STATE OF CALIFORNIA

Energy Resources Conservation and Development Commission

DOCKET 09-AFC-8

DATEN JUN 18 2010 RECD. JUN 18 2010

In the Matter of:

APPLICATION FOR CERTIFICATION FOR THE GENESIS SOLAR ENERGY PROJECT DOCKET NO. 09-AFC-8

ADDENDUM TO THE CENTER FOR BIOLOGICAL DIVERSITY'S

OPENING TESTIMONY, EXHIBIT LIST, EXHIBITS, AND PROOF OF SERVICE

June 18, 2010

Lisa T. Belenky, Senior Attorney Center for Biological Diversity 351 California St., Suite 600 San Francisco, CA 94104 Direct: 415-632-5307

Fax: 415-436-9683

<u>lbelenky@biologicaldiversity.org</u>

Ileene Anderson Public Lands Desert Director Center for Biological Diversity PMB 447, 8033 Sunset Boulevard Los Angeles, CA 90046 (323) 654-5943

ianderson@biologicaldiversity.org

INTRODUCTION

Our original opening testimony, exhibit list, exhibits and proof of service referenced testimony by Bill Powers, P.E., regarding Alternatives, Declaration, Resume. However, Mr. Powers' Testimony, Declaration and Resume was not included. We provide his Testimony, Declaration and Resume in this Addendum.

TESTIMONY SUBMITTED

1. Testimony of Bill Powers, P.E., Regarding Alternatives, Declaration, Resume

Respectfully submitted,

Date: June 18, 2010

Ileene Anderson Public Lands Desert Director Center for Biological Diversity PMB 447, 8033 Sunset Boulevard Los Angeles, CA 90046 (323) 654-5943

Slu 7 ancu

ianderson@biologicaldiversity.org

Lisa T. Belenky, Senior Attorney Center for Biological Diversity 351 California St., Suite 600 San Francisco, CA 94104 Direct: 415-632-5307

Fax: 415-436-9683 lbelenky@biologicaldiversity.org

STATE OF CALIFORNIA

Energy Resources Conservation and Development Commission

In the Matter of:

APPLICATION FOR CERTIFICATION FOR THE GENESIS SOLAR ENERGY PROJECT DOCKET NO. 09-AFC-8

THE CENTER FOR BIOLOGICAL DIVERSITY OPENING TESTIMONY TESTIMONY OF BILL POWERS, P.E.

June 18, 2010

Lisa T. Belenky, Senior Attorney Center for Biological Diversity 351 California St., Suite 600 San Francisco, CA 94104 Direct: 415-632-5307

Fax: 415-436-9683 lbelenky@biologicaldiversity.org

Ileene Anderson Public Lands Desert Director Center for Biological Diversity PMB 447, 8033 Sunset Boulevard Los Angeles, CA 90046 (323) 654-5943

ianderson@biologicaldiversity.org

I. Introduction

My testimony addresses: 1) the inadequate analysis of the distributed photovoltaic (PV) alternative to the proposed Genesis Solar Energy Project (GSEP) in the Revised Staff Analysis (RSA), and 2) the proposed Westlands Water District Competitive Renewable Energy Zone, located on retired farmland in the Central Valley and served by 5,000 MW of existing transmission capacity, as a superior alternative location for central station solar projects like GSEP.

I am a registered professional mechanical engineer in California with over 25 years of experience in the energy and environmental fields. I have permitted five 50 MW peaking turbine installations in California, as well as numerous gas turbine, microturbine, and engine cogeneration plants around the state. I organized conferences on permitting gas turbine power plants (2001) and dry cooling systems for power plants (2002) as chair of the San Diego Chapter of the Air & Waste Management Association. I am the author of the October 2007 strategic energy plan for the San Diego region titled "San Diego Smart Energy 2020." The plan uses the state's Energy Action Plan as the framework for accelerated introduction of local renewable and cogeneration distributed resources to reduce greenhouse gas emissions from power generation in the San Diego region by 50 percent by 2020. I am the author of several 2009 articles in Natural Gas & Electricity Journal on use of large-scale distributed solar PV in urban areas as a cost-effective substitute for new gas turbine peaking capacity.

II. Rooftop PV Is at the Top of the Energy Action Plan Loading Order

The RSA states, in discussing the conservation and demand-side management alternative to GSEP, that cost-effective energy efficiency is the resource of first choice in meeting California's energy needs (p. B.2-84):

"Conservation and demand-side management consist of a variety of approaches to reduce of electricity use, including energy efficiency and conservation, building and appliance standards, and load management and fuel substitution. In 2005 the Energy Commission and CPUC's Energy Action Plan II declared cost effective energy efficiency as the resource of first choice for meeting California's energy needs."

The CEC and the CPUC developed the "Energy Action Plan" in 2003 to guide strategic energy decisionmaking in California. The Energy Action Plan establishes the energy resource "loading order," or priority list that defines how California's energy needs are to be met. Energy Action Plan I was published in May 2003. Energy Action Plan I describes the loading order in the following manner (p. 4):

"The Action Plan envisions a "loading order" of energy resources that will guide decisions made by the agencies jointly and singly. First, the agencies want to optimize all strategies for increasing conservation and energy efficiency to minimize increases in electricity and natural gas demand. Second, recognizing that new generation is both necessary and desirable, the agencies would like to see these needs met first by renewable energy resources and distributed generation. Third, because the preferred resources require both sufficient investment and adequate

¹ Energy Action Plan I: http://www.energy.ca.gov/energy_action_plan/2003-05-08_ACTION_PLAN.PDF

1

time to "get to scale," the agencies also will support additional clean, fossil fuel, central-station generation. Simultaneously, the agencies intend to improve the bulk electricity transmission grid and distribution facility infrastructure to support growing demand centers and the interconnection of new generation."

Energy Action Plan I, Under "Optimize Energy Conservation and Resource Efficiency," states (p. 5):

"Incorporate distributed generation or renewable technologies into energy efficiency standards for new building construction."

Energy Action Plan I identifies rooftop PV as a de facto energy efficiency measure with this statement. As noted in the GSEP RSA (p. B.2-84), energy efficiency is at the top of the loading order. Energy Action Plan I also states, Under "Promote Customer and Utility-Owned Distributed Generation," (p. 7):

"Distributed generation is an important local resource that can enhance reliability and provide high quality power, without compromising environmental quality. The state is promoting and encouraging clean and renewable customer and utility owned distributed generation as a key component of its energy system. Clean distributed generation should enhance the state's environmental goals. This determined and aggressive commitment to efficient, clean and renewable energy resources will provide vision and leadership to others seeking to enhance environmental quality and moderate energy sector impacts on climate change. Such resources, by their characteristics, are virtually guaranteed to serve California load. With proper inducements distributed generation will become economic.

- Promote clean, small generation resources located at load centers.
- Determine system benefits of distributed generation and related costs.
- Develop standards so that renewable distributed generation may participate in the Renewable Portfolio Standard program."

Energy Action Plan I prioritizes rooftop PV as the preferable renewable resource, but indicates obliquely that it is costly and that in any case distributed PV is not eligible to participate in the Renewable Portfolio Standard (RPS) program. Therefore investor-owned utilities have no incentive to develop distributed PV resources. Since Energy Action Plan I was approved in 2003, PV cost has dropped dramatically. Commercial distributed PV is half the cost it was in 2003 and costs continue to drop. Residential PV is following quickly behind. Distributed PV is also now eligible for the RPS program.²

Energy Action Plan II was adopted in September 2005.³ The purpose of Energy Action Plan II is stated as (p. 1): "EAP II is intended to look forward to the actions needed in California over the next few years, and to refine and strengthen the foundation prepared by EAP I." Energy Action Plan II reaffirms the loading order stating (p. 2):

"EAP II continues the strong support for the loading order – endorsed by Governor

² CPUC Press Release – Docket A.08-03-015, *CPUC Approves Edison Solar Roof Program*, June 18, 2009. "The energy generated from the project will be used to serve Edison's retail customers and the output from these facilities will be counted towards Edison's RPS goals."

³ Energy Action Plan II: http://www.energy.ca.gov/energy_action_plan/2005-09-21_EAP2_FINAL.PDF

Schwarzenegger – that describes the priority sequence for actions to address increasing energy needs. The loading order identifies energy efficiency and demand response as the State's preferred means of meeting growing energy needs. After cost-effective efficiency and demand response, we rely on renewable sources of power and distributed generation, such as combined heat and power applications. To the extent efficiency, demand response, renewable resources, and distributed generation are unable to satisfy increasing energy and capacity needs, we support clean and efficient fossil-fired generation."

The CEC's 2009 Integrated Energy Policy Report (IEPR) – Final Committee Report (December 2009), underscores the integration of building PV as a critical component of "net zero" energy use targets for new residential and commercial construction, under the heading "Energy Efficiency and the Environment," explaining:⁴

"With the focus on reducing GHG emissions in the electricity sector, energy efficiency takes center stage as a zero emissions strategy. One of the primary strategies to reduce GHG emissions through energy efficiency is the concept of zero net energy buildings. In the 2007 IEPR, the Energy Commission recommended increasing the efficiency standards for buildings so that, when combined with on-site generation, newly constructed buildings could be zero net energy by 2020 for residences and by 2030 for commercial buildings.

A zero net energy building merges highly energy efficient building construction and state-of-the-art appliances and lighting systems to reduce a building's load and peak requirements and includes on-site renewable energy such as solar PV to meet remaining energy needs. The result is a grid-connected building that draws energy from, and feeds surplus energy to, the grid. The goal is for the building to use net zero energy over the year."

The GSEP RSA acknowledges the state's commitment to net zero residential and commercial buildings, stating (RSA, p. B.2-84):

"The CPUC, with support from the Governor's Office, the Energy Commission, and the California Air Resources Board, among others, adopted the California Long-Term Energy Efficiency Strategy Plan for 2009 to 2020 in September 2008 (CPUC 2008). The plan is a framework for all sectors in California including industry, agriculture, large and small businesses, and households. Major goals of the plan include:

- All new residential construction will be zero net energy by 2020;
- All new commercial construction will be zero net energy by 2030;
- Heating, ventilation, and air conditioning industries will be re-shaped to deliver maximum performance systems;
- Eligible low-income customers will be able to participate in the Low Income Energy Efficiency program and will be provided with cost-effective energy efficiency measures in their residences by 2020."

The RSA is flawed in its failure to identify rooftop PV as a higher priority in the Energy Action Plan loading order, and California's long-term energy efficiency strategy plan, than utility-scale remote solar resources like GSEP. Rooftop (or parking lot) distributed PV is an integral component of the long-term energy efficiency strategy plan adopted by the CPUC in 2008.

3

⁴ CEC, 2009 Integrated Energy Policy Report (IEPR) – Final Committee Report, December 2009, p. 56.

Energy Action Plan II declares cost-effective energy efficiency as the resource of first choice for meeting California's energy needs. The CEC rejection of distributed PV as a superior alternative to the proposed GSEP solar thermal projects ignores the integral role of distributed PV in the CEC's own definition of energy efficiency and net zero buildings in the 2009 IEPR.

III. RSA Rationale for Eliminating Rooftop PV is Flawed

The RSA correctly describes that a distributed rooftop PV alternative has essentially no environmental impact, stating (p. B.2-68):

- Distributed solar PV is assumed to be located on already existing structures or disturbed areas so little to no new ground disturbance would be required and there would be few associated biological impacts.
- Relatively minimal maintenance and washing of the solar panels would be required.
- Because most PV panels are black to absorb sun, rather than mirrored to reflect it, glare would be minimal relative to reflective technologies (like GSEP)
- Additionally, the distributed solar PV alternative would not require the additional operational components, such as dry-cooling towers, substations, transmission interconnection, maintenance and operation facilities with corresponding visual impacts.

The RSA then eliminates distributed PV, citing a number of reasons why achieving 250 MW of distributed PV is not a feasible substitute for GSEP (RSA, p. B.2-69):

- Would require accelerated deployment of distributed PV at more than double the historic rate of deployment under the California Solar Initiative.
- Would require lower PV cost distributed PV is higher cost than central station solar thermal.
- Integrating large amounts of distributed PV on distribution systems throughout California presents challenges will require development of a new transparent distribution planning framework.

Each of these justifications for elimination of distributed PV is flawed, as explained in the following paragraphs.

A. Distributed PV Is Already Being Deployed at a Much Faster Rate in California than Central Station Solar Thermal

The RSA notes that more than 540 MW of distributed PV was in operation in California through May 2009, and that the PV installation rate doubled between 2008 and 2007. California has approximately 360 MW of installed solar thermal capacity as of June 2010. With the exception of the 5 MW eSolar power tower demonstration project that came online in 2009 (p. B.2-68), all of this solar thermal capacity was installed between 1984 and 1990.⁵

4

⁵ CEC, Large Solar Energy Projects webpage: http://www.energy.ca.gov/siting/solar/index.html

The RSA correctly describes that both SCE and PG&E, the two largest investor-owned utilities (IOU) in California, are constructing large distributed PV projects (p. B.2-67). SDG&E has a much smaller distributed PV project in development. The 500 MW SCE urban PV project was approved by the CPUC in June 2009. The 500 MW PG&E distributed PV project was approved by the CPUC in April 2010. These projects are RPS-eligible and will consist of a 250 MW IOU-owned component and a 250 MW third-party component. The power purchase agreement (PPA) between GSEP and SDG&E is same type of contract mechanism that will be used by SCE and PG&E to contract for the 250 MW third-party component of their respective distributed PV projects.

Progress in distributed PV installation rates under the California Solar Initiative (CSI) program provides no insight into the ability of the solar industry to carry-out multiple large-scale distributed PV projects simultaneously, in the range of 250 to 500 MW each, in California. The CSI program is not the vehicle that will be used to build these projects. These projects will be built under long-term PPAs between the distributed PV project developer and a utility within the framework of the RPS program.

An example is the PPA between PG&E and Sempra Generation for 10 MW of fixed thin-film PV in Nevada. Sempra Resources is the holding company that owns both Sempra Generation and SDG&E. The PG&E/Sempra PPA is a technology-differentiated renewable energy contract at a price incrementally higher than the market price referent (MPR) to assure that the project developer, Sempra Generation, makes a reasonable return on its investment. The contract is in effect the equivalent of a technology differentiated feed-in tariff for solar power. No incentives beyond the federal investment tax credit and accelerated depreciation available to any solar energy project were necessary. No incentives beyond those already available would be necessary to build 250 MW of distributed PV under a long-term PPA to substitute for GSEP.

Sempra Generation touts the cost of power generated by its 10 MW PV installation in Nevada as "the lowest cost solar energy in the world." The company specifically mentions solar thermal projects like GSEP as producing higher-cost solar energy and being commercially unproven, stating:⁸

"Sempra has also evaluated solar thermal power technologies, which use a field of mirrors to concentrate the sunlight to produce heat for electricity generation. The company has found that using solar panels is the cheaper option, (CEO) Allman said. He noted that some of the solar thermal power technologies, such as the use of a central tower for harvesting the heat and generating steam, have yet to be proven commercially."

SCE has a similar RPS-eligible PPA with NRG for the output of a 21 MW fixed thin-film PV array in Blythe, California. This project began operation in December.

_

⁶ CPUC Resolution E-4240, *Approval of a power purchase agreement (PPA) for generation from a new solar photovoltaic facility between PG&E and El Dorado Energy*, LLC (Sempra Generation), May 18, 2009.

⁷ GreenTech Media, *Sempra Wants 300 MW Plus of Solar in Arizona*, April 22, 2009. "The electricity we are getting out of the 10-megawatt is the lowest cost solar energy ever generated from anywhere in the world." (CEO Michael Allman).

⁸ Ibid.

⁹ First Solar press release, First Solar Sells California Solar Power Project to NRG, November 23, 2009.

B. IOUs and California's Energy Policy Makers Acknowledge the Obvious Benefits of Large-Scale Distributed PV Projects as a Direct Complement/Substitute for Remote Central Station Renewable Energy and Associated Transmission

SCE expressed confidence in its March 2008 application to the CPUC for a 250 to 500 MW urban PV project that it can absorb thousands of MW of distributed PV without additional distribution substation infrastructure, stating "SCE's Solar PV Program is targeted at the vast untapped resource of commercial and industrial rooftop space in SCE's service territory" and "SCE has identified numerous potential (rooftop) leasing partners whose portfolios contain several times the amount of roof space needed for even the 500 MW program." 11

SCE stated it has the ability to balance loads at the distribution substation level to avoid having to add additional distribution infrastructure to handle this large influx of distributed PV power. SCE explains:

"SCE can coordinate the Solar PV Program with customer demand shifting using existing SCE demand reduction programs on the same circuit. This will create more fully utilized distribution circuit assets. Without such coordination, much more distribution equipment may be needed to increase solar PV deployment. SCE is uniquely situated to combine solar PV Program generation, customer demand programs, and advanced distribution circuit design and operation into one unified system. This is more cost-effective than separate and uncoordinated deployment of each element on separate circuits." ¹³

SCE also notes that it will be able to remotely control the output from individual PV arrays to prevent overloading distribution substations or affecting grid reliability:¹⁴

"The inverter can be configured with custom software to be remotely controlled. This would allow SCE to change the system output based on circuit loads or weather conditions."

As SCE states, "Because these installations will interconnect at the distribution level, they can be brought on line relatively quickly without the need to plan, permit, and construct the transmission lines." This statement was repeated and expanded in the CPUC's June 18, 2009 press release regarding its approval of the 500 MW SCE urban PV project: 16

Added Commissioner John A. Bohn, author of the decision, "This decision is a major step forward in diversifying the mix of renewable resources in California and spurring the development of a new market niche for large scale rooftop solar applications. Unlike other generation resources, these projects can get built quickly and without the need for expensive new transmission lines. And since they are built on existing structures, these projects are extremely benign from an environmental standpoint, with neither land use, water, or air emission impacts. By authorizing both utility-owned and private development of these projects we hope to get the best from both types of ownership structures, promoting competition as well as fostering the rapid development of this nascent market."

6

¹⁰ SCE Application A.08-03-015, Solar Photovoltaic (PV) Program Application, March 27, 2008, p. 6.

¹¹ SCE Application A.08-03-015, Solar Photovoltaic (PV) Program Testimony, March 27, 2008, p. 44.

¹² SCE Application A.08-03-015, *Solar Photovoltaic (PV) Program Application*, March 27, 2008, pp. 8-9. ¹³ Ibid, p. 9.

¹⁴ SCE Application A.08-03-015, *Solar Photovoltaic (PV) Program Testimony*, March 27, 2008, p. 27.

¹⁵ Ibid, p. 6.

¹⁶ CPUC Press Release – Docket A.08-03-015, CPUC Approves Edison Solar Roof Program, June 18, 2009.

The CPUC made a similar observation with its approval of the PG&E 500 MW distributed PV project in April 2010:¹⁷

"This solar development program has many benefits and can help the state meet its aggressive renewable power goals," said CPUC President Michael R. Peevey. "Smaller scale projects can avoid many of the pitfalls that have plagued larger renewable projects in California, including permitting and transmission challenges. Because of this, programs targeting these resources can serve as a valuable complement to the existing Renewables Portfolio Standard program."

The use of the term "smaller scale" in the CPUC press release is a misnomer. Clearly a 500 MW distributed PV project is larger-scale than the 250 MW GSEP solar thermal project. Individual rooftop PV arrays in a large distributed PV project are functionally equivalent to single rows of reflective mirrors in a solar thermal project. Each rooftop or row is a small contributor to a much bigger whole.

C. IOUs Need Only Provide a Basic Level of Existing Information on Individual IOU Substation Capacities to PV Developers to Interconnect Over 13,000 MW of Distributed PV with Minimal Interconnection Cost

The CPUC has also calculated, for the entire inventory of approximately 1,700 existing IOU substations, the amount of distributed PV that could be accommodated with minimal interconnection cost based on the following reasoning:¹⁸

"Rule 21 specifies maximum generator size relative to the peak load on the load at the point of interconnection at 15%. So, for example, if a generator is interconnected on the low side of a distribution substation bank with a peak load of 20 MW, the maximum Rule 21 interconnection criteria would allow a 3 MW system (3 MW = 15% * 20 MW).

However, the 15% criterion, which is established for all generators regardless of type, was adjusted to 30% for the purposes of determining the technical potential of PV. The 15% limit is established at a level where it is unlikely the generator would have a greater output than the load at the line segment, even in the lowest load hours in the off-peak hours and seasons (such as the middle of the night and in the spring). Since the peak output for photovoltaics is during the middle of the day, PV is unlikely to have any output when loads are lowest. Therefore, a 30% criterion was used for technical interconnection potential estimates. The discussion was held with utility distribution engineers, however, we did not consider formal engineering studies or Rule 21 committee deliberation since the purpose of the analysis was only to define potential."

As a component of the DG FIT development process, the CPUC requested data on peak loads at all IOU substations from the IOUs and compiled that information graphically as shown in Figure

Commission Consideration of a Feed-In Tariff, *Attachment A - Energy Division FIT Staff Proposal*, March 27, 2009, p. 15.

7

 ¹⁷ CPUC Press Release – Docket A.09-02-019, CPUC Approves Solar PV Program for PG&E, April 22, 2010.
 18 CPUC Rulemaking R.08-08-009 – California RPS Program, Administrative Law Judge's Ruling on Additional

1. According to the CPUC, this data was obtained from IOU distribution engineers. ¹⁹ I calculate that approximately 13,300 MW of PV can be connected directly to IOU substation load banks based on the data in Figure 1. The supporting calculations for this estimate are provided in Table 1.

The IOUs provide about two-thirds of electric power supplied in California, with publicly-owned utilities like the Los Angeles Department of Water & Power and the Sacramento Municipal Utility District and others providing the rest. Assuming the substation capacity pattern in Figure 1 is also representative of the non-IOU substations, the total California-wide PV that could be interconnected at substation low-side load banks with no substantive substation upgrades would be [13,300/(2/3)] = 19,950 MW.

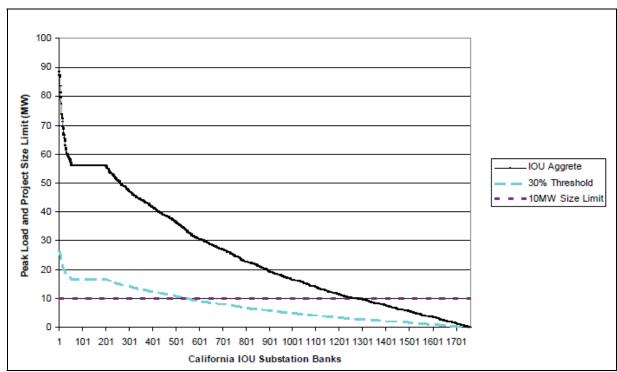


Figure 1. IOU Substation peak loads, 30% of peak load, and 10 MW reference line

²⁰ CEC, 2007 Integrated Energy Policy Report, December 2007, Figure 1-11, p. 27.

¹⁹ CPUC Rulemaking R.08-08-009 – California RPS Program, Administrative Law Judge's Ruling on Additional Commission Consideration of a Feed-In Tariff, *Attachment A - Energy Division FIT Staff Proposal*, March 27, 2009, pp. 15-16.

Table 1. Calculation of distributed PV interconnection capacity to existing IOU substations with minimal interconnection cost from data in Figure 1

Substation	Number of	Calculation of distributed PV that could be	Total distributed
range	substations	interconnected with minimal substation	PV potential
		upgrades (MW)	(MW)
1-200	200	average peak \sim 60 MW x 0.30 = 18 MW	3,600
201-500	300	average peak \sim 45 MW x 0.30 = 13.5 MW	4,000
501-800	300	average peak \sim 30 MW x 0.30 = 9 MW	2,700
801-1,000	200	average peak \sim 20 MW x 0.30 = 6 MW	1,200
1,001-1,600	600	average peak \sim 10 MW x 0.30 = 3 MW	1,800
		Distributed PV total:	13,300

In sum, approximately 20,000 MW of distributed PV interconnection capacity is available now in California that would require little or no substation upgrading to accommodate the PV.

D. Cost to Upgrade Existing Distribution Substations and Associated Distribution Feeders to Maximize Distributed PV Deployment is Minimal

An upgrade at the substation would be necessary to accommodate the higher power flows in cases where distributed PV, concentrated on clusters of large rooftops, could provide up to 100 percent of a single substation's peak load. A typical 12 kV/69 kV substation can be upgraded to allow two-way (bidirectional) power flows for up to 100 MW of interconnected distributed PV. SDG&E estimates the cost to build a new 12 kV/69 kV substation is \$25 million.²¹

The upgrades necessary to allow problem-free bidirectional power flow across an existing substation is far less than the cost of a new substation. The upgrade would consist of retrofitting substation metering and protective equipment from one-way power flow to bidirectional power flow. The cost of such an upgrade for a typical 100 MW distribution substation would be approximately \$500,000.²² This is well under 1 percent of the gross capital cost of 100 MW of state-of-the-art PV at 2010 prices.

Even the cost of a new 100 MW distribution substation, at \$25 million, is less than 10 percent of the gross capital cost of 100 MW of state-of-the-art PV at 2010 prices. The substation upgrade cost would be relatively minor compared to the gross capital cost of 100 MW of PV arrays, and would not present a substantive financial hurdle to developing a 100 MW distributed PV resource concentrated in an area served by a single existing substation.

The 2007 IEPR makes clear that incorporating bidirectional capability into distribution substation is a commonsense need in a smart grid environment where higher-and-higher levels of distributed generation are encouraged and expected:²³

²² E-mail from M. Martyak, PowerSecure (www.powersecure.com), to B. Powers, Powers Engineering, January 13, 2010. Approximate cost to upgrade older 100 MW distribution substation to full bidirectional flow, assuming four 25 MW load banks with four circuit breakers each (16 total), would be \$400,000 to \$450,000. ²³ CEC, 2007 Integrated Energy Policy Report, December 2007, pp. 155-156.

"Utilities spend approximately three-fourths of their total capital budgets on distribution assets, with about two-thirds spent on upgrades and new infrastructure in most years. These investments will remain for 20 to 30 or more years. As utilities throughout the state plan to build new distribution assets and replace old assets, the magnitude of these investments suggests that the state must understand what it is investing in and whether these investments will result in a distribution system that will serve customers in the future. Planning for investment in these assets should include requiring utilities, before undertaking investments in non-advanced grid technologies, to demonstrate that alternative investments in advanced grid technologies that will support grid flexibility have been considered, including from a standpoint of cost effectiveness."

The CPUC assumes that larger PV arrays will be connected directly to the substation low-side (12 kV) load bank. SDG&E estimated that the cost of a 10 MW feeder is \$0.6 million per mile.²⁴ The cost of a 3-mile long dedicated feeder from multiple rooftop PV arrays with a combined capacity of 10 MW to the low-side bus of the substation would be less than \$2 million based on SDG&E's cost estimate.

The current capital cost for state-of-the-art commercial rooftop PV is approximately \$3,700/kW_{ac}. The gross capital cost of 10 MW of rooftop PV at current prices would be $3,700/kW \times (1,000 \text{ kW/MW}) \times 10 \text{ MW} = 37 \text{ million}$. The cost to construct a dedicated feeder to interconnect 10 MW of rooftop PV would be approximately 5 percent of the gross project capital cost. This is a relatively minor cost and represents no financial impediment to developing urban rooftop PV resources.

E. There Is No Security Justification for IOU's Withholding Information on Substation Capacities and Locations from Private PV Developers, and No **Economic or Technical Justification for Failure to Incorporate Smart Grid** Features in New and Upgraded Distribution Substations

The RSA notes that accommodating large quantities of distributed generation PV located at customer sites efficiently and cost-effectively will require the development of a new, transparent distribution planning framework (p. B.2-70). Transparent distribution planning by the IOUs is a reasonable expectation. Lack of transparent distribution planning is not a credible justification by an IOU or the CEC to reject distributed PV as a substitute for GSEP.

The CEC is already on record advocating that IOUs must incorporate smart grid elements. including bidirectional power flow, into new and upgraded distribution substations.²⁵ It would likely come as a surprise to most California ratepayers that it is not already standard practice for California IOUs to incorporate bidirectional power flow capability into any new distribution substation or major upgrade of an existing substation. As noted, approximately 20,000 MW of distributed PV can flow into California distribution substations without retrofitting these substations for bidirectional power flow. The lack of bidirectional power flow capability on

²⁴ Application No. 06-08-010, Matter of the Application of San DiegoGas & Electric Company (U-902-E) for a Certificate of Public Convenience and Necessity for the Sunrise Powerlink Transmission Project, Chapter 5: Prepared Rebuttal Testimony of SDG&E in Response to Phase 2 Testimony of Powers Engineering, March 28, 2008, p. 5.20.
²⁵ CEC, 2007 Integrated Energy Policy Report, December 2007, pp. 155-156.

California distribution substations is not a short- or mid-term impediment to maximizing distributed PV deployment.

However, at some point over the operational lifetime of a new or upgraded distribution substation it is prudent to assume that failure to equip the substation to accommodate bidirectional power flow will act as an artificial brake on the quantity of distributed PV the substation can accept. Equipping a distribution substation for bidirectional power flow is not expensive, costing in the range of \$500,000 for a typical 100 MW distribution substation. Failure of IOUs to incorporate smart grid features as standard elements in new and upgraded distribution substations is not a credible justification by an IOU or the CEC to reject distributed PV as a substitute for GSEP.

The rationale put forth for restricting information to private distributed PV project developers includes "Providing details on distribution system could compromise homeland security" and "Information on peak loads and system configuration may be considered commercially sensitive." There is no sound basis for these two justifications.

In the first instance, climate change is seen as a major threat to national security by the U.S. defense establishment.²⁷ Withholding information that would allow rapid progress on addressing climate change on homeland security grounds is contrary to the national security interest. Secondly, all IOU expenditures are passed on to customers. The withholding of information on peak loads and system configuration by the IOU to protect unsubstantiated commercial sensitivity concerns, to the extent it prevents the rapid deployment of competitively-bid distributed PV in urban centers at or near the point-of-use, would have a potentially substantial negative impact on ratepayers and slow progress on addressing climate change.

Much of the necessary information is already in the public domain in some form and should be compiled and made available to distributed PV developers in a transparent and efficient format. For example, the CPUC already has the data on IOU substation interconnection limitations as shown in Figure 1. Another example is information on the location of IOU substations. Maps showing the location of all IOU substations are readily available for purchase from the CEC Cartography Unit.

The province of Ontario (Canada) makes publicly-available information on substation location and available capacity to facilitate the development of distributed PV in the province.²⁸ This same information protocol should be followed by California IOUs.

Finally, SCE must provide this type of information to third-party PV developers for the 250 MW private PV developer set-aside component of its 500 MW urban PV project approved by the CPUC in June 2009.

11

²⁶ E3 and Black & Veatch, *Straw proposal of solution to address short-term problem of information gap*, presentation at CPUC Re-DEC Working Group Meeting, December 9, 2009, p. 9. Online at: http://www.cpuc.ca.gov/PUC/energy/Renewables/Re-DEC.htm

²⁷ New York Times, *Climate Change Seen as Threat to U.S. Security*, August 9, 2009.

²⁸ E3 and Black & Veatch, *Straw proposal of solution to address short-term problem of information gap*, presentation at CPUC Re-DEC Working Group Meeting, December 9, 2009, p. 8.

F. There is Sufficient Existing Large Commercial Roof Space in PG&E and SCE Territories to Build at Least Thirty GSEP Plants

The 2009 IEPR Final Committee Report recognizes the huge technical potential of rooftop distributed PV to meet California's renewable energy targets, stating:²⁹

"Recent studies indicate substantial technical potential for distribution-level generation resources located at or near load. A 2007 estimate from the Energy Commission suggests that there is roof space for over 60,000 MW of PV capacity, although the study did not factor in roof space that is shaded or being used for another purpose."

60,000 MW is approximately the peak summertime load for all of California, and 250 times the 250 MW capacity of GSEP. It is important to note that the 2009 IEPR document is incorrect in asserting the 2007 rooftop PV estimate did not factor in roof shading or other limitations. The 60,000 MW estimate assumes only 24 percent of the rooftop of a typical tilt-roof residential rooftop is available for PV, and only 60 to 65 percent of flat-roof commercial rooftops are available for PV. The rationale for these estimates is explained in the 2007 (Navigant) estimate.³⁰

The 60,000 MW rooftop PV estimate by Navigant does not account for any of the distributed PV described in the Renewable Energy Transmission Initiative (RETI) process. RETI is California's ongoing renewable energy transmission siting process. RETI evaluated a distributed PV alternative that would produce 27,500 MWac from 20 MW increments of ground-mounted PV arrays at 1,375 non-urban substations around the state. This is similar to the approach that PG&E is following. Constructing distributed PV arrays around substations is the primary focus of PG&E's 500 MW distributed PV project. The state of the distributed PV arrays around substations is the primary focus of PG&E's 500 MW distributed PV project.

Black & Veatch is the engineering contractor preparing the RETI reports. Energy & Environmental Economics, Inc. (E3) is the engineering contractor that prepared the June 2009 CPUC preliminary analysis of the cost to reach 33 percent renewable energy by 2020. These two firms now lead the CPUC's renewable distributed generation ("Re-DEC") working group process. The presentation of E3 and Black & Veatch at the December 9, 2009 initial meeting of the Re-DEC Working Group included an estimate of over 8,000 MWac of large commercial roof space in SCE and PG&E service territories in close proximity to existing distribution substations.³³

Black & Veatch used GIS to identify large roofs in California and count available large roof area. The criteria used to select rooftops included:

- Urban areas with little available land
- Flat roofs larger than $\sim 1/3$ acre
- Assume 65 percent usable space on roof

²⁹ CEC, 2009 Integrated Energy Policy Report (IEPR) – Final Committee Report, December 2009, p. 193.

³⁰ See: http://www.energy.ca.gov/2007publications/CEC-500-2007-048/CEC-500-2007-048.PDF

³¹ Renewable Energy Transmission Initiative, RETI Phase 1B Final Report, January 2009, p. 6-25.

³² PG&E Application A.09-02-019, *Application of Pacific Gas and Electric Company to Implement Its Photovoltaic Program*, February 24, 2009.

³³ E3 and Black & Veatch, *Summary of PV Potential Assessment in RETI and the 33% Implementation Analysis*, presentation at Re-DEC Working Group Meeting, December 9, 2009, p. 24. Online at: http://www.cpuc.ca.gov/PUC/energy/Renewables/Re-DEC.htm

• Within 3 miles of distribution substation

The Black & Veatch estimate for PG&E territory is 2,922 MWac. The estimate for SCE territory is 5,243 MWac. This is a combined rooftop PV capacity of over 8,000 MWac. The combined large commercial rooftop capacity is more than 30 times the 250 MW capacity of GSEP.

Large commercial rooftop PV capacity is a subset of the universe of all commercial rooftop capacity, which includes medium and small commercial rooftops as well. A 2004 Navigant study prepared for the Energy Foundation estimated the 2010 commercial rooftop PV capacity in California at approximately 37,000 MWdc.³⁴ There is a tremendous amount of commercial roof space available for PV.

G. There is Sufficient Existing Commercial Roof Space in SDG&E Territory to Build at Least Six GSEP Plants

The RSA states that the output from GSEP will be sold to SDG&E under a long-term power purchase agreement if the project is built (p. B.2-41). SDG&E was co-author of a 2005 renewable energy potential assessment for San Diego County that includes a detailed inventory of rooftop PV potential. The core of this inventory is an estimate of 769 MWac of commercial building PV potential in the City of San Diego based direct quantification of available roofspace on 15,157 commercial buildings using GIS analysis. This inventory was extrapolated to other cities in San Diego County, based on population, to calculate an estimated County-wide commercial building PV potential of 1,624 MWac in 2010. The analysis assumed a very conservative dc-to-ac conversion factor of 0.67. Use of a more realistic 0.80 dc-to-ac conversion factor results in a San Diego County adjusted 2010 commercial rooftop PV potential of 1,624 MWac \times (0.80/0.67) = 1,939 MWac.

Commercial building rooftops are classified as Category 1 and Category 2 in the 2005 rooftop inventory. Category 1 means 80 percent or more of the rooftop is available for PV. See photographs of Category 1 and Category 2 commercial rooftops in Figure 2. Approximately eighty (80) percent of the commercial building PV potential in San Diego County is classified as Category 1. This means there is over 1,500 MWac of PV potential on Category 1 commercial rooftops in San Diego County, sufficient for the equivalent capacity of six 250 MW GSEP projects.

³⁴ Navigant, *PV Grid Connected Market Potential under a Cost Breakthrough Scenario*, prepared for The Energy Foundation, September 2004, p. 83. California commercial rooftop PV potential estimated at approximately 37,000 MWp.

³⁵ San Diego Regional Renewable Energy Study Group, *Potential for Renewable Energy in the San Diego Region*, Chapter 2: Solar Photovoltaic Electric, August 2005.

³⁶ Ibid, Table 2-9, p. 11.

Figure 2. Aerial photos of Category 1 and 2 commercial rooftops



H. RSA Uses Outdated PV Cost Assumption to Erroneously Assert GSEP is Lower Cost than Equivalent Distributed PV Capacity

There is no justification for the RSA using an obsolete cost assumption to eliminate large-scale distributed PV as an alternative to the GSEP. The RSA relies on the June 2009 CPUC 33% Renewables Portfolio Standard Implementation Analysis Preliminary Results assertion that the cost of a high distributed PV case is significantly higher than the other 33 percent RPS alternative cases (p. B2-69). The 33 percent reference case includes 10,000 MW of remote central station solar plants like GSEP. The assertion that the high distributed generation case is significantly higher cost than the reference case was incorrect in June 2009 and is definitively obsolete in June 2010.

The CPUC erroneously assumed a distributed PV cost of over \$7/Wac in its June 2009 analysis. However, the CPUC also analyzed a sensitivity case with the capital cost of fixed thin-film PV at \$3.70/Wac. The CPUC determined that at \$3.70/Wac, the cost of the 33 percent standard remote case and the high DG alternative are similar. RETI has confirmed that the PV pricing cited by the CPUC in its sensitivity analysis is commercially available and not a projection, stating, "Thin film solar PV was previously treated as a sensitivity study, but due to falling costs and the increased prevalence of thin film, it is now being considered as one of the available commercial technologies in addition to tracking crystalline PV." 37

Accurate PV pricing data has been available from the SCE urban solar PV application for over two years. SCE provided an installed cost of \$3.50/Wdc (~\$4/Wac) in its March 2008 application to the CPUC to build a 250 MW urban PV project. RETI states that the commercially

³⁷ RETI, *Phase 2B Final Report*, May 2010, p. 4-6.

available thin-film PV has a capital cost range of \$3.60 to \$4/Wac, and commercially available single-axis tracking polysilicon PV has a cost range of \$4 to \$5/Wac.³⁸

These PV costs compare to a capital cost range for solar thermal, assumed to be dry-cooled, of \$5.35 to \$5.55/Wac. RETI indicates the capacity factor for thin-film PV is essentially the same as for dry-cooled solar thermal (assuming the same location). The capacity factor for single-axis tracking polysilicon PV is significantly better than that of dry-cooled solar thermal (assuming the same location). Operations and maintenance cost for either fixed thin-film PV or single-axis tracking polysilicon PV is lower than for dry-cooled solar thermal. This RETI data is summarized in Table 2 below.

Table 2. RETI capital cost, capacity factor, and O&M cost – dry-cooled solar thermal, fixed thin-film PV, and single-axis tracking polysilicon PV

Solar Technology	Capital Cost	Capacity Factor	O&M Cost
	(\$/kWac)	(%)	(\$/MWh)
Dry-cooled solar thermal	5,350 – 5,550	20 – 28	30
Fixed thin-film PV	3,600 – 4,000	20 - 27	20 - 27
Single-axis tracking	4,000 - 5,000	23 - 31	17 - 25
polysilicon PV	·		

The RSA comment on the capacity factors of solar thermal and rooftop PV is out-of-date (p. B.2-67): "The Renewable Energy Transmission Initiative (RETI) assumed a capacity factor of approximately 30 percent for solar thermal technologies and tracking solar PV and approximately 20 percent capacity factor for rooftop solar PV which is assumed to be non-tracking, for viable solar generation project locations (B&V 2008; CEC 2009)." As shown in Table 2, the RETI capacity factors of solar thermal and fixed (rooftop) solar PV are essentially the same assuming the same location.

The effect of the values in Table 2 on the levelized cost-of-energy (COE) for dry-cooled solar thermal, fixed thin-film PV, and single-axis tracking polysilicon PV is shown in Table 3.³⁹ The average levelized COE for either fixed thin-film PV or single-axis tracking polysilicon PV is significantly lower than the levelized COE of dry-cooled solar thermal plants.

Table 3. RETI cost-of energy (COE) comparison - dry-cooled solar thermal, fixed thin-film PV, and single-axis tracking polysilicon PV

Solar Technology	Levelized COE (\$/MWh)
Dry-cooled solar thermal	\$195 – 226 (mean: \$210)
Fixed thin-film PV	\$135 – 214 (mean: \$175)
Single-axis tracking polysilicon PV	\$138 – 206 (mean: \$172)

The CPUC determined that there would be little difference in the cost of meeting state renewable energy targets by relying predominantly on distributed PV, when current state-of-the-art pricing is assumed, instead of building 10,000 MW of remote solar capacity under the 33 percent RPS

-

³⁸ Ibid, Tables 4-5, 4-7, 4-8, pp. 4-6 and 4-7.

³⁹ Ibid, Figure 4-1, p. 4-8.

reference case. 40 This conclusion was reached despite a number of controversial cost assumptions by the CPUC that favored the 33 percent RPS reference case. 41 An additional controversial assumption is the low assumed cost of new transmission to realize the 33 percent reference case. The CPUC assumed the total cost of new transmission would be \$12 billion. The current estimate is over \$27 billion. 42 When current projections regarding the cost of new transmission and associated upgrades are used, the high distributed generation alternative is more cost-effective than the 33 percent reference case.

The RETI capital cost values for PV assume 20 MW systems located at distribution substations. However, even the cost of individual commercial rooftop PV installations is now lower than the RETI cost of \$5.35 to \$5.55/Wac for dry-cooled solar thermal plants.

The May 2010 DOE Solar Vision Study (draft) projection of current commercial rooftop PV capital cost is provided in Figure 3.43 These capital cost values are provided in Wdc. As shown in Figure 2, the current capital cost of commercial rooftop polysilicon PV (multi Si and mono Si) is approximately \$4/Wdc. RETI identifies the range of dc-to-ac conversion factors of 0.77 to 0.85. 44 Using an average dc-to-ac conversion factor of 0.80, the capital cost of commercial rooftop polysilicon PV is approximately $4/\text{Wdc} \div 0.80 = 5/\text{Wac}$. This is incrementally less than the \$5.35 to \$5.55/Wac capital cost of dry-cooled solar thermal, and the commercial rooftop PV array could be as little as $1/1.000^{th}$ the size of the solar thermal plant. The most common form of thin-film PV, CdTe (cadmium-telluride), is lower in cost than polysilicon PV at approximately \$3.60/Wdc. This converts to $3.60/Wdc \div 0.80 = 4.50/Wac$.

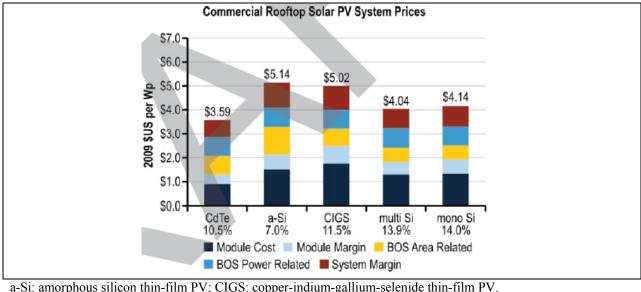


Figure 3. Cost of commercial rooftop PV identified by DOE

⁴⁰ CPUC, 33% Renewables Portfolio Standard Implementation Analysis Preliminary Results, June 2009, p. 31.

⁴¹ RightCycle Inc. comment letter, working group member response to June 2009 33% Renewables Portfolio Standard Implementation Analysis Preliminary Results, in response to CPUC request for comments, August 28, 2009.

⁴² J. Firooz, P.E., CAISO: How Its Transmission Planning Process has Lost Sight of the Public's Interest, April 2010, Table 2, p. 10. Total new transmission and upgrades necessary to realize 33 percent RPS reference case as of September 2009 - \$27.544 billion.

⁴³ DOE, DOE Solar Vision Study – DRAFT, May 28, 2010, Chapter 4, Figure 4-4, p. 7.

⁴⁴ RETI, *Phase 1A Final Report*, August 2008, Appendix B, p. 5-5.

I. Market Price Referent with Adjustment for On-Peak Power Output Benefit of Distributed PV would be Sufficient Price to Assure Rapid Construction of 250 MW Distributed PV Alternative to GSEP

The MPR that renewable energy projects are currently compared to, the cost of power generation from a hypothetical new natural gas-fired baseload power plant, is \$0.12126/kWh. Solar PV produces a substantial amount of output during on-peak summer demand periods. The electric power tariff during summer on-peak periods is much higher than the average tariff over the course of a year. For example, SCE's tariff pays 3.13 times the base MPR for deliveries during the summer on-peak period. SCE has determined that the adjusted MPR for a distributed PV system is 1.39 times the MPR for a baseload plant. Multiplying the \$0.12126/kWh MPR by 1.39 gives an adjusted MPR of \$0.169/kWh. This price alone, based on my experience with the current pricing of distributed PV PPAs, may be a sufficient price signal for private developers to rapidly develop large-scale distributed PV in SCE and PG&E service territories.

However, the transmission & distribution benefits of distributed PV are real and have been quantified. The estimated value range of the transmission and distribution benefits of distributed PV include \$0.058/kWh in SDG&E territory and \$0.023 to \$0.037/kWh in SCE territory. The transmission & distribution benefits of distributed PV in PG&E territory vary widely. Some examples in PG&E territory include Fresno at \$0.026/kWh and Stockton at \$0.039/kWh. These estimates were developed using the E3 model for calculating transmission & distribution benefits. 49

An MPR-adjusted price of \$0.169/kWh, plus an average transmission & distribution benefit of approximately \$0.030/kWh, is equivalent to an overall value to the IOU of approximately \$0.20/kWh. Any price paid for distributed PV by an IOU below this price threshold should result in a net benefit to all of the IOU's ratepayers. A distributed PV price in the range \$0.20/kWh would be more than sufficient to create a dynamic market for third party development of large-scale distributed PV in California urban areas.

J. Rooftop Commercial PV is More Space Efficient than GSEP and has None of the Environmental Impacts of GSEP

The RSA states, without citation: "However, based on SCE's use of 600,000-square-feet for 2 MW(ac) of energy, 75 million square feet (approximately 1,750 acres) would be required for 250 MW" (p. B2-67). SCE states in its March 2008 solar PV program testimony that 125,000 square feet of polysilicon panels are required to generate 1 MWdc. ⁵⁰ This converts to about 150,000

17

⁴⁵ CPUC Resolution E-4214, 2008 Market Price Referent values for use in the 2008 Renewable Portfolio Standard solicitations, December 18, 2008. MPR, 2012 operational date, 20-yr PPA: \$0.12126/kWh.

⁴⁶ SCE Application A.08-03-015, *Solar Photovoltaic (PV) Program Supplemental Rebuttal Testimony*, October 14, 2008, p. 3, footnote 2. "ToD (time of day) adjustment estimate calculated as weighted average of (512 summer – on hours at 3.13, 768 summer – mid at 1.35, and 2,189 winter – mid hours at 1.00) = 1.39."

⁴⁸ CPUC Rulemaking R.06-02-012, Develop Additional Methods to Implement California RPS Program, *Pre-Workshop Comments of GreenVolts, Cleantech America, and Community Environmental Council on the 2008 Market Price Referent*, March 6, 2008, p. 15.

⁴⁹ Ibid. p. 14.

⁵⁰ SCE Application A.08-03-015, Solar Photovoltaic (PV) Program Testimony, March 27, 2008, p. 32.

square feet per MWac, or approximately 3.5 acres per MWac.⁵¹ This is one-half the square-footage per MWac that the RSA erroneously attributes to SCE rooftop installations. SCE has signed contracts with SunPower and Trina Solar, both suppliers of polysilicon PV panels, to provide a combined total of 245 MW of the 250 MW of PV capacity that will be owned by SCE.^{52,53}

Rooftop PV is also approximately twice as space efficient as the GSEP project. The RSA states that 1,800 acres will be developed to produce 250 MWac (p. B1-2). This is more than 7 acres per MWac.

The predominant advantage of rooftop (or parking lot) PV is that it represents a compatible dual use of existing developed structures with no environmental impacts. As the RSA correctly notes, "Distributed solar PV is assumed to be located on already existing structures or disturbed areas so little to no new ground disturbance would be required and there would be few associated biological impacts" (p. B.2-68).

K. RSA Concerns about Sufficient PV Panel Manufacturing Capacity Are Baseless

The concerns expressed in the RSA regarding the availability of distributed solar PV are without foundation. The RSA states (p. B.2-70): "While it will very likely be possible to achieve 250 MW of distributed solar energy over the coming years, the very limited number of existing facilities make it difficult to conclude with confidence that it will happen within the timeframe required for the GSEP. As a result, this technology is eliminated from detailed analysis in this RSA." Over 21,000 MW of PV systems, most of them distributed PV systems, were operational worldwide by the end of 2009. More than 7,000 MW of PV was installed worldwide in 2009 alone. In contrast, only 127 MW of solar thermal plants were constructed in 2009.

Thin-film PV manufacturing capacity is projected to reach 7,400 MW per year in 2010.⁵⁷ First Solar alone manufactured and shipped more than 1,000 MW of thin-film panels in 2009.⁵⁸

Worldwide conventional polysilicon PV production capacity reached 13,300 MW a year in 2008.⁵⁹ It is projected to reach 20,000 MW a year in 2010. The 2010 projections were made just as the economic slump began in late 2008. It is likely there will be some scale-back on the 2010 capacity additions due to the state of the world economy. Nonetheless, there is a tremendous amount of available worldwide PV manufacturing capacity.

56 Ibid.

⁵⁷ Schreiber, D. - EuPD Research, *PV Thin-film Markets, Manufacturers, Margins*, presentation at 1st Thin-Film Summit, San Francisco, December 1-2, 2008.

⁵¹ There are 43,560 square feet per acre. Therefore, 150,000 square feet per MWac $\div 43,560$ square feet per acre = 3.44 acre/MWac.

⁵² SNL Financial, SoCalEd orders 200 MW of solar panels, plans solicitation for 250 MW more, March 10, 2010.

⁵³ SNL Financial, SoCalEd taps Trina Solar to supply 45 MW of PV modules, June 9, 2010.

⁵⁴ Worldwatch Institute, *Record Growth in Photovoltaic Capacity and Momentum Builds for Concentrating Solar Power*, June 3, 2010.

⁵⁵ Ibid.

⁵⁸ First Solar press release, *First Solar Becomes First PV Company to Produce 1GW in a Single Year*, December 15, 2009.

⁵⁹ Schreiber, D. - EuPD Research, *PV Thin-film Markets, Manufacturers, Margins*, presentation at 1st Thin-Film Summit, San Francisco, December 1-2, 2008.

PV panel manufacturing capacity has greatly expanded worldwide in the last 2 to 3 years. The current estimated oversupply of PV panel manufacturing capacity for 2010 is 8,000 MW.⁶⁰ As a result of this oversupply, the cost of conventional polysilicon PV panels has dropped precipitously and is approaching the cost of thin-film PV panels (see Figure 3).

The RSA states that California added 158 MW of distributed PV in 2008 (p. B.2-66). California is a relatively minor player on the world PV stage. Spain added approximately 2,500 MW of primarily distributed ground-mounted PV resources in 2008.⁶¹ Spain has a smaller economy than California. Germany, approximately the same size as California and with considerably lower solar intensity, added approximately 1,500 MW of distributed PV resources in 2008 and 3,800 MW in 2009.^{62,63} Germany had an installed PV capacity of nearly 9,000 MW at the end of 2009 and has set a target PV installation rate of 3,500 MW per year.⁶⁴ The RSA expresses concerns regarding the feasibility of California doubling its 158 MW per year (2008) distributed PV installation rate as a substitute for GSEP, stating (p. B.2-69): "This would require an even more aggressive deployment of PV at more than double the historic rate of solar PV implementation than the California Solar Initiative program currently employs." This doubling of distributed PV deployment is equivalent to going from 1/20th to 1/10th the current German distributed PV installation rate. The feasibility concern expressed in the RSA is unfounded in light of German success with a high rate of distributed PV deployment.

The high distributed PV alternative studied by the CPUC anticipates the installation of 15,000 MW of distributed PV by 2020.⁶⁵ RETI has gradually dropped the amount of new renewable energy resources needed to reach 33 percent by 2020, the "net short," from 74,650 gigawatthours (GWh) per year initially to a current "low load" net short of 36,926 MW.⁶⁶ The low load net short is one-half the net short used by the CPUC in June 2009 to estimate the cost of achieving 33 percent by 2020. 15,000 MW of distributed PV would provide about 30,000 GWh/yr.⁶⁷ 15,000 MW of distributed PV would provide over 80 percent of the low load net short of 36,926 MW.

California could easily install 15,000 MW of distributed PV by 2020 if it approached the annual distributed PV installation rates that have already been achieved in practice in Spain and Germany. Existing worldwide PV manufacturing capacity, either thin-film alone or thin-film and

_

⁶⁰ B. Murphy – Fulcrum Technologies, Inc., *The Power and Potential of CdTe (thin-film) PV*, presented at 2nd Thin-Film Summit, San Francisco, December 1-2, 2009.

⁶¹ PV Tech, Worldwide photovoltaics installations grew 110% in 2008, says Solarbuzz, March 16, 2009.

⁶² PV Tech, German market booming: Inverter and module supplies running out at Phoenix Solar, November 15, 2009.

⁶³ Worldwatch Institute, *Record Growth in Photovoltaic Capacity and Momentum Builds for Concentrating Solar Power*, June 3, 2010.

⁶⁴ Chadbourne & Parke Project Finance Newswire, Germany Cuts Solar Subsidy, April 2010.

⁶⁵ CPUC, 33% Renewables Portfolio Standard Implementation Analysis Preliminary Results, June 2009.

⁶⁶ RETI discussion draft, *RETI Net Short Update - Evaluating the Need for Expanded Electric Transmission Capacity for Renewable Energy*, February 22, 2010. Low load scenario, net short = 36,926 MW.

⁶⁷ The CPUC reference case assumes 3,235 MW of solar PV will generate 6,913 GWh per year under ideal Southern California desert solar insolation conditions. This is a production ratio of 2,137 GWh per MWac. However, solar insolation in the Central Valley and California urban areas will on average be approximately 10 less than ideal desert sites. For this reason a production ratio of 2,000 GWh per year per MWac is assumed for the Central Valley and urban areas.

conventional polysilicon, could readily supply a PV demand of 1,500 to 2,500 MW a year in California.

L. Slight Reduction in Output from Distributed PV in Los Angeles, Central Valley, or Bay Area Is Offset by Transmission Losses from GSEP to These Load Centers

The RSA implies that the superior solar intensity at the GSEP location in the Mojave Desert is a substantive reason for eliminating distributed PV from consideration, stating (p. B.2-67):

"The location of the distributed solar PV would impact the capacity factor of the distributed solar PV. Capacity factor depends on a number of factors including the insolation of the site. Because a distributed solar PV alternative would be located throughout the state of California, the insolation at some of these locations may be less than in the Mojave Desert."

The solar insolation at the GSEP site is about 10 to 15 percent better than the composite solar insolation for Los Angeles, the Central Valley, and Oakland. However, the CEC estimates average transmission losses in California at 7.5 percent and peak transmission losses at 14 percent. The incrementally better solar insolation at the GSEP site is almost completely negated by the losses incurred by transmitting GSEP solar power to California urban areas. In contrast, distributed PV has minimal losses between generation and user.

M. CEC Has Already Determined Distributed PV Can Compete Cost-Effectively with Other Forms of Generation

The CEC denied an application for a 100-megawatt natural-gas-fired gas turbine power plant, the Chula Vista Energy Upgrade Project (CVEUP), in June 2009 in part because rooftop solar PV could potentially achieve the same objectives for comparable cost.⁷¹

This June 2009 CEC decision implies that any future applications for gas-fired generation in California, or any other type of generation including remote central station renewable energy generation like GSEP that require public land and new transmission to reach demand centers, should be measured against using urban PV to meet the power need. The CEC's final decision in the CVEUP case stated:⁷²

"Photovoltaic arrays mounted on existing flat warehouse roofs or on top of vehicle shelters in parking lots do not consume any acreage. The warehouses and parking lots continue to perform those functions with the PV in place. (Ex. 616, p. 11.)...Mr. Powers (expert for intervenor) provided detailed analysis of the costs of such PV, concluding that there was little or no difference between the cost of energy provided by a project such as

⁶⁸ U.S. DOE, Stand-Alone Flat-plate Photovoltaic Systems: System Sizing and Life-Cycle Costing Methodology for Federal Agencies, 1984, Appendix, p. A-27.

⁶⁹ NREL, *Solar Radiation Data Manual for Flat-Plate and Concentrating Collectors*, California cities data: http://rredc.nrel.gov/solar/pubs/redbook/PDFs/CA.PDF

⁷⁰ E-mail communication between Don Kondoleon, manager - CEC Transmission Evaluation Program, and Bill Powers of Powers Engineering, January 30, 2008.

⁷¹ CEC, Chula Vista Energy Upgrade Project - Application for Certification (07-AFC-4) San Diego County, *Final Commission Decision*, June 2009.

⁷² Ibid, pp. 29-30.

the CVEUP (gas turbine peaking plant) compared with the cost of energy provided by PV. (Ex. 616, pp. 13 – 14.)....PV does provide power at a time when demand is likely to be high—on hot, sunny days. Mr. Powers acknowledged on cross-examination that the solar peak does not match the demand peak, but testified that storage technologies exist which could be used to manage this. The essential points in Mr. Powers' testimony about the costs and practicality of PV were uncontroverted."

The CEC concluded in the CVEUP final decision that PV arrays on rooftops and over parking lots may be a viable alternative to the gas turbine project proposed in that case, and that if the gas turbine project proponent opted to file a new application a much more detailed analysis of the PV alternative would be required.

IV. Locating GSEP in the Proposed Westlands Water District CREZ would Avoid Environmental Impacts at the GSEP Site

The Westlands Water District ("Westlands"), on the west side of the Central Valley, is undergoing study by RETI as a Competitive Renewable Energy Zone (CREZ) capable of providing 5,000 MW of utility-scale solar development. Westlands covers over 600,000 acres of farmland in western Fresno and Kings Counties. The proposed "Central California Renewable Master Plan" will utilize permanently retired farmlands in Westlands for solar development. An overview of this master plan is attached. As stated in the master plan overview, "Due to salinity contamination issues, a portion of this disturbed land has been set aside for retirement and will be taken out of production under an agreement between Westlands and the U.S. Department of Interior." Approximately 30,000 acres of disturbed Westlands land, equivalent to 5,000 MW of solar capacity, will be allocated for renewable energy development under the plan.

Transmission Pathway 15 passes through Westlands. Path 15 can transmit 5,400 MW from south-to-north.⁷³ The transmission capacity from north-to-south is 3,400 MW. The location of Westlands relative to Path 15 is shown in Figure 4.

-

⁷³ Transmission & Distribution World, California bulks up to provide more transmission capacity, June 1, 2004.

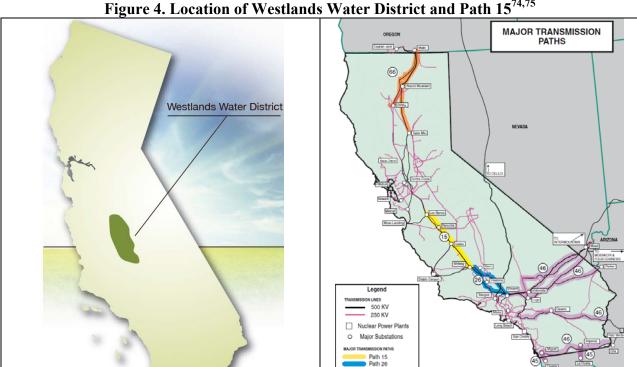


Figure 4. Location of Westlands Water District and Path 15^{74,75}

5,000 MW of solar power can be developed in Westlands with potentially no expansion of the existing Path 15 high voltage transmission capacity that serves Westlands now.

5,000 MW is half of the total remote in-state utility-scale solar contemplated in the June 2009 CPUC 33 percent reference case. ⁷⁶ The remote in-state solar component of the reference case consists of 3,235 MW central station PV and 6,764 MW central station solar thermal. The anticipated energy output of 5,000 MW of fixed PV in Westlands would be about 10,000 GWh/yr. ⁷⁷ This is approximately 30 percent of the RETI low load net short of 36,926 MW.

The RSA states that the Gabrych disturbed lands alternative near the GSEP site does not meet project objectives due to the inability to assure site control of multiple private parcels by the end of 2010 (p. B.2-53). Site control would not be an issue in the proposed Westlands CREZ. Westlands is actively marketing the 30,000-acre area for development of central station solar power plants. Development of solar projects on the Westlands property is intended (by Westlands) to serve as a source of income on land that has been permanently retired from agricultural production.

⁷⁴ Anthem Group press release, Central California Renewable Master Plan, March 2010.

⁷⁵ CEC, Strategic Transmission Investment Plan, November 2005, p. 11.

⁷⁶ CPUC, 33% RPS Implementation Analysis Preliminary Results, June 2009, Appendix C, p. 87. ⁷⁷ The CPUC reference case assumes 3,235 MW of solar PV will generate 6,913 GWh per year under ideal Southern California desert solar insolation conditions. This is a production ratio of 2,137 GWh per MWac. However, solar insolation in the Central Valley and California urban areas will on average be approximately 10 less than ideal desert sites. For this reason a production ratio of 2,000 GWh per year per MWac is assumed for the Central Valley and urban areas.

Prioritizing distributed PV projects, combined with the location of central station solar projects in Westlands, would allow California to achieve its 33 percent by 2020 renewable energy target with almost no environmental impacts related to the solar energy component of the renewable energy portfolio.

V. Conclusions

The RSA analysis of the distributed PV alternative to GSEP uses flawed logic and outdated data to improperly eliminate distributed PV as an alternative. In fact, distributed PV is a fully viable and cost-effective alternative that eliminates the environmental impacts that would be caused by the GSEP project. The RSA should have concluded that distributed PV is a superior alternative to the GSEP project.

Beyond the issue of distributed PV being a superior alternative to GSEP on cost and environmental grounds, there are lower-impact sites in California for central station solar projects like GSEP. The Westlands Water District is a low impact "shovel ready" alternative to the GSEP site for central station solar projects. Westlands requires no new high voltage transmission to move up to 5,000 MW of solar power to California load centers. This means solar projects located in Westlands will not face project delays due to lack of high voltage transmission capacity. The steadily declining renewable energy net short to achieve the 33 percent by 2020 target, now as low as 36,926 MW, means fewer renewable projects overall are necessary to meet the 33 percent target. The CEC should not approve solar projects with unmitigatable impacts like GSEP when 5,000 MW of otherwise unusable disturbed land with no environmental issues and 5,000 MW of high voltage transmission capacity sits idle.

Declaration of Bill Powers, P.E.

Re: Testimony on Alternatives to the Application for Certification for the Genesis Solar Energy Project

Docket No. 09-AFC-8

- I, Bill Powers, declare as follows:
- 1) I am a self-employed consulting engineer.
- 2) My relevant professional qualifications and experience are set forth in the attached resume and the attached testimony and are incorporated herein by reference.
- 3) I prepared the testimony attached hereto and incorporated herein by reference, relating to the distributed PV alternative to the project.
- 4) I prepared the testimony attached hereto and incorporated herein by reference relating to the proposed Genesis Solar Energy Project.
- 5) It is my professional opinion that the attached testimony is true and accurate with respect to the issues that it addresses.
- 6) I am personally familiar with the facts and conclusions described within the attached testimony and if called as a witness, I could testify competently thereto.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated:	JUNE 18, 2010	Signed: _	Bill Powers	P.E
At:	SAN DIEGO, CA		/	

BILL POWERS, P.E.

PROFESSIONAL HISTORY

Powers Engineering, San Diego, CA 1994-ENSR Consulting and Engineering, Camarillo, CA 1989-93 Naval Energy and Environmental Support Activity, Port Hueneme, CA 1982-87 U.S. Environmental Protection Agency, Research Triangle Park, NC 1980-81

EDUCATION

Master of Public Health – Environmental Sciences, University of North Carolina Bachelor of Science – Mechanical Engineering, Duke University

PROFESSIONAL AFFILIATIONS

Registered Professional Mechanical Engineer, California (Certificate M24518) American Society of Mechanical Engineers Air & Waste Management Association

TECHNICAL SPECIALTIES

Twenty-five years of experience in:

- San Diego and Baja California regional energy planning
- Power plant technology, emissions, and cooling system assessments
- Combustion and emissions control equipment permitting, testing, monitoring
- Oil and gas technology assessment and emissions evaluation
- Latin America environmental project experience

SAN DIEGO AND BAJA CALIFORNIA REGIONAL ENERGY PLANNING

San Diego Smart Energy 2020 Plan. Author of October 2007 "San Diego Smart Energy 2020," an energy plan that focuses on meeting the San Diego region's electric energy needs through accelerated integration of renewable and non-renewable distributed generation, in the form of combined heat and power (CHP) systems and solar photovoltaic (PV) systems. PV would meet approximately 28 percent of the San Diego region's electric energy demand in 2020. CHP systems would provide approximately 47 percent. Annual energy demand would drop 20 percent in 2020 relative to 2003 through use all cost-effective energy efficiency measures. This target is based on City of San Diego experience. San Diego has consistently achieved energy efficiency reductions of 20 percent on dozens of projects. Existing utility-scale gas-fired generation would continue to be utilized to provide power at night, during cloudy whether, and for grid reliability support.

Photovoltaic technology selection and siting for SDG&E Solar San Diego project. Served as PV technology expert in California Public Utilities Commission proceeding to define PV technology and sites to be used in San Diego Gas & Electric (SDG&E) \$250 million "Solar San Diego" project. Recommendations included: 1) prioritize use of roof-mounted thin-film PV arrays similar to the SCE urban PV program to maximize the installed PV capacity, 2) avoid tracking ground-mounted PV arrays due to high cost and relative lack of available land in the urban/suburban core, 3) and incorporate limited storage in fixed rooftop PV arrays to maximizing output during peak demand periods. Suitable land next to SDG&E substations capable of supporting 5 to 40 MW of PV (each) was also identified by Powers Engineering as a component of this project.

Photovoltaic arrays as alternative to natural gas-fired peaking gas turbines, Chula Vista. Served as PV technology expert in California Energy Commission (CEC) proceeding regarding the application of MMC Energy to build a 100 MW peaking gas turbine power plant in Chula Vista. Presented testimony that 100 MW of PV arrays in the Chula Vista area could provide the same level of electrical reliability on hot summer days as

Powers Engineering 1 of 14

an equivalent amount of peaking gas turbine capacity at approximately the same cost of energy. The preliminary decision issued by the presiding CEC commissioner in the case recommended denial of the application in part due to failure of the applicant or CEC staff to thoroughly evaluate the PV alternative to the proposed turbines. No final decision has yet been issued in the proceeding (as of May 2009).

San Diego Area Governments (SANDAG) Energy Working Group. Public interest representative on the SANDAG Energy Working Group (EWG). The EWG advises the Regional Planning Committee on issues related to the coordination and implementation of the Regional Energy Strategy 2030 adopted by the SANDAG Board of Directors in July 2003. The EWG consists of elected officials from the City of San Diego, County of San Diego and the four subareas of the region. In addition to elected officials, the EWG includes stakeholders representing business, energy, environment, economy, education, and consumer interests.

Development of San Diego Regional Energy Strategy 2030. Participant in the 18-month process in the 2002-2003 timeframe that led to the development of the San Diego Regional Energy Strategy 2030. This document was adopted by the SANDAG Board of Directors in July 2003 and defines strategic energy objectives for the San Diego region, including: 1) in-region power generation increase from 65% of peak demand in 2010 to 75% of peak demand in 2020, 2) 40% renewable power by 2030 with at least half of this power generated in-county, 3) reinforcement of transmission capacity as needed to achieve these objectives. The SANDAG Board of Directors voted unanimously on Nov. 17, 2006 to take no position on the Sunrise Powerlink proposal primarily because it conflicts the Regional Energy Strategy 2030 objective of increased in-region power generation. The Regional Energy Strategy 2030 is online at: http://www.energycenter.org/uploads/Regional_Energy_Strategy_Final_07_16_03.pdf

Imperial Valley Study Group. Participant in the Imperial Valley Study Group (IVSG), and effort funded by the CEC to examine transmission options for maximizing the development of geothermal resources in Imperial County. Advised the IVSG that no alternatives other than the Sunrise Powerlink or a similar variant were be considered to move Imperial Valley geothermal generation to San Diego. Initiated a dialogue on IVSG's failure to consider alternatives that was incorporated into the IVSG April 12, 2005 meeting minutes (see: http://www.energy.ca.gov/ivsg/documents/2005-04-12_meeting/2005-04-12_AMNDED_IVSG_MINUTES.PDF). Also co-authored with the Utility Consumers' Action Network an October 14, 2005 alternative letter report to the September 30, 2005 IVSG final report that documents numerous feasible transmission alternatives to the Sunrise Powerlink that were not considered by IVSG. The October 14, 2005 IVSG alternative letter report also served as a comment letter on the CEC's 2005 Integrated Energy Policy Report webpage is available at: http://www.energy.ca.gov/2005_energypolicy/documents/2005-10-11_DER_comments/10-14 05_Utility_Consumers_Action_Network_BPPWG.pdf

COMBUSTION AND EMISSIONS CONTROL EQUIPMENT PERMITTING, TESTING, MONITORING EPRI Gas Turbine Power Plant Permitting Documents – Co-Author. Co-authored two Electric Power Research Institute (EPRI) gas turbine power plant siting documents. Responsibilities included chapter on state-of-the-art air emission control systems for simple-cycle and combined-cycle gas turbines, and authorship of sections on dry cooling and zero liquid discharge systems.

Air Permits for 50 MW Peaker Gas Turbines – Six Sites Throughout California. Responsible for preparing all aspects of air permit applications for five 50 MW FT-8 simple-cycle turbine installations at sites around California in response to emergency request by California state government for additional peaking power. Units were designed to meet 2.0 ppm NO_x using standard temperature SCR and innovative dilution air system to maintain exhaust gas temperature within acceptable SCR range. Oxidation catalyst is also used to maintain CO below 6.0 ppm.

Kauai 27 MW Cogeneration Plant – **Air Emission Control System Analysis.** Project manager to evaluate technical feasibility of SCR for 27 MW naphtha-fired turbine with once-through heat recovery steam generator. Permit action was stalled due to questions of SCR feasibility. Extensive analysis of the performance of existing oil-fired turbines equipped with SCR, and bench-scale tests of SCR applied to naphtha-fired turbines, indicated

that SCR would perform adequately. Urea was selected as the SCR reagent given the wide availability of urea on the island. Unit is first known application of urea-injected SCR on a naphtha-fired turbine.

Microturbines – Ronald Reagan Library, Ventura County, California. Project manager and lead engineer or preparation of air permit applications for microturbines and standby boilers. The microturbines drive the heating and cooling system for the library. The microturbines are certified by the manufacturer to meet the 9 ppm NO_x emission limit for this equipment. Low-NO_x burners are BACT for the standby boilers.

Hospital Cogeneration Microturbines – South Coast Air Quality Management District. Project manager and lead engineer for preparation of air permit application for three microturbines at hospital cogeneration plant installation. The draft Authority To Construct (ATC) for this project was obtained two weeks after submittal of the ATC application. 30-day public notification was required due to the proximity of the facility to nearby schools. The final ATC was issued two months after the application was submitted, including the 30-day public notification period.

Gas Turbine Cogeneration – South Coast Air Quality Management District. Project manager and lead engineer for preparation of air permit application for two 5.5 MW gas turbines in cogeneration configuration for county government center. The turbines will be equipped with selective catalytic reduction (SCR) and oxidation catalyst to comply with SCAQMD BACT requirements. Aqueous urea will be used as the SCR reagent to avoid trigger hazardous material storage requirements. A separate permit will be obtained for the NO_x and CO continuous emissions monitoring systems. The ATCs is pending.

Industrial Boilers – NO_x BACT Evaluation for San Diego County Boilers. Project manager and lead engineer for preparation of Best Available Control Technology (BACT) evaluation for three industrial boilers to be located in San Diego County. The BACT included the review of low NO_x burners, FGR, SCR, and low temperature oxidation (LTO). State-of-the-art ultra low NO_x burners with a 9 ppm emissions guarantee were selected as NO_x BACT for these units.

Peaker Gas Turbines – Evaluation of NO_x Control Options for Installations in San Diego County. Lead engineer for evaluation of NO_x control options available for 1970s vintage simple-cycle gas turbines proposed for peaker sites in San Diego County. Dry low- NO_x (DLN) combustors, catalytic combustors, high-temperature SCR, and NO_x absorption/conversion (SCONO_x) were evaluated for each candidate turbine make/model. High-temperature SCR was selected as the NOx control option to meet a 5 ppm NO_x emission requirement.

Hospital Cogeneration Plant Gas Turbines – San Joaquin Valley Unified Air Pollution Control District. Project manager and lead engineer for preparation of air permit application and BACT evaluation for hospital cogeneration plant installation. The BACT included the review of DLN combustors, catalytic combustors, high-temperature SCR and SCONO $_x$. DLN combustion followed by high temperature SCR was selected as the NO $_x$ control system for this installation. The high temperature SCR is located upstream of the heat recovery steam generator (HRSG) to allow the diversion of exhaust gas around the HRSG without compromising the effectiveness of the NO $_x$ control system.

Industrial Cogeneration Plant Gas Turbines – Upgrade of Turbine Power Output. Project manager and lead engineer for preparation of BACT evaluation for proposed gas turbine upgrade. The BACT included the review of DLN combustors, catalytic combustors, high-, standard-, and low-temperature SCR, and SCONO_x. Successfully negotiated air permit that allowed facility to initially install DLN combustors and operate under a NO_x plantwide "cap." Within two major turbine overhauls, or approximately eight years, the NO_x emissions per turbine must be at or below the equivalent of 5 ppm. The 5 ppm NO_x target will be achieved through technological in-combustor NO_x control such as catalytic combustion, or SCR or SCR equivalent end-of-pipe NO_x control technologies if catalytic combustion is not available.

Powers Engineering 3 of 14

Gas Turbines – Modification of RATA Procedures for Time-Share CEM. Project manager and lead engineer for the development of alternate CO continuous emission monitor (CEM) Relative Accuracy Test Audit (RATA) procedures for time-share CEM system serving three 7.9 MW turbines located in San Diego. Close interaction with San Diego APCD and EPA Region 9 engineers was required to receive approval for the alternate CO RATA standard. The time-share CEM passed the subsequent annual RATA without problems as a result of changes to some of the CEM hardware and the more flexible CO RATA standard.

Gas Turbines – Evaluation of NO_x Control Technology Performance. Lead engineer for performance review of dry low-NO_x combustors, catalytic combustors, high-, standard-, and low-temperature selective catalytic reduction (SCR), and NO_x absorption/conversion (SCONO_x). Major turbine manufacturers and major manufacturers of end-of-pipe NO_x control systems for gas turbines were contacted to determine current cost and performance of NO_x control systems. A comparison of 1993 to 1999 "\$/kwh" and "\$/ton" cost of these control systems was developed in the evaluation.

Gas Turbines – Evaluation of Proposed NO_x Control System to Achieve 3 ppm Limit. Lead engineer for evaluation for proposed combined cycle gas turbine NO_x and CO control systems. Project was in litigation over contract terms, and there was concern that the GE Frame 7FA turbine could not meet the 3 ppm NO_x permit limit using a conventional combustor with water injection followed by SCR. Operations personnel at GE Frame 7FA installatins around the country were interviewed, along with principal SCR vendors, to corroborate that the installation could continuously meet the 3 ppm NO_x limit.

Gas Turbines – Title V "Presumptively Approvable" Compliance Assurance Monitoring Protocol. Project manager and lead engineer for the development of a "presumptively approval" NO_x parametric emissions monitoring system (PEMS) protocol for industrial gas turbines. "Presumptively approvable" means that any gas turbine operator selecting this monitoring protocol can presume it is acceptable to the U.S. EPA. Close interaction with the gas turbine manufacturer's design engineering staff and the U.S. EPA Emissions Measurement Branch (Research Triangle Park, NC) was required to determine modifications necessary to the current PEMS to upgrade it to "presumptively approvable" status.

Environmental Due Diligence Review of Gas Turbine Sites – Mexico. Task leader to prepare regulatory compliance due diligence review of Mexican requirements for gas turbine power plants. Project involves eleven potential sites across Mexico, three of which are under construction. Scope involves identification of all environmental, energy sales, land use, and transportation corridor requirements for power projects in Mexico. Coordinator of Mexican environmental subcontractors gathering on-site information for each site, and translator of Spanish supporting documentation to English.

Development of Air Emission Standards for Gas Turbines - Peru. Served as principal technical consultant to the Peruvian Ministry of Energy in Mines (MEM) for the development of air emission standards for Peruvian gas turbine power plants. All major gas turbine power plants in Peru are currently using water injection to increase turbine power output. Recommended that 42 ppm on natural gas and 65 ppm on diesel (corrected to 15% O₂) be established as the NO_x limit for existing gas turbine power plants. These limits reflect NO_x levels readily achievable using water injection at high load. Also recommended that new gas turbine sources be subject to a BACT review requirement.

Gas Turbines – Title V Permit Templates. Lead engineer for the development of standardized permit templates for approximately 100 gas turbines operated by the oil and gas industry in the San Joaquin Valley. Emissions limits and monitoring requirements were defined for units ranging from GE Frame 7 to Solar Saturn turbines. Stand-alone templates were developed based on turbine size and NO_x control equipment. NO_x utilized in the target turbine population ranged from water injection alone to water injection combined with SCR.

Powers Engineering 4 of 14

Gas Turbines – Evaluation of NO_x , SO_2 and PM Emission Profiles. Performed a comparative evaluation of the NO_x , SO_2 and particulate (PM) emission profiles of principal utility-scale gas turbines for an independent power producer evaluating project opportunities in Latin America. All gas turbine models in the 40 MW to 240 MW range manufactured by General Electric, Westinghouse, Siemens and ABB were included in the evaluation.

Stationary Internal Combustion Engine (ICE) RACT/BARCT Evaluation. Lead engineer for evaluation of retrofit NO_x control options available for the oil and gas production industry gas-fired ICE population in the San Joaquin Valley affected by proposed Best Available Retrofit Control Technology (BARCT) emission limits. Evaluation centered on lean-burn compressor engines under 500 bhp, and rich-burn constant and cyclically loaded (rod pump) engines under 200 bhp. The results of the evaluation indicated that rich burn cyclically-loaded rod pump engines comprised 50 percent of the affected ICE population, though these ICEs accounted for only 5 percent of the uncontrolled gas-fired stationary ICE NO_x emissions. Recommended retrofit NO_x control strategies included: air/fuel ratio adjustment for rod pump ICEs, Non-selective catalytic reduction (NSCR) for rich-burn, constant load ICEs, and "low emission" combustion modifications for lean burn ICEs.

Development of Air Emission Standards for Stationary ICEs - Peru. Served as principal technical consultant to the Peruvian Ministry of Energy in Mines (MEM) for the development of air emission standards for Peruvian stationary ICE power plants. Draft 1997 World Bank NO_x and particulate emission limits for stationary ICE power plants served as the basis for proposed MEM emission limits. A detailed review of ICE emissions data provided in PAMAs submitted to the MEM was performed to determine the level of effort that would be required by Peruvian industry to meet the proposed NO_x and particulate emission limits. The draft 1997 WB emission limits were revised to reflect reasonably achievable NO_x and particulate emission limits for ICEs currently in operation in Peru.

Air Toxics Testing of Natural Gas-Fired ICEs. Project manager for test plan/test program to measure volatile and semi-volatile organic air toxics compounds from fourteen gas-fired ICEs used in a variety of oil and gas production applications. Test data was utilized by oil and gas production facility owners throughout California to develop accurate ICE air toxics emission inventories.

Ethanol Plant Dryer – Penn-Mar Ethanol, LLC. Lead engineer on BACT evaluation for ethanol dryer. Dryer nitrogen oxide (NO_x) emission limit of 30 ppm determined to be BACT following exhaustive review of existing and pending ethanol plant air permits and discussions with principal dryer vendors.

BARCT Low NO_x **Burner Conversion – Industrial Boilers.** Lead engineer for a BARCT evaluation of low NO_x burner options for natural gas-fired industrial boilers. Also evaluated methanol and propane as stand-by fuels to replace existing diesel stand-by fuel system and replacement of steam boilers with gas turbine cogeneration system.

BACT Packed Tower Scrubber/Mist Eliminator Performance Evaluations. Project manager and lead engineer for Navy-wide plating shop air pollution control technology evaluation and emissions testing program. Mist eliminators and packed tower scrubbers controlling metal plating processes, which included hard chrome, nickel, copper, cadmium and precious metals plating, were extensively tested at three Navy plating shops. Chemical cleaning and stripping tanks, including hydrochloric acid, sulfuric acid, chromic acid and caustic, were also tested. The final product of this program was a military design specification for plating and chemical cleaning shop air pollution control systems. The hydrochloric acid mist sampling procedure developed during this program received a protected patent.

BACT Packed Tower Scrubber/UV Oxidation System Pilot Test Program. Technical advisor for pilot test program of packed tower scrubber/ultraviolet (UV) light VOC oxidation system controlling VOC emissions

Powers Engineering 5 of 14

from microchip manufacturing facility in Los Angeles. The testing was sponsored in part by the SCAQMD's Innovative Technology Demonstration Program, to demonstrate this innovative control technology as BACT for microchip manufacturing operations. The target compounds were acetone, methylethylketone (MEK) and 1,1,1-trichloroethane, and compound concentrations ranged from 10-100 ppmv. The single stage packed tower scrubber consistently achieved greater than 90% removal efficiency on the target compounds. The residence time required in the UV oxidation system for effective oxidation of the target compounds proved significantly longer than the residence time predicted by the manufacturer.

BACT Pilot Testing of Venturi Scrubber on Gas/Aerosol VOC Emission Source. Technical advisor for project to evaluate venturi scrubber as BACT for mixed phase aerosol/gaseous hydrocarbon emissions from deep fat fryer. Venturi scrubber demonstrated high removal efficiency on aerosol, low efficiency on VOC emissions. A number of VOC tests indicated negative removal efficiency. This anomaly was traced to a high hydrocarbon concentration in the scrubber water. The pilot unit had been shipped directly to the jobsite from another test location by the manufacturer without any cleaning or inspection of the pilot unit.

Pulp Mill Recovery Boiler BACT Evaluation. Lead engineer for BACT analysis for control of SO_2 , NO_x , CO, TNMHC, TRS and particulate emissions from the proposed addition of a new recovery furnace at a kraft pulp mill in Washington. A "top down" approach was used to evaluate potential control technologies for each of the pollutants considered in the evaluation.

Air Pollution Control Equipment Design Specification Development. Lead engineer for the development of detailed Navy design specifications for wet scrubbers and mist eliminators. Design specifications were based on field performance evaluations conducted at the Long Beach Naval Shipyard, Norfolk Naval Shipyard, and Jacksonville Naval Air Station. This work was performed for the U.S. Navy to provide generic design specifications to assist naval facility engineering divisions with air pollution control equipment selection. Also served as project engineer for the development of Navy design specifications for ESPs and fabric filters.

POWER PLANT TECHNOLOGY, EMISSIONS, AND COOLING SYSTEM ASSESSMENTS

IGCC and Low Water Use Alternatives to Eight Pulverized Coal Fired 900 MW Boilers. Expert for cities of Houston and Dallas on integrated gasification combined cycle (IGCC) as a fully commercial coal-burning alternative to the pulverized coal (PC) technology proposed by TXU for eight 900 MW boilers in East Texas. Also analyzed East Texas as candidate location for CO₂ sequestration due to presence of mature oilfield CO₂ enhanced oil recovery opportunities and a deep saline aquifer underlying the entire region. Presented testimony on the major increase in regional consumptive water use that would be caused by the evaporative cooling towers proposed for use in the PC plants, and that consumptive water use could be lowered by using IGCC with evaporative cooling towers or by using air-cooled condensers with PC or IGCC technology. TXU ultimately dropped plans to build the eight PC plants as a condition of a corporate buy-out.

Assessment of CO₂ Capture and Sequestration for IGCC Plants. Author of assessment prepared for a public interest client of CO₂ capture and sequestration options for IGCC plants. The assessment focuses on: 1) CO₂ sequestration performance of operational large-scale CO₂ sequestration projects, specifically the Weyburn CO₂ enhanced oil recovery (EOR) project, and 2) CO₂ EOR as the vehicle to offset the cost of CO₂ capture and serve as the platform for an initial set of U.S. IGCC plants equipped for full CO₂ capture and storage.

Assessment of IGCC Alternative to Proposed 250 MW Circulating Fluidized Bed (CFB) Unit. Lead engineer to evaluate IGCC option to proposed 250 MW CFB firing Powder River Basin coal. Project site is in Montana, where CO₂ EOR opportunities exist in the eastern part of the state.

500 MW Coal-Fired Plant –**Air Cooling and IGCC.** Provided expert testimony on the performance of aircooling and IGCC relative to the conventional closed-cycle wet cooled, supercritical pulverized coal boiler proposed by the applicant. Steam ProTM coal-fired power plant design software was used to model the proposed plant and evaluate the impacts on performance of air cooling and plume-abated wet cooling. Results

Powers Engineering 6 of 14

indicated that a conservatively designed air-cooled condenser could maintain rated power output at the design ambient temperature of 90 °F. The IGCC comparative analysis indicated that unit reliability comparable to a conventional pulverized coal unit could be achieved by including a spare gasifier in the IGCC design, and that the slightly higher capital cost of IGCC was offset by greater thermal efficiency and reduced water demand and air emissions.

Retrofit of SCR to Existing Natural Gas-Fired Units. Lead expert in successful representation of interests of the city of Carlsbad, California to prevent weakening of an existing countywide utility boiler NO_x rule. Weakening of NO_x rule would have allowed a 1,000 MW merchant utility boiler plant located in the city to operate without installing selective catalytic reduction (SCR) NO_x control systems. Ultimately the plant owner was compelled to comply with the existing NO_x rule and install SCR on all five boilers at the plant. This project required numerous appearances before the county air pollution control hearing board to successfully defend the existing utility boiler NO_x rule.

Proposed 1.500 MW Pulverized Coal Power Plant. Provided testimony challenge to air permit issued for Peabody Coal Company's proposed 1,500 MW pulverized-coal fired power plant in Kentucky. Presented case that IGCC is a superior method for producing power from coal, from both environmental and energy efficiency perspective, than the proposed pulverized-coal plant. Presented evidence that IGCC is technically feasible and cost-competitive with pulverized coal.

Presidential Permits to Two Border Power Plants – Contested Air and Water Issues. Provided testimony on the air emissions and water consumption impact of two export power plants, Intergen and Sempra, in Mexicali, Mexico, and modifications necessary to minimize these impacts, including air emission offsets and incorporation of air cooling. These two plants are located within 3 miles of the California border, are interconnected only to the SDG&E transmission grid, and under the local control of the California Independent System Operator. Provided evidence that the CAISO had restricted the amount of power these two plants could export when commercial operation began in June 2003 to avoid unacceptable levels of transmission congestion on SDG&E's transmission system. The federal judge determined that the DOE had conducted an inadequate environmental assessment before issuing the Presidential Permits for these two plants and ordered the DOE to prepare a more comprehensive assessment.

300 MW Coal-Fired Circulating Fluidized Bed Boiler Plant - Best Available NO_x Control System. Provided testimony in dispute in case where approximately 50 percent NO_x control using selective non-catalytic reduction (SNCR) was accepted as BACT for a proposed 300 MW circulating fluidized bed (CFB) boiler plant in Kentucky. Presented testimony that SNCR was capable of continuous NO_x reduction of greater than 70 percent on a CFB unit and that low-dust, hot side selective catalytic reduction (SCR) and tail-end SCR were technically feasible and could achieve greater than 90 percent NO_x reduction.

Conversion of Existing Once-Through Cooled Boilers to Wet Towers, Parallel Wet-Dry Cooling, or Dry Cooling. Prepared preliminary design for the conversion of four natural gas and/or coal-fired utility boilers (Unit 4, 235 MW; Unit 3, 135 MW; Unit 2, 65 MW; and Unit 1,65 MW) from once-through river water cooling to wet cooling towers, parallel wet-dry cooling, and dry cooling. Major design constraints were available land for location of retrofit cooling systems and need to maintain maximum steam turbine backpressure at or below 5.5 inches mercury to match performance capabilities of existing equipment. Approach temperatures of 12 °F and 13 °F were used for the wet towers. SPX Cooling Technologies F-488 plume-abated wet cells with six feet of packing were used to achieve approach temperatures of 12 °F and 13 °F. Annual energy penalty of wet tower retrofit designs is approximately 1 percent. Parallel wet-dry or dry cooling was determined to be technically feasible for Unit 3 based on straightforward access to the Unit 3 surface condenser and available land adjacent to the boiler.

Utility Boiler – Assessment of Closed-Cycle Cooling Retrofit Cost for 1,200 MW Oil-Fired Plant. Prepared an assessment of the cost and feasibility of a closed-cycle wet tower retrofit for the 1,200 MW

Powers Engineering 7 of 14

Roseton Generating Station in New York. Determined that the cost to retrofit the Roseton plant with plume-abated closed-cycle wet cooling was well established based on cooling tower retrofit studies performed by the original owner (Central Hudson Gas & Electric Corp.) and subsequent regulatory agency critique of the cost estimate. Also determined that elimination of redundant and/or excessive budgetary line items in owners cost estimate brings the closed-cycle retrofit in line with expected costs for comparable new or retrofit plume-abated cooling tower applications. Closed-cycle cooling has been accepted as an issue that will be adjudicated.

2,000 MW Nuclear Power Plant – Closed-Cycle Cooling Retrofit Feasibility. Prepared assessment of the cost and feasibility of a closed-cycle wet tower retrofit for the 2,000 MW Indian Point Generating Station in New York. Determined that the most appropriate arrangement for the hilly site would be an inline plume-abated wet tower instead of the round tower configuration analyzed by the owner. Use of the inline configuration would allow placement of the towers at numerous sites on the property with little or need for blasting of bedrock, greatly reducing the cost of the retrofit. Also proposed an alternative circulating cooling water piping configuration to avoid the extensive downtime projected by the owner for modifications to the existing discharge channel.

Best Available NO_x Control System for 525 MW Coal-Fired Circulating Fluidized Bed Boiler Plant. Provided testimony in dispute over whether 50 percent NO_x control using selective non-catalytic reduction (SNCR) constituted BACT for a proposed 525 MW circulating fluidized bed (CFB) boiler plant in Pennsylvania. Presented testimony that SNCR was capable of continuous NO_x reduction of greater than 70 percent on a CFB unit and that tail-end selective catalytic reduction (SCR) was technically feasible and could achieve greater than 90 percent NO_x reduction.

Evaluation of Correlation Between Opacity and PM₁₀ Emissions at Coal-Fired Plant. Provided testimony on whether correlation existed between mass PM₁₀ emissions and opacity during opacity excursions at large coal-fired boiler in Georgia. EPA and EPRI technical studies were reviewed to assess the correlation of opacity and mass emissions during opacity levels below and above 20 percent. A strong correlation between opacity and mass emissions was apparent at a sister plant at opacities less than 20 percent. The correlation suggests that the opacity monitor correlation underestimates mass emissions at opacities greater than 20 percent, but may continue to exhibit a good correlation for the component of mass emissions in the PM₁₀ size range.

Emission Increases Associated with Retrofit of SCR Existing Coal-Fired Units. Provided testimony in successful effort to compel an existing coal-fired power plant located in Massachusetts to meet an accelerated NO_x and SO_2 emission control system retrofit schedule. Plant owner argued the installation of advanced NO_x and SO_2 control systems would generate > 1 ton/year of ancillary emissions, such as sulfuric acid mist, and that under Massachusetts Dept. of Environmental Protection regulation ancillary emissions > 1 ton/year would require a BACT evaluation and a two-year extension to retrofit schedule. Successfully demonstrated that no ancillary emissions would be generated if the retrofit NO_x and SO_2 control systems were properly sized and optimized. Plant owner committed to accelerated compliance schedule in settlement agreement.

1,000 MW Coastal Combined-Cycle Power Plant – Feasibility of Dry Cooling. Expert witness in on-going effort to require use of dry cooling on proposed 1,000 MW combined-cycle "repower" project at site of an existing 1,000 MW utility boiler plant in central coastal California. Project proponent argued that site was two small for properly sized air-cooled condenser (ACC) and that use of ACC would cause 12-month construction delay. Demonstrated that ACC could easily be located on the site by splitting total of up to 80 cells between two available locations at the site. Also demonstrated that an ACC optimized for low height and low noise would minimize or eliminate proponent claims of negative visual and noise impacts.

CONTINUOUS EMISSION MONITOR (CEM) PROJECT EXPERIENCE

Process Heater CO and NO_x **CEM Relative Accuracy Testing.** Project manager and lead engineer for process heater CO and NO_x analyzer relative accuracy test program at petrochemical manufacturing facility. Objective of test program was to demonstrate that performance of onsite CO and NO_x CEMs was in compliance

Powers Engineering 8 of 14

with U.S. EPA "Boiler and Industrial Furnace" hazardous waste co-firing regulations. A TECO Model 48 CO analyzer and a TECO Model 10 NO_x analyzer were utilized during the test program to provide ± 1 ppm measurement accuracy, and all test data was recorded by an automated data acquisition system. One of the two process heater CEM systems tested failed the initial test due to leaks in the gas conditioning system. Troubleshooting was performed using O_2 analyzers, and the leaking component was identified and replaced. This CEM system met all CEM relative accuracy requirements during the subsequent retest.

Performance Audit of NO_x and SO₂ CEMs at Coal-Fired Power Plant. Lead engineer on system audit and challenge gas performance audit of NO_x and SO₂ CEMs at a coal-fired power plant in southern Nevada. Dynamic and instrument calibration checks were performed on the CEMs. A detailed visual inspection of the CEM system, from the gas sampling probes at the stack to the CEM sample gas outlet tubing in the CEM trailer, was also conducted. The CEMs passed the dynamic and instrument calibration requirements specified in EPA's <u>Performance Specification Test - 2 (NO_x and SO₂)</u> alternative relative accuracy requirements.

AIR ENGINEERING/AIR TESTING PROJECT EXPERIENCE - GENERAL

Reverse Air Fabric Filter Retrofit Evaluation – Coal-Fired Boiler. Lead engineer for upgrade of reverse air fabric filters serving coal-fired industrial boilers. Fluorescent dye injected to pinpoint broken bags and damper leaks. Corrosion of pneumatic actuators serving reverse air valves and inadequate insulation identified as principal causes of degraded performance.

Pulse-Jet Fabric Filter Performance Evaluation – Gold Mine. Lead engineer on upgrade of pulse-jet fabric filter and associated exhaust ventilation system serving an ore-crushing facility at a gold mine. Fluorescent dye used to identify bag collar leaks, and modifications were made to pulse air cycle time and duration. This marginal source was in compliance at 20 percent of emission limit following completion of repair work.

Pulse-Jet Fabric Filter Retrofit - Gypsum Calciner. Lead engineer on upgrade of pulse-jet fabric filter controlling particulate emissions from a gypsum calciner. Recommendations included a modified bag clamping mechanism, modified hopper evacuation valve assembly, and changes to pulse air cycle time and pulse duration.

Wet Scrubber Retrofit – Plating Shop. Project engineer on retrofit evaluation of plating shop packed-bed wet scrubbers failing to meet performance guarantees during acceptance trials, due to excessive mist carryover. Recommendations included relocation of the mist eliminator (ME), substitution of the original chevron blade ME with a mesh pad ME, and use of higher density packing material to improve exhaust gas distribution. Wet scrubbers passed acceptance trials following completion of recommended modifications.

Electrostatic Precipitator (ESP) Retrofit Evaluation – MSW Boiler. Lead engineer for retrofit evaluation of single field ESP on a municipal solid waste (MSW) boiler. Recommendations included addition of automated power controller, inlet duct turning vanes, and improved collecting plate rapping system.

ESP Electric Coil Rapper Vibration Analysis Testing - Coal-Fired Boiler. Lead engineer for evaluation of ESP rapper effectiveness test program on three field ESP equipped with "magnetically induced gravity return" (MIGR) rappers. Accelerometers were placed in a grid pattern on ESP collecting plates to determine maximum instantaneous plate acceleration at a variety of rapper power setpoints. Testing showed that the rappers met performance specification requirements.

Aluminum Remelt Furnace Particulate Emissions Testing. Project manager and lead engineer for high temperature (1,600 °F) particulate sampling of a natural gas-fired remelt furnace at a major aluminum rolling mill. Objectives of test program were to: 1) determine if condensable particulate was present in stack gases, and 2) to validate the accuracy of the in-stack continuous opacity monitor (COM). Designed and constructed a customized high temperature (inconel) PM₁₀/Mtd 17 sampling assembly for test program. An onsite natural gas-fired boiler was also tested to provide comparative data for the condensable particulate portion of the test program. Test results showed that no significant levels of condensable particulate in the remelt furnace exhaust

Powers Engineering 9 of 14

gas, and indicated that the remelt furnace and boiler had similar particulate emission rates. Test results also showed that the COM was accurate.

Aluminum Remelt Furnace CO and NO_x Testing. Project manager and lead engineer for continuous weeklong testing of CO and NO_x emissions from aluminum remelt furnace. Objective of test program was to characterize CO and NO_x emissions from representative remelt furnace for use in the facility's criteria pollution emissions inventory. A TECO Model 48 CO analyzer and a TECO Model 10 NO_x analyzer were utilized during the test program to provide ± 1 ppm measurement accuracy, and all test data was recorded by an automated data acquisition system.

OIL AND GAS PRODUCTION AIR ENGINEERING/TESTING EXPERIENCE

Air Toxics Testing of Oil and Gas Production Sources. Project manager and lead engineer for test plan/test program to determine VOC removal efficiency of packed tower scrubber controlling sulfur dioxide emissions from a crude oil-fired steam generator. Ratfisch 55 VOC analyzers were used to measure the packed tower scrubber VOC removal efficiency. Tedlar bag samples were collected simultaneously to correlate BTX removal efficiency to VOC removal efficiency. This test was one of hundreds of air toxics tests performed during this test program for oil and gas production facilities from 1990 to 1992. The majority of the volatile air toxics analyses were performed at in-house laboratory. Project staff developed thorough familiarity with the applications and limitations of GC/MS, GC/PID, GC/FID, GC/ECD and GC/FPD. Tedlar bags, canisters, sorbent tubes and impingers were used during sampling, along with isokinetic tests methods for multiple metals and PAHs.

Air Toxics Testing of Glycol Reboiler – Gas Processing Plant. Project manager for test program to determine emissions of BTXE from glycol reboiler vent at gas processing facility handling 12 MM/cfd of produced gas. Developed innovative test methods to accurately quantify BTXE emissions in reboiler vent gas.

Air Toxics Emissions Inventory Plan. Lead engineer for the development of generic air toxics emission estimating techniques (EETs) for oil and gas production equipment. This project was performed for the Western States Petroleum Association in response to the requirements of the California Air Toxics "Hot Spots" Act. EETs were developed for all point and fugitive oil and gas production sources of air toxics, and the specific air toxics associated with each source were identified. A pooled source emission test methodology was also developed to moderate the cost of source testing required by the Act.

Fugitive NMHC Emissions from TEOR Production Field. Project manager for the quantification of fugitive Nonmethane hydrocarbon (NMHC) emissions from a thermally enhanced oil recovery (TEOR) oil production field in Kern County, CA. This program included direct measurement of NMHC concentrations in storage tank vapor headspace and the modification of available NMHC emission factors for NMHC-emitting devices in TEOR produced gas service, such as wellheads, vapor trunklines, heat exchangers, and compressors. Modification of the existing NMHC emission factors was necessary due to the high concentration of CO₂ and water vapor in TEOR produced gases.

Fugitive Air Emissions Testing of Oil and Gas Production Fields. Project manager for test plan/test program to determine VOC and air toxics emissions from oil storage tanks, wastewater storage tanks and produced gas lines. Test results were utilized to develop comprehensive air toxics emissions inventories for oil and gas production companies participating in the test program.

Oil and Gas Production Field – Air Emissions Inventory and Air Modeling. Project manager for oil and gas production field risk assessment. Project included review and revision of the existing air toxics emission inventory, air dispersion modeling, and calculation of the acute health risk, chronic non-carcinogenic risk and carcinogenic risk of facility operations. Results indicated that fugitive H₂S emissions from facility operations posed a potential health risk at the facility fenceline.

PETROLEUM REFINERY AIR ENGINEERING/TESTING EXPERIENCE

Criteria and Air Toxic Pollutant Emissions Inventory for Proposed Refinery Modifications. Project manager and technical lead for development of baseline and future refinery air emissions inventories for process modifications required to produce oxygenated gasoline and desulfurized diesel fuel at a California refinery. State of the art criteria and air toxic pollutant emissions inventories for refinery point, fugitive and mobile sources were developed. Point source emissions estimates were generated using onsite criteria pollutant test data, onsite air toxics test data, and the latest air toxics emission factors from the statewide refinery air toxics inventory database. The fugitive volatile organic compound (VOC) emissions inventories were developed using the refinery's most recent inspection and maintenance (I&M) monitoring program test data to develop site-specific component VOC emission rates. These VOC emission rates were combined with speciated air toxics test results for the principal refinery process streams to produce fugitive VOC air toxics emission rates. The environmental impact report (EIR) that utilized this emission inventory data was the first refinery "Clean Fuels" EIR approved in California.

Air Toxic Pollutant Emissions Inventory for Existing Refinery. Project manager and technical lead for air toxic pollutant emissions inventory at major California refinery. Emission factors were developed for refinery heaters, boilers, flares, sulfur recovery units, coker deheading, IC engines, storage tanks, process fugitives, and catalyst regeneration units. Onsite source test results were utilized to characterize emissions from refinery combustion devices. Where representative source test results were not available, AP-42 VOC emission factors were combined with available VOC air toxics speciation profiles to estimate VOC air toxic emission rates. A risk assessment based on this emissions inventory indicated a relatively low health risk associated with refinery operations. Benzene, 1,3-butadiene and PAHs were the principal health risk related pollutants emitted.

Air Toxics Testing of Refinery Combustion Sources. Project manager for comprehensive air toxics testing program at a major California refinery. Metals, Cr⁺⁶, PAHs, H₂S and speciated VOC emissions were measured from refinery combustion sources. High temperature Cr⁺⁶ stack testing using the EPA Cr⁺⁶ test method was performed for the first time in California during this test program. Representatives from the California Air Resources Board source test team performed simultaneous testing using ARB Method 425 (Cr⁺⁶) to compare the results of EPA and ARB Cr⁺⁶ test methodologies. The ARB approved the test results generated using the high temperature EPA Cr⁺⁶ test method.

Air Toxics Testing of Refinery Fugitive Sources. Project manager for test program to characterize air toxic fugitive VOC emissions from fifteen distinct process units at major California refinery. Gas, light liquid, and heavy liquid process streams were sampled. BTXE, 1,3-butadiene and propylene concentrations were quantified in gas samples, while BTXE, cresol and phenol concentrations were measured in liquid samples. Test results were combined with AP-42 fugitive VOC emission factors for valves, fittings, compressors, pumps and PRVs to calculate fugitive air toxics VOC emission rates.

LATIN AMERICA ENVIRONMENTAL PROJECT EXPERIENCE

Preliminary Design of Ambient Air Quality Monitoring Network – **Lima, Peru.** Project leader for project to prepare specifications for a fourteen station ambient air quality monitoring network for the municipality of Lima, Peru. Network includes four complete gaseous pollutant, particulate, and meteorological parameter monitoring stations, as well as eight PM₁₀ and TSP monitoring stations.

Evaluation of Proposed Ambient Air Quality Network Modernization Project – Venezuela. Analyzed a plan to modernize and expand the ambient air monitoring network in Venezuela. Project was performed for the U.S. Trade and Development Agency. Direct interaction with policy makers at the Ministerio del Ambiente y de los Recursos Naturales Renovables (MARNR) in Caracas was a major component of this project.

Evaluation of U.S.-Mexico Border Region Copper Smelter Compliance with Treaty Obligations – Mexico. Project manager and lead engineer to evaluate compliance of U.S. and Mexican border region copper smelters with the SO₂ monitoring, recordkeeping and reporting requirements in Annex IV [Copper Smelters] of

Powers Engineering 11 of 14

the La Paz Environmental Treaty. Identified potential problems with current ambient and stack monitoring practices that could result in underestimating the impact of SO₂ emissions from some of these copper smelters. Identified additional source types, including hazardous waste incinerators and power plants, that should be considered for inclusion in the La Paz Treaty process.

Development of Air Emission Standards for Petroleum Refinery Equipment - Peru. Served as principal technical consultant to the Peruvian Ministry of Energy in Mines (MEM) for the development of air emission standards for Peruvian petroleum refineries. The sources included in the scope of this project included: 1) SO₂ and NO_x refinery heaters and boilers, 2) desulfurization of crude oil, particulate and SO₂ controls for fluid catalytic cracking units (FCCU), 3) VOC and CO emissions from flares, 4) vapor recovery systems for marine unloading, truck loading, and crude oil/refined products storage tanks, and 5) VOC emissions from process fugitive sources such as pressure relief valves, pumps, compressors and flanges. Proposed emission limits were developed for new and existing refineries based on a thorough evaluation of the available air emission control technologies for the affected refinery sources. Leading vendors of refinery control technology, such as John Zink and Exxon Research, provided estimates of retrofit costs for the largest Peruvian refinery, La Pampilla, located in Lima. Meetings were held in Lima with refinery operators and MEM staff to discuss the proposed emission limits and incorporate mutually agreed upon revisions to the proposed limits for existing Peruvian refineries.

Development of Air Emission Limits for ICE Cogeneration Plant - Panamá. Lead engineer assisting U.S. cogeneration plant developer to permit an ICE cogeneration plant at a hotel/casino complex in Panama. Recommended the use of modified draft World Bank NO_x and PM limits for ICE power plants. The modification consisted of adding a thermal efficiency factor adjustment to the draft World Bank NO_x and PM limits. These proposed ICE emission limits are currently being reviewed by Panamanian environmental authorities.

Mercury Emissions Inventory for Stationary Sources in Northern Mexico. Project manager and lead engineer to estimate mercury emissions from stationary sources in Northern Mexico. Major potential sources of mercury emissions include solid- and liquid-fueled power plants, cement kilns co-firing hazardous waste, and non-ferrous metal smelters. Emission estimates were provided for approximately eighty of these sources located in Northern Mexico. Coordinated efforts of two Mexican subcontractors, located in Mexico City and Hermosillo, to obtain process throughput data for each source included in the inventory.

Translation of U.S. EPA Scrap Tire Combustion Emissions Estimation Document – Mexico. Evaluated the Translated a U.S. EPA scrap tire combustion emissions estimation document from English to Spanish for use by Latin American environmental professionals.

Environmental Audit of Aluminum Production Facilities – Venezuela. Evaluated the capabilities of existing air, wastewater and solid/hazardous waste control systems used by the aluminum industry in eastern Venezuela. This industry will be privatized in the near future. Estimated the cost to bring these control systems into compliance with air, wastewater and solid/hazardous waste standards recently promulgated in Venezuela. Also served as technical translator for team of U.S. environmental engineers involved in the due diligence assessment.

Assessment of Environmental Improvement Projects – Chile and Peru. Evaluated potential air, water, soil remediation and waste recycling projects in Lima, Peru and Santiago, Chile for feasibility study funding by the U.S. Trade and Development Agency. Project required onsite interaction with in-country decisionmakers (in Spanish). Projects recommended for feasibility study funding included: 1) an air quality technical support project for the Santiago, Chile region, and 2) soil remediation/metals recovery projects at two copper mine/smelter sites in Peru.

Air Pollution Control Training Course – Mexico. Conducted two-day Spanish language air quality training course for environmental managers of assembly plants in Mexicali, Mexico. Spanish-language course manual prepared by Powers Engineering. Practical laboratory included training in use of combustion gas analyzer, flame ionization detector (FID), photoionization detector (PID), and occupational sampling.

Renewable Energy Resource Assessment Proposal – Panama. Translated and managed winning bid to evaluate wind energy potential in Panama. Direct interaction with the director of development at the national utility monopoly (IRHE) was a key component of this project.

Comprehensive Air Emissions Testing at Assembly Plant – Mexico. Project manager and field supervisor of emissions testing for particulates, NO_x , SO_2 and CO at turbocharger/air cooler assembly plant in Mexicali, Mexico. Source specific emission rates were developed for each point source at the facility during the test program. Translated test report into Spanish for review by the Mexican federal environmental agency (SEMARNAP).

Air Pollution Control Equipment Retrofit Evaluation – Mexico. Project manager and lead engineer for comprehensive evaluation of air pollution control equipment and industrial ventilation systems in use at assembly plant consisting of four major facilities. Equipment evaluated included fabric filters controlling blast booth emissions, electrostatic precipitator controlling welding fumes, and industrial ventilation systems controlling welding fumes, chemical cleaning tank emissions, and hot combustion gas emissions. Recommendations included modifications to fabric filter cleaning cycle, preventative maintenance program for the electrostatic precipitator, and redesign of the industrial ventilation system exhaust hoods to improve capture efficiency.

Comprehensive Air Emissions Testing at Assembly Plant – Mexico. Project manager and field supervisor of emissions testing for particulates, NO_x , SO_2 and CO at automotive components assembly plant in Acuña, Mexico. Source-specific emission rates were developed for each point source at the facility during the test program. Translated test report into Spanish.

Fluent in Spanish. Studied at the Universidad de Michoacán in Morelia, Mexico, 1993, and at the Colegio de España in Salamanca, Spain, 1987-88. Have lectured (in Spanish) on air monitoring and control equipment at the Instituto Tecnológico de Tijuana. Maintain contact with Comisión Federal de Electricidad engineers responsible for operation of wind and geothermal power plants in Mexico, and am comfortable operating in the Mexican business environment.

PUBLICATIONS

Bill Powers, "San Diego Smart Energy 2020 – The 21st Century Alternative," San Diego, October 2007.

Bill Powers, "Energy, the Environment, and the California – Baja California Border Region," Electricity Journal, Vol. 18, Issue 6, July 2005, pp. 77-84.

W.E. Powers, "Peak and Annual Average Energy Efficiency Penalty of Optimized Air-Cooled Condenser on 515 MW Fossil Fuel-Fired Utility Boiler," presented at California Energy Commission/Electric Power Research Institute Advanced Cooling Technologies Symposium, Sacramento, California, June 2005.

W.E. Powers, R. Wydrum, P. Morris, "Design and Performance of Optimized Air-Cooled Condenser at Crockett Cogeneration Plant," presented at EPA Symposium on Technologies for Protecting Aquatic Organisms from Cooling Water Intake Structures, Washington, DC, May 2003.

P. Pai, D. Niemi, W.E. Powers, "A North American Anthropogenic Inventory of Mercury Emissions," to be presented at Air & Waste Management Association Annual Conference in Salt Lake City, UT, June 2000.

Powers Engineering 13 of 14

- P.J. Blau and W.E. Powers, "Control of Hazardous Air Emissions from Secondary Aluminum Casting Furnace Operations Through a Combination of: Upstream Pollution Prevention Measures, Process Modifications and End-of-Pipe Controls," presented at 1997 AWMA/EPA Emerging Solutions to VOC & Air Toxics Control Conference, San Diego, CA, February 1997.
- W.E. Powers, et. al., "Hazardous Air Pollutant Emission Inventory for Stationary Sources in Nogales, Sonora, Mexico," presented at 1995 AWMA/EPA Emissions Inventory Specialty Conference, RTP, NC, October 1995.
- W.E. Powers, "Develop of a Parametric Emissions Monitoring System to Predict NO_x Emissions from Industrial Gas Turbines," presented at 1995 AWMA Golden West Chapter Air Pollution Control Specialty Conference, Ventura, California, March 1995.
- W. E. Powers, et. al., "Retrofit Control Options for Particulate Emissions from Magnesium Sulfite Recovery Boilers," presented at 1992 TAPPI Envr. Conference, April 1992. Published in TAPPI Journal, July 1992.
- S. S. Parmar, M. Short, W. E. Powers, "Determination of Total Gaseous Hydrocarbon Emissions from an Aluminum Rolling Mill Using Methods 25, 25A, and an Oxidation Technique," presented at U.S. EPA Measurement of Toxic and Related Air Pollutants Conference, May 1992.
- N. Meeks, W. E. Powers, "Air Toxics Emissions from Gas-Fired Internal Combustion Engines," presented at AIChE Summer Meeting, August 1990.
- W. E. Powers, "Air Pollution Control of Plating Shop Processes," presented at 7th AES/EPA Conference on Pollution Control in the Electroplating Industry, January 1986. Published in Plating and Surface Finishing magazine, July 1986.
- H. M. Davenport, W. E. Powers, "Affect of Low Cost Modifications on the Performance of an Undersized Electrostatic Precipitator," presented at 79th Air Pollution Control Association Conference, June 1986.

AWARDS

Engineer of the Year, 1991 – ENSR Consulting and Engineering, Camarillo Engineer of the Year, 1986 – Naval Energy and Environmental Support Activity, Port Hueneme Productivity Excellence Award, 1985 – U. S. Department of Defense

PATENTS

Sedimentation Chamber for Sizing Acid Mist, Navy Case Number 70094

Powers Engineering 14 of 14



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 GENESIS SOLAR ENERGY PROJECT

Docket No. 09-AFC-8

PROOF OF SERVICE (Revised 6/7/10)

APPLICANT

Ryan O'Keefe, Vice President Genesis Solar LLC 700 Universe Boulevard Juno Beach, Florida 33408 E-mail service preferred Ryan.okeefe@nexteraenergy.com

Scott Busa/Project Director Meg Russel/Project Manager Duane McCloud/Lead Engineer NextEra Energy 700 Universe Boulvard Juno Beach, FL 33408 Scott.Busa@nexteraenergy.com Meg.Russell@nexteraenergy.com Duane.mccloud@nexteraenergy.com E-mail service preferred Matt Handel/Vice President Matt.Handel@nexteraenergy.com Email service preferred Kenny Stein, **Environmental Services Manager** Kenneth.Stein@nexteraenergy.com

Mike Pappalardo
Permitting Manager
3368 Videra Drive
Eugene, OR 97405
mike.pappalardo@nexteraenergy.com

Kerry Hattevik/Director West Region Regulatory Affairs 829 Arlington Boulevard El Cerrito, CA 94530 Kerry.Hattevik@nexteraenergy.com

APPLICANT'S CONSULTANTS

Tricia Bernhardt/Project Manager Tetra Tech, EC 143 Union Boulevard, Ste 1010 Lakewood, CO 80228 Tricia.bernhardt@tteci.com James Kimura, Project Engineer Worley Parsons 2330 East Bidwell Street, Ste.150 Folsom, CA 95630

James.Kimura@WorleyParsons.com

COUNSEL FOR APPLICANT

Scott Galati Galati & Blek, LLP 455 Capitol Mall, Ste. 350 Sacramento, CA 95814 sgalati@gb-llp.com

INTERESTED AGENCIES

California-ISO e-recipient@caiso.com

Allison Shaffer, Project Manager Bureau of Land Management Palm Springs South Coast Field Office 1201 Bird Center Drive

Palm Springs, CA 92262 Allison_Shaffer@blm.gov

INTERVENORS

California Unions for Reliable Energy (CURE)
c/o: Tanya A. Gulesserian,
Rachael E. Koss,
Marc D. Joseph
Adams Broadwell Joesph
& Cardoza
601 Gateway Boulevard,
Ste 1000
South San Francisco, CA 94080
tgulesserian@adamsbroadwell.com
rkoss@adamsbroadwell.com

Tom Budlong 3216 Mandeville Cyn Rd. Los Angeles, CA 90049-1016 tombudlong@roadrunner.com *Mr. Larry Silver
California Environmental
Law Project
Counsel to Mr. Budlong
E-mail preferred
larrysilver@celproject.net

Californians for Renewable Energy, Inc. (CARE) Michael E. Boyd, President 5439 Soquel Drive Soquel, CA 95073-2659 michaelboyd@sbcqlobal.net

*Lisa T. Belenky, Senior Attorney Center for Biological Diversity 351 California St., Suite 600 San Francisco, CA 94104 |belenky@biologicaldiversity.org

*Ileene Anderson
Public Lands Desert Director
Center for Biological Diversity
PMB 447, 8033 Sunset Boulevard
Los Angeles, CA 90046
ianderson@biologicaldiversity.org

<u>OTHER</u>

Alfredo Figueroa 424 North Carlton Blythe, CA 92225 lacunadeaztlan@aol.com

ENERGY COMMISSION

JAMES D. BOYD Commissioner and Presiding Member iboyd@energy.state.ca.us

ROBERT WEISENMILLER Commissioner and Associate Member rweisenm@energy.state.ca.us Kenneth Celli Hearing Officer kcelli@energy.state.ca.us

Mike Monasmith
Siting Project Manager
mmonasmi@energy.state.ca.us

Caryn Holmes Staff Counsel cholmes@energy.state.ca.us

Robin Mayer Staff Counsel rmayer@energy.state.ca.us Jennifer Jennings Public Adviser's Office publicadviser@energy.state.ca.us

DECLARATION OF SERVICE

i, <u>The ne Ander Sch</u> re that on <u>June 18,2010</u> I served and filed copies of the attached Addendom to CBD's <u>Opening Testion on yexhibithist</u> The original document, filed with the Docket Unit, is
Party of According to State 16
accompanied by a copy of the most recent Proof of Service list, located on the web page for this project at:
[http://ww.energy.ca.gov/sitingcases/genesis_solar].

The documents have been sent to both the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit, in the following manner:

(Check all that Apply)

	FOR SERVICE TO ALL OTHER PARTIES:	
	sent electronically to all email addresses on the Proof of Service list;	
	by personal delivery;	
	by delivering on this date, for mailing with the United States Postal Service with first-class postage thereon fully prepaid, to the name and address of the person served, for mailing that same day in the ordinary course of business; that the envelope was sealed and placed for collection and mailing on that date to those addresses NOT marked "email preferred."	
AND		
	FOR FILING WITH THE ENERGY COMMISSION:	
	sending an original paper copy and one electronic copy, mailed and emailed respectively, to the address below (<i>preferred method</i>);	
OR		
	depositing in the mail an original and 12 paper copies, as follows:	

CALIFORNIA ENERGY COMMISSION

Attn: Docket No. <u>09-AFC-8</u> 1516 Ninth Street, MS-4 Sacramento, CA 95814-5512 docket@energy.state.ca.us

I declare under penalty of perjury that the foregoing is true and correct, that I am employed in the county where this mailing occurred, and that I am over the age of 18 years and not a party to the proceeding.

*indicates change