

CALIFORNIA ENERGY COMMISSION1516 Ninth Street
Sacramento, California 95814Main website: www.energy.ca.gov

In the matter of:)	Docket No. 08-GHG OII-1
)	09-IEP-1P
Requirements Relating to Greenhouse Gas)	
Emission Impacts of Power Plants)	NOTICE OF JOINT
Preparation of the 2009 <i>Integrated Energy</i>)	COMMITTEE WORKSHOP
<i>Policy Report (2009 IEPR)</i>)	

Committee Workshop on the *Framework for Evaluating Greenhouse Gas Implications of Natural Gas-Fired Power Plants in California*

The Siting Committee and the Integrated Energy Policy Report (IEPR) Committee will hold a joint public workshop to present the recently-released MRW & Associates Consultant Report: *Framework for Evaluating Greenhouse Gas Implications of Natural Gas-Fired Power Plants in California* (Framework Report)

[www.energy.ca.gov/2009publications/CEC-700-2009-009/CEC-700-2009-009.PDF], and to take comments and discuss its potential use in the Energy Commission's siting program and its environmental review of new power plants. Commissioner Jeffrey D. Byron is the Presiding Member of the IEPR and the Siting committees. Vice Chair James D. Boyd is the Associate Member of the IEPR Committee. Chairman Karen Douglas is the Associate Member of the Siting Committee.

TUESDAY, JUNE 23, 2009
9 a.m.
CALIFORNIA ENERGY COMMISSION
1516 Ninth Street
Sacramento, California
First Floor, Hearing Room A
(Wheelchair Accessible)

09-IEP-1P**DOCKET****08-GHG OII-1**

DATE _____

RECD. JUN 10 2009

Remote Attendance

Presentations and audio from the meeting will be broadcast via our WebEx web conferencing system. For details on how to participate via WebEx, please see the "Participation through WebEx" section at the end of this notice.

Purpose

The workshop will cover: (1) presentation of the MRW Framework Report; and (2) discussion of comments on the report's contents and conclusions, and staff's proposed questions regarding the report (see attached).

It is anticipated that the MRW report could be used by the Energy Commission to inform its work related to greenhouse gas emissions for siting individual power plants and contribute to the development of the Energy Commission's *2009 Integrated Energy Policy Report*.

Background

The MRW report was initiated under the Greenhouse Gas Order Instituting Investigation Proceeding and the workshops held in late October and November 2008. The June 23, 2009 Joint IEP and Siting Committee workshop responds to the October 8, 2008 Commission Order Instituting Informational Proceeding on Methods for Satisfaction of California Environmental Quality Act Requirements Relating to Greenhouse Gas Emission Impacts of Power Plants (Order No. 08-1008-11).

Written Comments

Written comments must be submitted by 5 p.m. on June 30, 2009. Please include the docket number 09-IEP-1P and 08-GHG OII-1 and indicate **Greenhouse Gas Emission Impacts of Power Plants** in the subject line or first paragraph of your comments. Please hand deliver or mail an original copy to:

California Energy Commission
Dockets Office, MS-4
Re: Docket No. **09-IEP-1P** and **08-GHG OII-1**
1516 Ninth Street
Sacramento, CA 95814-5512

The Energy Commission encourages written comments by e-mail. Please include your name or organization in the name of the file. Those submitting comments by e-mail should provide them in either Microsoft Word format or as a Portable Document File (PDF) to [docket@energy.state.ca.us]. **One paper copy** must also be sent to the Energy Commission's Dockets Office at the above address.

Participants may also provide an original and ten copies at the beginning of the workshop. All written materials relating to this workshop will be filed with the Dockets Office and become part of the public record in this proceeding.

Public Participation

The Energy Commission's Public Adviser's Office provides the public assistance in participating in Energy Commission activities. If you want information on how to participate in this forum, please contact the Public Adviser, Elena M. Miller, at

(916) 654-4489 or toll free at (800) 822-6228, by FAX at (916) 654-4493, or by e-mail at [PublicAdviser@energy.state.ca.us]. If you have a disability and require assistance to participate, please contact Lou Quiroz at (916) 654-5146 at least five days in advance.

Please direct all news media inquiries to the Media and Public Communications Office, at (916) 654-4989, or by e-mail at [mediaoffice@energy.state.ca.us]. If you have questions on the technical subject matter of this forum, please call Paul Richins at (916) 654-4074, or by e-mail at [prichins@energy.state.ca.us]. For general questions regarding the IEPR proceeding, please contact Lynette Esternon Green, IEPR project manager, by phone at (916) 653-2728 or by e-mail at [lesterno@energy.state.ca.us].

The service list for the 2009 IEPR is handled electronically. Notices and documents for this proceeding are posted to the Energy Commission website at [www.energy.ca.gov/2009_energypolicy/index.html]. When new information is posted, an e-mail will be sent to those on the energy policy e-mail list server. We encourage those who are interested in receiving these notices to sign up for the list server through the website [www.energy.ca.gov/listservers/index.html].

Participation through WebEx, the Energy Commission's on-line meeting service

Computer Log on with a Direct Phone Number:

- Please go to [<https://energy.webex.com>] and enter the unique meeting number: **922 616 054**.
- When prompted, enter your information and the following meeting password: **GHGFrame123!** (Please note, password is case sensitive.)
- After you log in, a prompt will appear on-screen for you to provide your phone number. In the Number box, type your area code and phone number and click OK to receive a call back on your phone for the audio of the meeting. International callers can use the "Country/Region" button to help make their connection.

Computer Log on for Callers with an Extension Phone Number, etc.:

- Please go to [<https://energy.webex.com>] and enter the unique meeting number: **922 616 054**.
- When prompted, enter your information and the following meeting password: **GHGFrame123!** (Please note, password is case sensitive.)
- After you log in, a prompt will ask for your phone number. CLICK CANCEL.
- Instead call 1-866-469-3239 (toll-free in the U.S. and Canada). When prompted, enter the meeting number above and your unique Attendee ID number which is

listed in the top left area of your screen after you login. International callers can dial in using the "Show all global call-in numbers" link (also in the top left area).

Telephone Only (No Computer Access):

Call 1-866-469-3239 (toll-free in the U.S. and Canada) and when prompted enter the unique meeting number above. International callers can select their number from [<https://energy.webex.com/energy/globalcallin.php>].

If you have difficulty joining the meeting, please call the WebEx Technical Support number at 1-866-229-3239. Please be aware that the meeting's WebEx audio and on-screen activity may be recorded.

JEFFREY D. BYRON
Commissioner and Presiding Member
Integrated Energy Policy Report Committee
Siting Committee

JAMES D. BOYD
Vice Chair and Associate Member
Integrated Energy Policy Report Committee

KAREN DOUGLAS
Chairman and Associate Member
Siting Committee

Attachment

Mail Lists: GHG Oil #7048, Siting, Energy Policy, Climate Change, Energy Commission Business Meetings, GHG Impacts

Note: California Energy Commission's formal name is State Energy Resources Conservation and Development Commission.

ATTACHMENT
QUESTIONS TO GUIDE DISCUSSION AND COMMENT
JUNE 23, 2009

JOINT SITING AND IEPR COMMITTEE WORKSHOP ON GHG

Questions for discussion and comment on Consultant Report to the Energy Commission: *Framework for Evaluating Greenhouse Gas Implications of Natural Gas-Fired Power Plants in California* (GHG Framework Report).

1. Chapter 7 of the GHG Framework Report identifies five roles new gas-fired power plants may fill given the state's current environmental and energy goals. Three of these are related to local reliability or operating characteristics needed by the electric system in increasing amounts as greater levels of reliance upon renewable generation takes place.
 - a) Do the system operators agree that these are roles that gas-fired power plants will fill in the near and medium term?
 - b) Are there other roles that are not described in Chapter 7 that should be added?
 - c) Should standardized definitions of plant attributes be developed? What agency or source should be relied upon for determining standardized definitions? Chapter 7 provides definitions that are drawn for CAISO's tariff. Are these definitions sufficient?
 - d) What is the relative importance of the five roles?
2. Are there characteristics of plants using fuels other than natural gas (e.g. biomass) that should be considered in terms of their impact on GHG emissions?
3. Do the Policy-Driven Futures identified in Chapter 6 of the GHG Framework Report adequately describe the likely range of resource development trajectories over the next 12 years, and if so do they correctly capture the GHG emission implications of those futures?
4. Are the identified Policy-Driven Futures an appropriate range of possible future alternatives?
5. The GHG Framework Report suggests extensive modeling would be necessary to understand precisely how the net GHG emissions of the electric system would change under various specified future conditions. However, the report authors expect that net GHG emissions will decline under the following futures:
 - a) The addition of new gas-fired power plants to the extent necessary to permit the penetration of renewable generation to the 33 percent target.
 - b) The addition of new gas-fired power plants improving the overall efficiency of the electric system.

- c) The addition of a new gas-fired power plant or modernization/repowering of existing capacity serving load growth or capacity needs more efficiently than the existing fleet.

Is this a reasonable conclusion?

6. Assuming that the roles identified in Chapter 7 of the GHG Framework Report are valid, how are utilities and others responsible for long-term resource additions going to assure that generating resources with such qualities are developed?
7. How has the CPUC directed IOUs to evaluate the GHG emissions of power plant contracts in its LTPP decisions, or through other means, in constructing RFOs or in evaluating bids submitted into RFOs?
8. To what extent are expected GHG emissions taken in account in procurement or project development processes?
 - a) From the project developer perspective?
 - b) From the IOU perspective, following CPUC procurement guidance?
 - c) From the POU perspective, satisfying its own GHG emission policies or applicable mandates from the State of California?
 - d) From the electric service provider perspective?
9. The GHG Framework Report suggests that the role of a power plant applying for a license at the Energy Commission be considered in assessing its likely GHG emissions, but how the expected role(s) that might be played by a given power plant with a specified technology would be determined is unclear:
 - a) What evidence should be presented in an individual power plant licensing case to confirm that a proposed power plant intends, or can be expected, to fulfill one or more roles?
 - b) To what extent would long-term contract(s) with load serving entities help to establish that a power plant is intended to play one or more roles?
 - c) Assuming typical long-term contracts between merchant power plants and investor-owned utilities extend 10 years, how would one or more roles be identified for the proposed power plant after an initial contract was completed?
10. From a GHG emissions perspective, the GHG Framework Report appears to reinforce the Energy Commission Siting Committee report (CEC-700-2009-004, March 2009) that power plants should be examined as elements of the overall electricity system and not as stand-alone facilities that can be examined separately.
 - a) Does the CAISO interconnection process for major projects also analyze a specific facility in the context of its impact on the system?

- b) Do the procurement rules established by the CPUC for IOUs in determining “net short” positions forward in time examine specific project output in the context of a portfolio of project satisfying total requirements?
- c) How do specific contracts submitted for approval by the CPUC satisfy overall IOU resource needs to serve end-user energy demand reliably?