



Theroux Environmental

October 31, 2008

California Energy Commission
Dockets Office, MS – 4
Re: **Docket # 08-GHG OII-1**
1516 9th Street
Sacramento, CA 95814-5512

DOCKET	
08-GHGOII-1	
DATE	OCT 31 2008
RECD.	OCT 31 2008

Comments to:

Committee Workshop on Greenhouse Gas Emission Impacts of Power Plants

The California Energy Commission (CEC) has initiated an informational investigation of Greenhouse Gas (GHG) emission impacts associated with thermal power plants generating 50 megawatts of electricity (MWe) or above, within the agency's Siting Committee licensing purview. The CEC is the Lead Agency for California Environmental Quality Act (CEQA) compliance in such review; the agency's internal assessment process is considered "CEQA equivalent".

The Governor's Office of Planning & Research (OPR) has asked that the CEC consider measures for GHG impact analyses and mitigation, in the interim prior to OPR's own sweeping revisions of CEQA to incorporate GHG assessment (due January 1, 2010). We are pleased to offer the following comments as stakeholders in the above docket, following the first CEC workshop on October 28, 2008.

OPR issued a Technical Advisory (TA) guiding the agencies during this interim period¹. This in part suggests that a programmatic approach is most appropriate for planning and impact mitigation, given the global nature of climate change associated with GHG emission impacts. By integrating GHG emissions assessment and mitigation in regional planning, the TA suggests that the cumulative impacts upon the climate might be best anticipated and mitigated below significance.

The nature of energy generation (electric and thermal power) is changing: in addition to large-scale power plants generating 50 MWe or more, smaller distributed power generation complements are being designed as inter-grid facilities. Regional planning can now include these integrated energy and resource management options. The sum total energy generation potential may exceed the 50 MWe permitting threshold, yet the existing licensing criteria maintains an inconvenient scale-related fire-wall between coordination of state and regional energy and resource planning, siting, licensing, and impact assessment and mitigation.

¹ <http://opr.ca.gov/index.php?a=ceqa/index.html>.

When a large municipality's regional planning processes seek to fully integrate energy and resource management, the electric component alone may be anticipated to exceed the CEC's minimum-generation licensing threshold. The electric generation component can best be optimized when scaled to fit within existing communities, and envisioned as "smart grids" and similar highly-integrated networks of facilities. That integration process would greatly benefit from CEC oversight, particularly when approaching GHG impacts via complex and rigorous Life Cycle Assessment (LCA).

Although the CEC primarily attends to licensing of single sites generating over 50 MWe, there are precedents where related yet disparate facilities have been considered one "project" under CEQA, and managed under one licensing action. An integrated energy and resource management plan that incorporates multi-facility development could be considered under the auspices of a Programmatic Environmental Impact Report (PEIR), and thus be seen as one CEQA project. We would ask that the CEC consider the relationship of the current power plant impact assessment and licensing process, to the new paradigm of community-scale energy and resource management facility development.

The CEC's current implementation of regulatory licensing purview may not easily encompass an integrated network of multi-site power generation. Perhaps some amalgam of state and municipal oversight would be most effective, in bringing a streamlined CEQA process to bear upon integrated energy and resource planning and regional management. Yet we offer that this level of regional energy and resource planning is an excellent and current example of what OPR has identified as "programmatic GHG impact modeling and mitigation". As such, the current docket could provide a platform for serious examination and discussion.

Please call me at (530) 823-7300 if you have any questions.

Sincerely,

Theroux Environmental



Michael Theroux
Principal

***Transmitted via email to dockets@energy.state.ca.us
One paper copy filed via standard mail***

cc (via email only):

Doug Ito, ARB

**Coby Skye, Los Angeles County Integrated Waste Management Task Force,
Alternative Technology Assessment Subcommittee**