

CALIFORNIA ENERGY COMMISSION

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California Energy Commission

DOCKETED**12-AFC-03**

TN # 68795

DEC 06 2012



December 6, 2012

TO: AGENCY DISTRIBUTION LIST**REQUEST FOR AGENCY PARTICIPATION IN THE REVIEW OF THE REDONDO BEACH ENERGY PROJECT (12-AFC-03)**

On November 20, 2012, AES Southland, LLC submitted an Application for Certification (AFC) to construct, own and operate the Redondo Beach Energy Project (RBEP). RBEP would be located on approximately 50 acres of privately owned land located at 1100 North Harbor Drive in the City of Redondo Beach, Los Angeles County, California. The site for the proposed project is southeast of, and adjacent to, the North Harbor Drive and Herondo Street intersection and would utilize 10.5 acres in addition to a 2.2 acre existing switchyard located entirely within the approximately 50-acre footprint of the existing Redondo Beach Generating Station.

Project Description

RBEP is a proposed natural gas-fired, combined-cycle, air-cooled electrical generating facility with a net generating capacity of 496 megawatt (MW) and be constructed on the site of, and eventually replace, the AES Redondo Beach Generating Station. RBEP would consist of one three-on-one, combined-cycle gas turbine power block with three natural gas-fired combustion turbine generators (CTG), three supplemental-fired heat recovery steam generators (HRSG), one steam turbine generator (STG), an air-cooled condenser, to replace the once-through cooling used by the current facility, and related ancillary equipment. Other equipment and facilities to be constructed include natural gas compressors, water treatment facilities, emergency services, and administration and maintenance buildings. The existing Redondo Beach Generating Station Units 1 through 8 and auxiliary boiler no. 17 will be demolished as part of the project. (Units 1, 2, 3, and 4 have been retired. Units 5, 6, 7, and 8 are currently in use.) The Wyland Whaling Wall would be dismantled and moved to a new location directly in front of the proposed power block.

RBEP will include the following principal design elements:

- Three Mitsubishi Power Systems Americas (MPSA) 501D CTGs with a nominal rating of 119 MW each. The CTGs will be equipped with evaporative coolers on the inlet air system and dry low oxides of nitrogen (NOx) combustors.
- One MPSA single-cylinder, single flow, impulse, axial exhaust condensing STG rated at 151 MW.
- Three HRSGs, each with a natural gas-fired duct burner for supplemental firing, an emission reduction system consisting of a selective catalytic reduction (SCR) unit to control NOx emissions, and an oxidation catalyst to control carbon monoxide (CO) and volatile organic compounds (VOC) emissions.
- One air-cooled condenser and one closed-loop fin fan cooler.
- A 230-kilovolt (kV) interconnection to the existing onsite Southern California Edison (SCE) switchyard.
- Direct connection with the existing onsite Southern California Gas Company (SoCalGas) 20-inch diameter natural gas pipeline.

- Connection to existing onsite potable water line.
- Connection to existing onsite sanitary pipeline and to the existing ocean outfall.
- Demolition of retired Units 1, 2, 3, and 4.
- Demolition of operating Units 5, 6, 7, and 8 and auxiliary boiler no. 17.
- Demolition of existing administrative buildings and ancillary facilities.

RBEP would reuse the existing natural gas, water, sewer, and high-voltage interconnections to the site; no offsite linear developments are proposed as part of the project. RBEP would continue the use of potable water for construction, operational process, and sanitary uses, but at substantially less volumes than historically used by the Redondo Beach Generating Station. Potable water would continue to be provided by the California Water Service Company. The new generating units would employ air-cooled condensers and would eliminate the use of ocean water at the site. During RBEP operation, stormwater and process wastewater would be discharged to a retention basin and then ultimately to the Pacific Ocean via the existing ocean outfall. Sanitary wastewater would be conveyed to the Los Angeles County Sanitation District via the existing City of Redondo Beach sewer connection. RBEP would connect to the existing SCE 230-kV switchyard via a new onsite interconnection.

If the RBEP AFC is approved by the Energy Commission, construction and demolition activities at the project site are anticipated to last 60 months, from January 2016 until December 2020. The first activities to occur onsite would be the dismantling and partial removal of existing Units 1-4. The major generating equipment including steam turbines, generators, boilers, and duct work would be removed, leaving the administration building and western portion of the building that houses Units 1-4 intact. These buildings will be left standing temporarily to provide screening between the construction site of the new power block and Harbor Drive. Construction of the new power block would begin in the first quarter of 2017 and continue to the end of the second quarter 2019, when it would be ready for commercial operation. Although operational, construction would continue through 2019 including construction of the new control building and the relocation of the Wyland Whaling Wall. The existing Units 5-8 and auxiliary boiler no. 17 would remain in service until the second quarter of 2018. Units 5-8 and auxiliary boiler no. 17 would be demolished starting the first quarter of 2019 through the fourth quarter of 2020. During the demolition and removal of Units 5-8, the Wyland Whaling Wall would be dismantled and moved to a new location directly in front of the new power block. Finally, the remaining buildings and structures left standing would be demolished and removed by the end of 2020.

Energy Commission's Site Certification Process

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications to construct and operate thermal electric power plants, 50 MW and greater, in California. The Energy Commission's facility certification process carefully examines public health and safety, environmental impacts and engineering aspects of proposed power plants and all related facilities such as electric transmission lines and natural gas and water pipelines. The Energy Commission is the Lead Agency under the California Environmental Quality Act (CEQA) and because the siting process is a certified regulatory program, the Energy Commission produces several environmental and decision documents rather than an Environmental Impact Report. The issuance of a certificate by the Energy Commission is in lieu of any local or state permits, and federal permits to the extent permitted by federal law.

The first step in the review process is for Energy Commission staff to determine whether or not the AFC contains all the information required by Energy Commission regulations. When the AFC is deemed data adequate by the Energy Commission at a Business Meeting, a committee of two Commissioners will be assigned to oversee the proceeding. The discovery and analysis phases begin when a detailed examination of the issues will occur. There will be opportunities for you staff to confer with Energy Commission staff regarding issues of concern to you agency.

Over the coming months, the Energy Commission will conduct a number of public workshops and hearings on the proposal to determine whether the project should be approved for construction and operation and if so, under what set of conditions. These workshops will provide the public as well as local, state and federal agencies the opportunity to ask questions about, and provide input on, the proposed project. The Energy Commission will issue notices for these workshops and hearings at least 10 days prior to the meeting.

Agency Participation

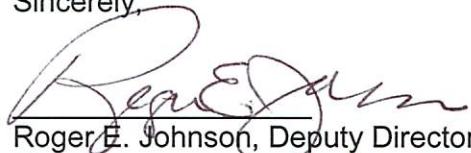
Your agency's participation is encouraged by assisting in the identification of project issues which present concerns to your agency. Your willingness to cooperate with the project applicant and our staff in the resolution of these issues is highly valued. Energy Commission technical staff will soon be contacting your agency staff to understand if there are issues or information that need to be identified. In the meantime, if you have any questions, please contact Patricia Kelly, the Energy Commission's Project Manager, at (916) 654-4063, or by e-mail at patricia.kelly@energy.ca.gov.

Local agencies may seek reimbursement for reasonable costs incurred in responding to these requests. (Cal. Code Regs., tit. 20, section 1715).¹

Enclosed is a copy of the AFC in electronic format (CD). If you would like to have a hard copy of the AFC sent to you, if you have questions, please contact Ms. Kelly. The status of the proposed project, copies of notices, a copy of the AFC, and other relevant documents are also available on the Energy Commission's Internet web site at http://www.energy.ca.gov/sitingcases/redondo_beach. You can also receive e-mail notification of all project related activities and availability of reports by subscribing to the List Server at <http://www.energy.ca.gov/listservers/index.html>

Date: 12/14/12

Sincerely,



Roger E. Johnson, Deputy Director
Siting, Transmission and Environmental
Protection Division

Mailed to:
Agency List #MS-15C

¹ Please note that pursuant to Title 20, California Code of Regulations, section 1715 reimbursement is not available to state and federal agencies.