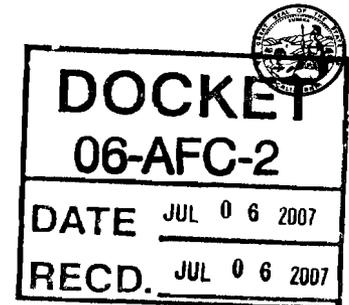


## CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET  
SACRAMENTO, CA 95814-5512

**NOTICE OF RECEIPT  
SUPPLEMENTAL INFORMATION FOR THE  
AES HIGHGROVE PROJECT  
APPLICATION FOR CERTIFICATION (06-AFC-2)**



On May 25, 2006, AES Corporation submitted an Application for Certification (AFC) to construct and operate a simple-cycle (peaking) power plant, the AES Highgrove Project (HP), in the City of Grand Terrace, San Bernardino County. At the Business Meeting of July 19, 2006, the Energy Commission accepted the AFC with supplemental material as complete.

After discussing potential alternatives to the projects proposed water source at a workshop held in Grand Terrace on November 16, 2006, AES determined that it was possible to revise the initially proposed water source, processing and disposal options. AES decided to submit an alternative proposal along with new information considering the pending changes to the South Coast Air Quality Management District's (SCAQMD) Proposed Amended Rule 1309.1, the Priority Reserve emissions reduction credit program.

During this time, staff has continued to examine the project's potential for environmental, public health, and engineering impacts and compliance with all applicable laws, ordinances, regulations and standards.

On June 27, 2007, CH2MHill, on behalf of AES, submitted Supplement C to the AFC which proposes changes to the intended sources of cooling and process water, and modifications to the on-site water treatment system, the cooling tower system, and wastewater disposal plans. These changes include the need for an additional 1.3 miles of water supply pipeline to convey degraded water from the Spring Street wells in Riverside County to the HP site in Grand Terrace, where the intent is to blend this water with available on-site water. With respect to air quality, AES and the Energy Commission are expecting that the SCAQMD will complete the adoption of the Proposed Amended Rule 1309.1 at its scheduled July 13, 2007 Executive Board meeting. The Supplement C may be viewed at the Energy Commission website for the Highgrove Project (see below).

### **Project Description**

The HP would be a nominal 300 megawatt (MW) simple-cycle power plant consisting of three General Electric LMS100 natural gas-fired turbine generators and associated equipment. The HP is designed as a peaking facility to meet electric generation load during periods of high demand, which generally occur during daytime hours, and more frequently during the summer portions of the year. The project is expected to have an annual capacity factor of approximately 15 to 30 percent, depending on weather-related customer demand, load growth, transmission outages, and other factors.

The proposed 10.1-acre HP site would be located at 12700 Taylor Street, in an industrially zoned area in the City of Grand Terrace, San Bernardino County. The project parcel is located at the northern portion of a larger tract containing the former Highgrove Generating Station (HGS). The project will also consist of demolition of the existing HGS. The electrical

interconnection would be to the existing Southern California Edison Highgrove Substation which is adjacent to the project site.

Supplement C to the AFC states that the HP proposes to use fresh water from onsite wells blended in approximately equal parts with degraded water from the Spring Street wells that are 1.3 miles south of the project site in the Highgrove area of Riverside County. This blend of water will be treated on site by adding a reverse osmosis unit and used for cooling and other power plant processes, and for site landscape irrigation. The combined sources would supply, on average, approximately 366 acre-feet per year of ground water for all the plant process needs including cooling tower make. Potable water for drinking and sanitary uses would be provided through a 1,300-foot-long pipeline connection to a Riverside Highland Water Company water main in Main Street in the City of Grand Terrace. Sanitary wastewater would be discharged to the City Of Grand Terrace sanitary sewer system. Non-reclaimable brine from the reverse osmosis water treatment system would be hauled by truck approximately 5 miles to the San Bernardino Water Reclamation Plant, which is the connection to the Santa Ana Regional Interceptor (SARI) brine pipeline system. This wastewater would then be conveyed to the Orange County Sanitation District wastewater treatment plant, which discharges to an ocean outfall. Supplement C indicates a significant reduction in the amount of wastewater conveyed to the SARI with a reduction of the number of daily truck-trips by 75 percent to three trips per day during peak operating periods.

The HP would be connected to SCE's electrical system at the existing Highgrove Substation, which is located adjacent to the project site. This connection would require approximately 600 feet of new 115-kilovolt transmission line.

Natural gas would be supplied to the HP via a new 7-mile, 12-inch diameter pipeline connection to the Southern California Gas Company (SoCalGas) high-pressure gas pipeline 2001. The pipeline would start at the site and run westerly along Main Street to Iowa Street and then run southerly along Iowa Street to Martin Luther King Junior Boulevard. The pipeline would then go east for approximately one half mile to Canyon Crest Drive heading southerly to its terminus at the SoCalGas transmission pipeline 2001.

Assuming the HP receives a license from the Energy Commission, the target date for commercial operation stated in Supplement C is July 1, 2010.

### **Energy Commission's Facility Certification Process**

The Energy Commission is responsible for reviewing and ultimately approving or denying all thermal electric power plants, 50 MW and greater, proposed for construction 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, natural gas pipelines, etc. The Energy Commission's responsibilities are those of a lead agency under the California Environmental Quality Act (CEQA), except the Commission's analysis takes the form of several environmental and decision documents rather than an Environmental Impact Report.

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## **Public Participation**

Over the coming months, the Energy Commission will conduct a number of public workshops and hearings 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 and local, state and federal agencies the opportunity to ask questions and provide input about the proposed project. The Energy Commission will issue notices for these workshops and hearings at least 10-14 days prior to the meeting.

If you desire information on participating in the Energy Commission's review of the project, please contact the Energy Commission's Public Adviser, at (916) 654-4489 or toll free in California, at (800) 822-6228. The Public Adviser's Office can also be contacted via email at [pao@energy.state.ca.us](mailto:pao@energy.state.ca.us). Please direct any technical or schedule questions to Robert Worl, Energy Commission Project Manager, at (916) 651-8853, or by email at: [rworl@energy.state.ca.us](mailto:rworl@energy.state.ca.us). The status of the project, copies of notices, an electronic version 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/highgrove>. You can also receive email notification of all project-related activities and availability of reports by subscribing to the Listserve on the website. News media inquiries should be directed to Assistant Executive Director, Claudia Chandler, at (916) 654-4989.

This notice of receipt has been mailed to all parties that requested placement on the mailing list during the pre-filing period and to property owners located within 1000 feet of the proposed project site and within 500 feet of any linear feature. By being on the mailing list, you will receive notices of all project-related activities and notices when documents related to the project's evaluation are available for review. If you wish to be removed from the mailing list, please contact Terry Piotrowski, Project Secretary, at (916) 653-4677, or e-mail at [tpiotrow@energy.state.ca.us](mailto:tpiotrow@energy.state.ca.us).

## **Availability of the AFC Document**

Copies of the AFC are available for public inspection at:

Grand Terrace Branch Library  
22795 Barton Road Unit A  
Grand Terrace, CA 92313-5295

Riverside Main Library  
3581 Mission Inn Ave.  
Riverside, CA 92501

Government Publications Dept.  
Rivera Library  
University of California  
P.O. Box 5900  
Riverside, CA 92517-5900

Copies are also available at the Energy Commission's Library in Sacramento, the California State Library in Sacramento, and at public libraries in Los Angeles, San Francisco, San

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Diego, Fresno, and Eureka. In addition, copies will be distributed to those public agencies that would normally have jurisdiction except for the Energy Commission's exclusive authority to certify sites and related facilities.

DATE: 7/6/07

*Allen for Roger E. Johnson*  
Roger E. Johnson, Manager  
Energy Facilities Siting and Compliance Office

Mailed to list 7201, 7202