca.us

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DECLARATION OF SERVICE

I, <u>Mineka Foggie</u>, declare that on <u>August 11, 2008</u>, I deposited copies of the attached <u>Request for Agency Participation in the Review of the CarlsBad AFC- Supplemental Infomation</u>, in the United States mail at <u>Sacramento</u> with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

OR

Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the Proof of Service list above.

I declare under penalty of perjury that the foregoing is true and correct.

Original Signature in Dockets