

California Energy Commssion
DOCKETED
11-AFC-3
TN # 67107

SEP 13 2012

A Project Company of Cogentrix Energy, LLC

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September 13, 2012

Sunset Greens Homeowners Association c/o Phillip M. Connor 8752 Wahl Street Santee, CA 92071

Re: Quail Brush Generation Project (11-AFC-03), Applicant's Data Requests 1 - 18 (Set One)

Pursuant to the provisions of Title 20, California Code of Regulations, Section 1716, Quail Brush Genco, LLC ("Quail Brush"), a wholly owned subsidiary of Cogentrix Energy, LLC, hereby submits the enclosed Data Requests, numbered 1 through 18. The information requested is necessary to more fully understand your objections to the Project and the Application for Certification so that Quail Brush can appropriately address your concerns throughout the licensing process.

Written responses to the enclosed data requests are due to Quail Brush on or before October 15, 2012. If you are unable to provide the information requested, need additional time, or object to providing the requested information, please send a written notice to the Committee and us within 20 days of receipt of this notice. This notification must contain the reasons for the inability to provide the information or the grounds for any objections (see Title 20, California Code of Regulations, Section 1716(f).

If you have any questions regarding this submittal, please contact me at (704) 672-2818.

Regards,

C. Richard ("Rick") Neff

Quail Brush

Enclosure: (Data Request Packet)

cc: Docket (11-AFC-3)

QUAIL BRUSH GENERATION PROJECT (11-AFC-3)

QUAIL BRUSH GENCO, LLC DATA REQUESTS 1 - 18 (Set One)

September 13, 2012

BACKGROUND FOR DATA REQUESTS 1 THROUGH 4

SGHOA Resolution 2 stated: "Noise from the project will be a nuisance for neighboring homes because so many residents rely on the guiet for using natural ventilation to cool their often open. but locked, homes during the day and night. This project would destroy the evening silence of one [of] the few areas nestled into a natural setting and in the quietest urban areas in San Diego County." Additionally, in the SGHOA Data Request Set One, the background section on page 3, vou state: "It he Applicant contends that the noise from the project will not be louder than a garbage disposal, a food blender at 2 feet away or a pneumatic drill from 50 feet away. Table 4.3-1. And the applicant concedes that this baseline noise is 'loud' at 80 dBA. . . . [S]uch levels if they were acceptable during daylight hours would not be acceptable during late night or evening hours. For instance, a member who ran a pneumatic drill 50 feet away from another owner in our HOA would be warned and then fined. We have no such recourse here in one of the quietest areas of urban San Diego County. In preparing these questions children are playing some 100 feet away, people are swimming 50 feet away and birds are chirping and talking less than 20 feet outside the window. These are just some of the intrinsic values of living in Sunset Greens. Based upon the sound levels set forth in the Table above, we could no longer hear these sounds of peace and tranquility."

The Applicant has not proposed to build a project that will emit sound at the "background" levels cited by SGHOA. In fact, the Project's AFC at Figure 4.3-5, the attenuated Project (i.e., the Project as proposed with mitigation) will have sound impacts on very few residential homes, none of which are located in Sunset Greens area. The Project will not have sound impacts above 35-40 dBA on any residence. As described in Table 4.3-1 of the AFC, a sound pressure level of 35-40 dBA is "faint" and is equivalent to a "bedroom or quiet living room," "bird calls," or a "typical wilderness area."

This sound level also complies with the noise ordinances of the Cities of San Diego and Santee for residential areas. The City of San Diego provides a table of applicable sound level limits in its Noise Abatement Ordinance. (San Diego Municipal Code § 59.5.0401(a)). The applicable sound level limits are categorized by land use type. Under the San Diego General Plan, the proposed project site and the surrounding property are designated as either "Park, Open Space, & Recreation" or "Industrial Employment." (General Plan Figure LU-2 General Plan Land Use and Street System Map). The applicable sounds level limit for "Industrial or Agricultural" land use on the City's table of applicable limits is a one-hour average sound level of 75 dBA. (§ 59.5.0401(a)). "Park, Open Space, & Recreation" is not included as a land use category on the table of applicable sound level limits and therefore does not have an applicable sound level limit. The noise levels contemplated in the AFC and shown on Figure 4.3-5 (Received Sound Levels: Attenuated Project Operation) are consistent with the City of San Diego's standards.

The City of Santee likewise provides a table of applicable sound level limits in its Noise Abatement and Control Ordinance. (Santee Municipal Code § 8.12.040, Table 8.12.040(A)). The applicable sound level limits for various zones depend on the time of day, and range between the following: industrial zones - between 70 and 75 dBA; residential zones - between 40 and 55 dBA; residential-industrial zone boundaries - between 50 and 60 dBA; commercial zones - between 45 and 60 dBA; and special purpose and agricultural zones - between 40 and 50 dBA. (*Id.*) The noise levels contemplated in the AFC and shown on Figure 4.3-5 are consistent with all applicable standards of the City of Santee.

DATA REQUESTS 1 THROUGH 4

- 1. Considering that the Applicant's studies conclude that sound impacts to residential neighborhoods will not exceed 35 to 40 dBA a level considered "faint", that there would be no sound impacts to the Sunset Greens community, and that noise levels at all locations would be consistent with the Santee and San Diego municipal code requirements, please explain in detail the basis for your conclusions that noise from the project will: (a) be a nuisance for neighboring homes, (b) would destroy the evening silence for neighboring homes, and (c) would prevent residents at Sunset Greens from being able to hear sounds from activities located 20 100 feet outside their windows.
- 2. Please provide any data and studies used to reach the above conclusions.
- 3. Please provide data regarding noise levels at all other urban areas in San Diego County or other evidence to support the conclusion that homes located near the Project site are in one of the quietest urban areas in San Diego County.
- 4. If applicable, please provide the names, titles, credentials, and work addresses of each expert who conducted the studies noted above.

BACKGROUND FOR DATA REQUESTS 5 THROUGH 7

SGHOA Resolution 3: "The project will create downward pressure on already devastated <u>property values</u> in the closest neighborhoods. While other areas of San Diego may recover, the properties here will be impacted because potential buyers will have to approach in full view of the 24,000 square foot main building of the proposed project."

Various interveners have relied upon the two following studies to support an argument that the Project will negatively affect property values in the neighborhoods located closes to the Project site.

- [1] Davis, Lucas W., "The Effect of Power Plants on Local Housing Values and Rents" Haas School of Business, University of California, Berkeley, CA 94720-1900 (May 2010)
- [2] Davis, Lucas W., "The Effect of Power Plants on Local Housing Values and Rents: Evidence from Restricted Census Microdata" Massachusetts Institute of Technology, Center for Energy and Environmental Policy Research in its series Working Papers with number 0809 (Jun 2008)

However, both the 2008 and 2010 Davis articles are limited to the study of housing values and rents of properties located in neighborhoods where power plants opened during the 1990s and in other parts of the country – only one facility in Northern California was included. As suggested by the SGHOA in its Data Request Set One, the housing market in the neighborhoods closest to the Project site has changed dramatically in recent years.

DATA REQUESTS 5 THROUGH 7

5. Please provide any studies, data collected, and methodologies used for arriving at the conclusion that the Project will create downward pressure on the property values in the

- closest neighborhoods in San Diego and Santee, rather than anecdotes and research articles about other neighborhoods.
- 6. To the extent you rely upon the Davis articles to answer Data Request 5, please provide additional documentation and explanations to establish that the analysis is applicable to housing prices currently and in the immediate future in the neighborhoods in San Diego and Santee that are closest to the Project.
- 7. If applicable, please provide the names, titles, credentials, and work addresses of each expert who conducted the studies noted above.

BACKGROUND FOR DATA REQUESTS 8 THROUGH 10

SGHOA Resolution 4 states: "The natural desire to accelerate the return on the \$150M investment will create pressure to run the power plant at all times <u>outside the peak time</u>, if not all the time." SGHOA Resolution 5 states: "Present 'peak time' demands may soon become the norm resulting in the <u>project running continually</u>." <u>SGHOA Resolution 6:</u> "Stated efficiencies of this project will encourage the sale of more efficient and less expensive energy to distant consumers, further pressuring the continuous use of the project-not just in peak times."

The investment to construct the Project will be made by the Applicant, not by SDG&E. However, pursuant to the binding terms of the Project's Power Purchase and Tolling Agreement, SDG&E and the California Independent System Operator will have sole responsibility to dispatch the Project and control its output. These entities have <u>not</u> and will not invest in the Project and thus have no incentive to run the Project so as to accelerate any returns. Additionally, the terms of the Power Purchase and Tolling Agreement limit the number of hours that the Project can operate. Further, the mandatory air emissions limits, as well as the permit, if granted, will heavily restrict the number of hours that the Project can operate. Accordingly, the Applicant is aware of no evidence suggesting that the Project will be run "outside of peak time" or be put into "continuous use."

DATA REQUESTS 8 THROUGH 10

- 8. Please describe in detail the basis for your conclusions that: (a) present peak demands may soon become the norm; (b) the Project's efficiencies will encourage the sale of energy to distant consumers; and (c) there will be pressure for continuous use of the Project.
- 9. Please provide any data and studies used to reach the above conclusions.
- 10. If applicable, please provide the names, titles, credentials, and work addresses of each expert who conducted the studies noted above.

BACKGROUND FOR DATA REQUESTS 11 THROUGH 14

In the SGHOA Data Request Set One, the background section on page 3 provides: "as to SGHOA and the thousands of surrounding residents in military housing, other HOAs, individual

homes and rentals, there is only one exit from our homes to safety in the event of fire or calamity caused by the proposed project; and that is the bottleneck of streets that lead to Junipero Serra Trail. The proposed project is in a Very High Fire Hazard Severity Zone; and had a fire that would have destroyed the proposed plant approximately three years ago."

DATA REQUESTS # THROUGH

- 11. Please provide a detailed map labeling the military housing, other HOAs, individual homes and rentals to which you are referring.
- 12. Please explain or depict on the map which exit to which you are referring. Please explain where the residents would be exiting to, and where the residents would be exiting from in the scenario you suggest.
- 13. If, in the above statement, you are implying that the Project's traffic impacts will cause or exacerbate a bottleneck, please provide support for this conclusion.
- 14. If, in the above statement, you are implying that the Project will increase the fire risk to SGHOA's members (who already live in a "Very High Hazard Severity Zone"), please provide support for this conclusion.

BACKGROUND FOR DATA REQUESTS 15 THROUGH 18

SGHOA Resolution 7 states: "<u>Traffic</u> in the vicinity of Mast and Highway 52 is already severely impacted for 4-5 hours per day; construction will create long delays and traffic snarls. Other traffic servicing the project will create more pressure on this already difficult section of highway." Additionally, in the SGHOA Data Request Set One, the background section on page 6 provides: "[t]here is a substantial difference between construction deliveries to the site and deliveries of huge engines to the site."

Section 4.4.2.2 of the AFC explains that, based on extensive traffic studies previously conducted, implementation of the Traffic Management Plan will result in less than significant impacts to local traffic during both construction and operation. A memorandum describing additional traffic analysis completed by Linscott, Law & Greenspan, Engineers in response to questions from the California Energy Commission dated March 2, 2012 (and docketed with the Commission on March 8, 2012) demonstrates that even during peak construction, impacts to traffic delays will be quite minimal, and that there will be no change to the Level of Service.

DATA REQUESTS 15 THROUGH 18

- 15. Please explain and provide data to support the "substantial difference" between "construction deliveries" and "deliveries of huge engines".
- 16. Please provide any studies, data collected, and methodologies used to support a conclusion that traffic in the vicinity of Mast and Highway 52 is severely impacted for 4-5 hours per day.

- 17. Please explain in detail the basis for your conclusion that Project construction will create long delays and traffic snarls, considering that the AFC and the Applicant's subsequent traffic studies demonstrate that the Project's traffic impacts will be minimal.
- 18. If applicable, please provide the names, titles, credentials, and work addresses of each expert who conducted the studies noted above.



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA

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APPLICATION FOR CERTIFICATION FOR THE QUAIL BRUSH GENERATION PROJECT

DOCKET NO. 11-AFC-03 PROOF OF SERVICE (Revised 8/14/2012)

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DECLARATION OF SERVICE

I, Margaret Pavao, declare that on September 13, 2012, I served and filed a copy of the Applicant's Data Requests 1 through 18 to Intervenor Sunset Greens Homeowners Association, dated September 13, 2012. This document is accompanied by the most recent Proof of Service list, located on the web page for this project at: http://www.energy.ca.gov/sitingcases/guailbrush/index.html.

The document has been sent to the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit or Chief Counsel, as appropriate, in the following manner:

(Check all that Apply)

	* * * FF 37
For ser	vice to all other parties:
Χ	Served electronically to all e-mail addresses on the Proof of Service list;
<u>X</u>	Served by delivering on this date, either personally, or for mailing with the U.S. 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 marked "hard copy required" or where no e-mail address is provided.
AND	
For fili	ng with the Docket Unit at the Energy Commission:
Χ	by sending an electronic copy to the e-mail address below (preferred method); OR
	by depositing an original and 12 paper copies in the mail with the U.S. Postal Service with first class postage thereon fully prepaid, as follows:
	CALIFORNIA ENERGY COMMISSION – DOCKET UNIT Attn: Docket No. 11-AFC-03 1516 Ninth Street, MS-4 Sacramento, CA 05914 5513

Sacramento, CA 95814-5512 docket@energy.ca.gov

OR, if filing a Petition for Reconsideration of Decision or Order pursuant to Title 20, § 1720:

Served by delivering on this date one electronic copy by e-mail, and an original paper copy to the Chief Counsel at the following address, either personally, or for mailing with the U.S. Postal Service with first class postage thereon fully prepaid:

> California Energy Commission Michael J. Levy, Chief Counsel 1516 Ninth Street MS-14 Sacramento, CA 95814 michael.levv@energv.ca.gov

I declare under penalty of perjury under the laws of the State of California 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.

