

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

IN THE MATTER OF:

APPLICATION FOR CERTIFICATION FOR THE
AES HIGHGROVE POWER PLANT PROJECT

DOCKET No. 06-AFC-2

DOCKET
06-AFC-2

DATE AUG 16 2006

RECD. AUG 16 2006

NOTICE OF PUBLIC INFORMATIONAL HEARING AND SITE VISIT

On May 25, 2006, AES Highgrove, LLC ("Applicant"), filed an Application for Certification (AFC) with the California Energy Commission to construct and operate the Highgrove Power Plant Project. The proposed project is a nominal 300-megawatt (MW) peaking power plant facility consisting of three natural-gas-fired turbines and associated equipment. The facility will be located at 12700 Taylor Street, in an industrially zoned area in the City of Grand Terrace, San Bernardino County, on the site of a power plant formerly owned by Southern California Edison (SCE). The Energy Commission has exclusive jurisdiction to license this project and is considering the proposal under a twelve-month review process established by Public Resources Code section 25540.6.

PLEASE TAKE NOTICE that the Energy Commission has designated a Committee of two commissioners to conduct proceedings on the application. The Committee has scheduled a public informational hearing and site visit to discuss the proposed project as described below:

TUESDAY, SEPTEMBER 19, 2006

Site Visit begins at 2:30 p.m.

Public Informational Hearing begins at 4:00 p.m.

**Norton E. Younglove Community Center
459 Center Street
Highgrove, California 92507
Wheelchair Accessible
(Map Attached)**

Prior to the informational hearing, members of the public are invited to join the Committee on a tour of the proposed site. The Applicant will provide transportation to the site and return. For reservations, please contact the Energy Commission's Public Adviser at (916) 654-4489 or, 1-800-822-6228 or, e-mail at: [\[pao@energy.state.ca.us\]](mailto:pao@energy.state.ca.us). Please make your reservation prior to September 15 so that we can assure you a space.

Background

On July 19, 2006, the Energy Commission began review of the proposed AES Highgrove Power Plant Project. The review process will take approximately twelve months. During the review period, the Energy Commission will determine whether the proposed project complies with applicable laws related to public health and safety, environmental impacts, and engineering requirements. The informational hearing scheduled by this Notice is sponsored by the Energy Commission to inform the public about the project and to invite public participation in the review process.

Project Description

The AES Highgrove Project is a nominal 300 MW peaking power plant, proposed to be constructed in an industrially zoned area in the City of Grand Terrace, San Bernardino County, on the former site of the fuel oil tanks at the power plant previously owned by Southern California Edison (SCE). The project includes the demolition of the old power plant. Locating the project on the former tank farm site allows greater setback from a proposed neighboring high school and partially screens the project behind an existing berm. The project includes a trade of acreage with the Grand Terrace Redevelopment Agency, providing opportunities for other Agency-lead development.

The AES Highgrove Project consists of three General Electric LMS1000 simple cycle natural-gas-fired turbines and associated equipment. To increase efficiency, the LMS1000 technology employs an intercooler, which requires a source of cooling water and cooling towers. The project will obtain cooling water from two of four existing on-site wells.

To meet air pollution limits, each gas turbine would be equipped with water injection capability and selective catalytic reduction (SCR) to reduce oxides of nitrogen (NO_x) emissions and an oxidation catalyst to reduce carbon monoxide (CO) emissions. Auxiliary equipment for each turbine will include an inlet air evaporative cooler, an intercooler, a 2-cell cooling tower, water storage tanks, transmission switchyard equipment, an aqueous ammonia tank, and an 80-foot exhaust stack.

The project would add 600 feet of new transmission lines to connect to the existing SCE Highgrove Substation. An existing potable water supply pipeline would be extended approximately 1,300 feet. Approximately 7 miles of new 12-inch diameter gas pipeline would be constructed from the site south along Main Street, Iowa Street, Martin Luther King Boulevard, and Canyon Crest Drive.

Wastewater, such as concentrated cooling tower blowdown, is proposed to be and shipped off-site by tanker truck to a licensed facility for treatment and disposal by the Orange County Sanitation District. Solid or hazardous wastes will be disposed at the appropriate licensed facility.

The engineering and environmental details of the proposed project are contained in the Application for Certification (AFC). Copies of the AFC are available at the local public agencies that are involved in the review process and at the following libraries: Fresno County Library; San Diego Public Library; Grand Terrace Branch Library; UCLA, University Research Library; Riverside Main Library; California State Library; San Francisco Public Library; and, Rivera Library at the University of California, Riverside.

Purpose of the Informational Hearing

The power plant licensing process, which incorporates requirements equivalent to the California Environmental Quality Act, considers all relevant engineering and environmental aspects of the proposed project. The licensing review provides a public forum allowing the Applicant, Commission staff, governmental agencies, adjacent landowners, and members of the general public to consider the advantages and disadvantages of the project, and to propose changes, mitigation measures, and alternatives as necessary.

The informational hearing scheduled in this Notice provides an opportunity for members of the community in the Highgrove area to obtain information, to offer comments, and to view the project site. The Applicant will explain plans for developing the project and the related facilities. Energy Commission staff will explain the administrative licensing process and Staff's role in reviewing the application.

Proposed Schedule and Issue Identification Report

To assist participants in understanding the process, Energy Commission staff shall file an updated proposed schedule for project review. Staff shall also file an updated Issue Identification Report summarizing the major issues. Staff's report shall indicate whether Applicant's data responses have been timely and what additional information is necessary to resolve issues of concern. The proposed schedule and Staff's report shall be filed by **5 p.m., September 13, 2006.**

Copies of these documents will be posted on the Energy Commission's Internet web page at: [www.energy.ca.gov/sitingcases/highgrove].

Public Adviser and Public Participation

The Energy Commission's Public Adviser is available to assist the public in participating in the application review process. For those individuals who require general information on how to participate, please contact the Public Adviser, Margret J. Kim, at (916) 654-4489 or 1-800-822-6228 or e-mail: [pao@energy.state.ca.us].

If you have a disability and need assistance to participate in this event, contact Lourdes Quiroz at 916-654-5146 or e-mail at: [lquiroz@energy.state.ca.us].

Information

Technical questions concerning the project should be addressed to Robert Worl, the Staff Project Manager, at (916) 651-8853 or e-mail at: [rworl@energy.state.ca.us].

Questions of a legal or procedural nature should be directed to Paul Kramer, the Hearing Officer, at (916) 654-5103 or e-mail at: [pkramer@energy.state.ca.us].

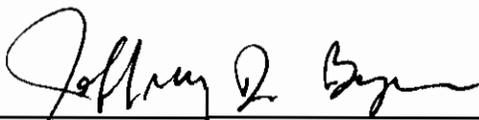
Media inquiries should be directed to Claudia Chandler, Assistant Executive Director for Media and Public Communications at (916) 654-4989 or e-mail at: [mediaoffice@energy.state.ca.us].

Information concerning the status of the project, as well as notices and other relevant documents, may be viewed on the Energy Commission's Internet web page at: [www.energy.ca.gov/sitingcases/highgrove].

Dated August 16, 2006, at Sacramento, California.



JACKALYNE PFANNENSTIEL
Chairman and Presiding Member
Highgrove Project AFC Committee



JEFFREY D. BYRON
Commissioner and Associate Member
Highgrove Project AFC Committee

Mailed to Lists: POS, 7201, 7202, 7203, 7204

Proof of Service List (Revised on 8/2/06)
filed with Original Document. Mailed from
Sacramento on 8/15/06.

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

APPLICATION FOR CERTIFICATION
FOR THE AES HIGHGROVE
POWER PLANT PROJECT

Docket No. 04-AFC-1
PROOF OF SERVICE
(Established 8/2/06)

INSTRUCTIONS: All parties shall 1) send an original signed document plus 12 copies OR 2) mail one original signed copy AND e-mail the document to the web address below, AND 3) all parties shall also send a printed OR electronic copy of the documents that shall include a proof of service declaration to each of the individuals on the proof of service:

CALIFORNIA ENERGY COMMISSION
Attn: Docket No. 04-AFC-01
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.state.ca.us

APPLICANT

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INTERESTED AGENCIES

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INTERVENORS

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DECLARATION OF SERVICE

I, Maggie Read, declare that on August 16, 2006, I deposited copies of the attached NOTICE OF INFORMATIONAL HEARING AND SITE VISIT, in the United States mail at Sacramento, CA with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

OR

Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the Proof of Service list above.

I declare under penalty of perjury that the foregoing is true and correct.

[signature]