

Environmental Health Coalition

COALICION de SALUD AMBIENTAL

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July 28, 2006

Mr. Bill Pfanner
Project Manager
California Energy Commission
1516 Ninth Street, MS-15
Sacramento, CA 95814
Phone: 654-4206
E-mail: bpfanner@energy.state.ca.us

DOCKET 06-AFC-3
DATE JUL 28 2006
RECD. AUG 1 2006

Dear Mr. Pfanner:

Environmental Health Coalition (EHC) is a 26-year old, non-profit, environmental justice organization working in the San Diego/Tijuana region. Our Clean Bay Campaign seeks to cleanup, restore, and protect San Diego Bay and the health of residents living around the Bay. While we are exceedingly supportive of all efforts to remove the current South Bay Power Plant, are very concerned about the LS Power proposal to replace the SBPP with a plant that proposes to emit the same amount of air pollution as the current, inefficient power plant.

We understand that a data adequacy hearing is coming up. We further understand that we have an opportunity, as an interested party, to ask the California Energy Commission (CEC) to request additional data from the project applicant. We have begun our review of the Application for Certification (AFC) and note some very serious omissions from and deficiencies in sections critical to our members, many of whom live directly downwind of the plant.

Our requests are as follows:

1. a. **Request that LS Power re-run the air emission modeling analysis using local, current, meteorological data for the West Chula Vista area.**

Basis for Request:

Wind roses for the year 2000 developed by the San Diego Air Pollution Control District indicate that the wind direction and wind speed at Lindbergh field are not representative of conditions in Chula Vista. (Figures 1 and 2 attached) Also, using 1990 data is not appropriate when more current data exists. As this summer's heat wave indicates, our region may be experiencing some climatic changes that make 1990 data outdated.

We were surprised to read in the AFC that LS Power had trouble obtaining Aermod compatible Chula Vista met data from the SDAPCD, as EHC has received Chula Vista met data (for 2003) from Bill Brick of the SDAPCD as recently as this year. The CEC should encourage SDAPCD to make this data available to LS Power as soon as possible.

It is imperative that local conditions are taken into account when evaluating air quality impacts for this or any other project. The AFC should not be considered data adequate unless the modeling is re-run using current, local met data from the Chula Vista monitoring station.

b. **Request that LS Power provide maps showing the geographic scope of air quality impacts for at a minimum the PM₁₀ and PM_{2.5} impacts for construction, commissioning, and operation air quality impacts.**

Basis for Request:

The AFC contains information on the levels of air quality impacts, but does not demonstrate the geographic scope of those impacts, nor where the maximum exposed individuals are located. This is basic information that should be considered in the environmental review and should be available to the public.

c. **Request that LS Power, as part of the environmental review, consider and demonstrate compliance with the lower PM standards that are being currently considered by the United State Environmental Protection Agency.**

Basis for Request:

These criteria are listed at <http://www.epa.gov/air/criteria.html> These are not in regulatory effect yet, but reflect the most current scientific information on the health impacts of particulate matter.

2. **Revise Table 9.3-1 Assessment of San Diego RMR needs and associated tables, graphs and figure throughout the AFC to reflect planned repowering of Encina.**

Basis for Request:

As of July 23, 2006, Encina Power Plant owners announced their intention to replace the Encina Power plant by 2009. An news article in the San Diego Union Tribune, *New tower of power: In a move to crank up the juice and sell some land, Encina station's owner plans to rebuild farther east and put the wrecking ball to the plant*, dated July 23, 2006 Encina owners, NRG notified the CEC of plans to bring a repowered 340 ME plant online by 2009 and expanding to 640MW by 2011. The AFC should be revised to reflect this RMR power. Article attached.

3. **Revise Figure 1.15-2 Contribution of In-Area Resources to Meeting Capacity Requirement and associated Table, graphs and figure throughout the AFC to reflect planned Community Power Project of ENPEX.**

Basis for Request:

Federal appropriation HR 4546, Section 2831 provided for the sale of 60 acres of the Miramar Naval Air Station to ENPEX for the purposes of a power plant construction. In addition, this proposed project is Number 8 on the CalISO Queue (statewide, November, 2000), have recently completed a study on site selection with the Navy. In May, 2006 ENPEX announced that it was entering into a contract for facility studies with SDG&E. (North County Times article, May 9, 2006, *Del Mar company to study Miramar power plant.*)

4. Require analysis of additional alternatives to a large gas-fired power plant at the proposed site, at a minimum, to include the ENPEX site and several hybrid options that would draw replacement generation from more than one source of energy e.g. some pumped storage and gas—fired, or some solar and some biomass for a portion of the project in order to reduce impacts etc...

Basis for Request:

Section 9.0 in the AFC fails to analyze several known and credible alternatives, both related to site and to technology. The most glaring deficiency is the failure to mention the ENPEX site, located in close proximity to the Sycamore Substation. This project is proposed as a 750MW plant scalable to 1500MW. It is far from residential areas and close to major transmission. CEQA is clear on the requirement to analyze alternatives that *“would avoid or substantially lessen any of the significant effects of the project.”* (AFC at 9-2).

In addition, the AFC dismisses any alternative that meets all but one objective when the California Environmental Quality Act (CEQA) clearly states that alternatives should be analyzed that *“could feasibly attain most of the basic objectives of the project...”* (emphasis added) (AFC at 9-2 and 9-30) This would require that several of the solar technologies be analyzed for some or part of the project such as several hybrid options that would draw replacement generation from more than one source of energy e.g. some pumped storage and gas—fired, or some solar and some biomass for a portion of the project in order to reduce impacts etc...

5. Require LS Power to assess an alternative of a non-duct-fired power plant.

Basis for Request:

The practice of duct firing or burning is the process of injecting heat into a boiler for additional steam generation, reduces efficiency and raises emissions. It effectively turns a more efficient base-load plant into a far less efficient, large peaker plant. According to a GE report, eliminating duct-firing dramatically reduces cooling load and size of a dry cooling system, thereby making a smaller footprint possible. An unfired baseload plant results in the smallest ACC and minimum visual bulk and fewer emissions thus is a credible alternative that reduces impacts from the plant.

Thank you for the opportunity to comment on this very important project in our community.

Sincerely,



Laura Hunter, Director
Clean Bay Campaign

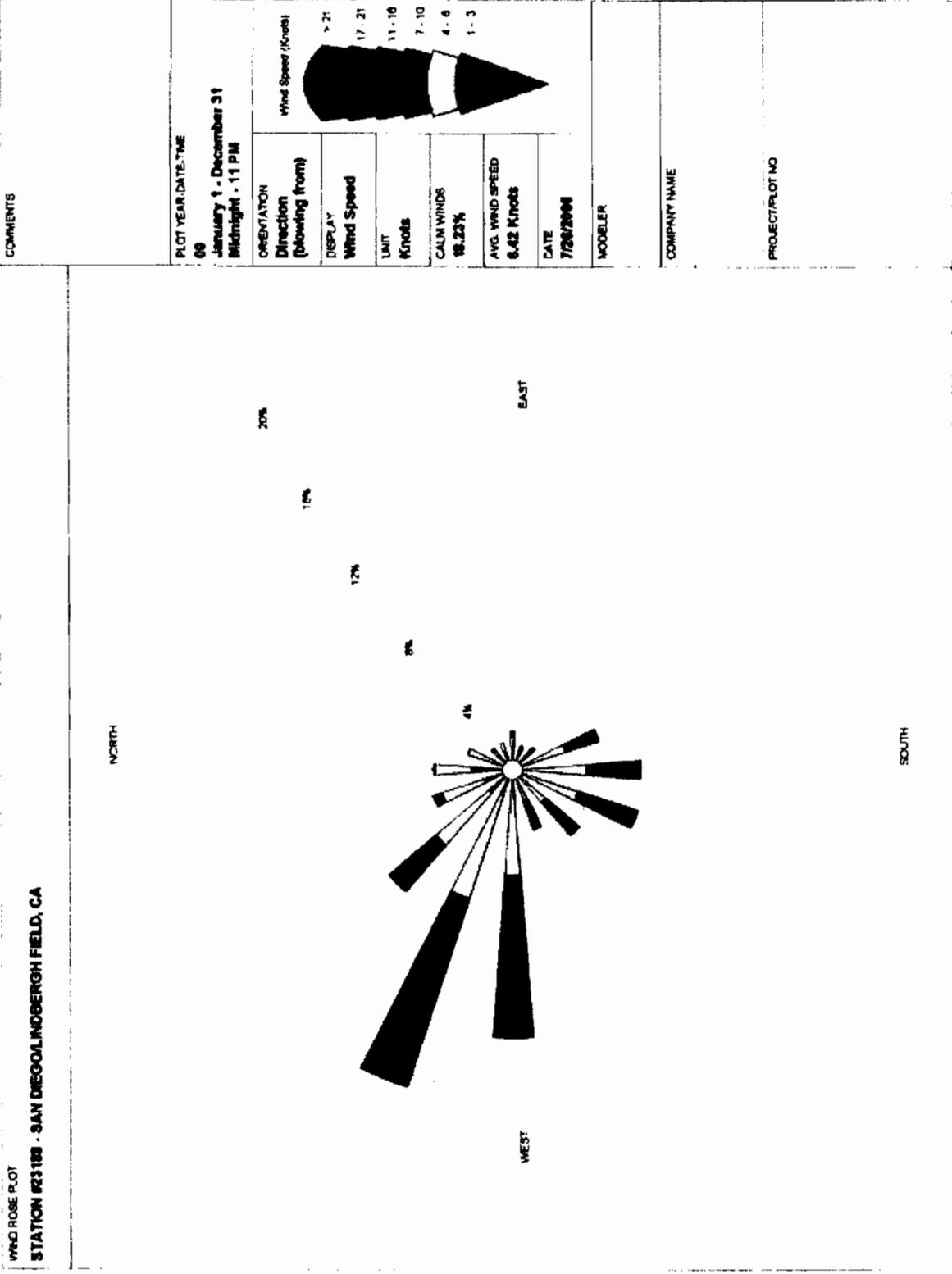


Melanie McCutchan
Research Associate

ATTCH:

Figure 1. Wind Rose for Lindberg Field, Year 2000 from the San Diego Air Pollution Control District.

Figure 2. Wind Rose for the Chula Vista Monitoring Station, Year 2000 from the San Diego Air Pollution Control District.

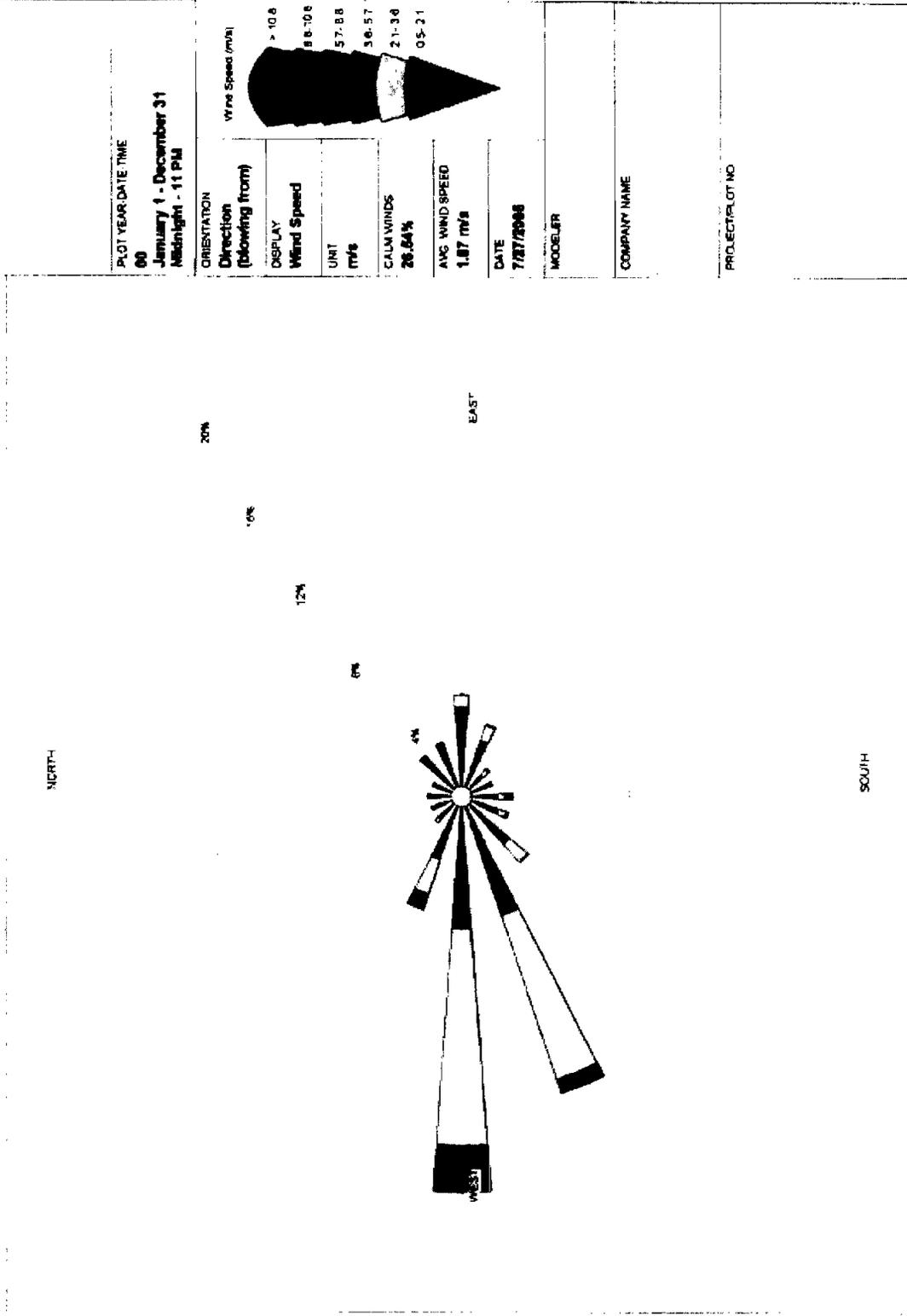


WORK COPY - Use 2.22 for Laking Environmental Solutions - www.laking-environmental.com

Figure 3. Wind Rose for Lindbergh Field, Year 2000 from the San Diego Air Pollution Control District.

WIND ROSE PLOT
CHULA VISTA

COMMENTS



WINDROSE V10.1.22.04 (Late Engineering Software) - www.1919a.com/engsoft/windro

Figure 4. Wind Rose for the Chula Vista Monitoring Station, Year 2000 from the San Diego Air Pollution Control District.

New tower of power

In a move to crank up the juice and sell some land, Encina station's owner plans to rebuild farther east and put the wrecking ball to the plant

By Michael Burge
 UNION-TRIBUNE STAFF WRITER

July 23, 2006

CARLSBAD – The owner of the Encina Power Station intends to build a new plant three years from now, eventually demolishing the station's massive building and towering smokestack, which have served as a landmark for decades along the North County coast.

Bringing in the wrecking ball would allow NRG Energy Inc., the power station owner, to sell some of the 95-acre Encina property for commercial development, company officials said.

NRG notified the California Energy Commission early this month that it would apply for a state permit to build a new plant farther east on its property, which is wedged between the coast highway and Interstate 5 north of Cannon Road.

The new \$550 million station initially would house two gas-powered turbines capable of generating 340 megawatts of electricity by 2009. One megawatt provides enough electricity to power about 650 homes.

The station would expand to 640 megawatts by 2011, company officials said.

At that point, the 52-year-old water-cooled plant on the south shore of Agua Hedionda Lagoon could be flattened.

To build a new plant, NRG would need a variety of permits, including approvals from the energy commission and the state Coastal Commission, in a process that could take several years.



CRISSY PASCUAL / Union-Tribune



SEAN M. HAFHEY / Union-Tribune
 Steve Hoffman (below) of NRG, the Encina Power Station's owner, said the first phase of the plan to build a new plant farther east is installing two turbines for immediate electricity demand. The current station, a landmark on the coast, would be demolished.

Once construction starts, the first phase of the project – installing the two turbines – would be designed to meet immediate electricity demand.

“In the near term, SDG&E needs the peaking capacity,” said Steve Hoffman, NRG's western region president.

As regional demand for electricity increases after 2009, NRG would boost output to 640 megawatts by converting to a “combined-cycle generating plant.”

In that technology, the plant captures heat from the two gas turbines to drive a steam-powered turbine, generating even more power.

The new plant's turbines would be air-cooled, unlike the existing water-cooled plant that draws up to 600 million gallons a day from the adjacent lagoon.

Environmental groups criticize ocean water-cooled plants for the toll they take on marine life sucked into the system.

The U.S. Environmental Protection Agency recently revised its regulations governing the process, called once-through cooling, to reduce fish kills by 80 percent to 95 percent and small-organism deaths by 60 percent to 95 percent.

“We would not (apply) for a new permit for ocean-water cooling at or near that site,” Hoffman said, “because we feel the restrictions are so prohibitive.”

Eliminating the ocean-water cooling system, however, complicates a proposal to build a desalination plant on the Encina grounds. The desalination plant would tap into the stream of ocean water used by the power plant.

Poseidon Resources Inc. has a lease with Cabrillo Power – an NRG subsidiary and the Encina plant operator – to build and operate a desalination plant there.

The San Diego County Water Authority also has proposed building a desalination project at Encina. Both agencies now are reviewing environmental studies or applying for permits related to their proposals. And officials at both agencies are considering the implications of NRG's plans.

The existing Encina plant stands as a monument to 1950s industrialization that gave little consideration to the coast's tourism or beauty.

The 200-foot-tall concrete building houses five steam-powered generators lined up in a building large enough to stage a hockey game.

“These old steamers, even though they're inefficient, they're very efficient in terms of supplying generation to cover the load,” Hoffman said during a recent tour of the plant. “We can go from 20 megawatts to full power in a very short period of time.”

When it's operating at capacity, the Encina plant can produce 965 megawatts, making it the county's second-largest power station after the 2,254-megawatt San Onofre Nuclear Generating Station at the northern end of Camp Pendleton.

But demand has dropped for the electricity the Encina plant can produce. Since SDG&E powered up its new 550-megawatt Palomar Energy Center in Escondido earlier this year, Encina has often been idle.

“There's 60 to 100 days a year the plant is almost cold,” Hoffman said.

Still, NRG isn't suffering. Encina has “reliability must run” status from the California Independent Service Operator, which ensures the state has enough electricity. So the company is paid to keep Encina on standby. And while the turbines may be cold more often than not for now, NRG and power industry experts all say the region's demand for electricity will only increase.

“In the long term there will be more interest in having the units run all the time,” Hoffman said.

NRG is focusing on getting permits to build the new plant and hasn't considered what to do with the land once the old building is demolished.

“We'll convert that to a real estate project,” Hoffman said, and probably sell the oceanfront site to a developer.

He said NRG continues to get offers for the property, which it turns down.

“We're in this odd little limbo where we're almost financially neutral as to outcomes,” Hoffman said, meaning that whether NRG built a new plant or sold all of its beachfront acreage, the company would make money.

But, he said, the company has generated electricity on the site for half a century and wants to continue.

“The easiest thing to do would be to take the money,” Hoffman said. “The responsible thing to do would be work with the community on power.”

The city of Carlsbad has eyed the property for possible commercial development and established a redevelopment zone that included the power plant in 2000.

Councilman Matt Hall said the beachfront land probably would be too pricey for the city to purchase.

“God only knows what the land's worth,” Hall said. Asked what might be developed, he said, “Based on what you'd have to pay for that land, it'd have to be some high-end stuff,” such as a hotel.

■ Michael Burge: (760) 476-8230; michael.burge@uniontrib.com

Laura Hunter

From: Laura Hunter
Sent: Tuesday, May 09, 2006 3:36 PM
To: Laura Hunter (LauraH@environmentalhealth.org)
Cc: earthlover@sbcglobal.net
Subject: FW: E-mail-A-Friend: Del Mar company to study Miramar power plant

FYI.. this proposal is 750 MW scalable to 1500MW acdd to ENPEX reps.

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The North County Times Serving San Diego and Riverside Counties

Tuesday, May 9, 2006

Del Mar company to study Miramar power plant

By: QUINN EASTMAN - Staff Writer

NORTH COUNTY ---- A Del Mar company proposing to build a 750-megawatt power plant at the east end of Marine Corps Air Station Miramar took a step this week towards turning its long-standing plans into reality.

The company, Enpex Corporation, has asked San Diego Gas & Electric to study connecting its proposed natural gas-fueled plant with the state power grid, Enpex's president Richard Hertzberg said Friday.

A SDG&E spokesman confirmed Friday that Enpex had commissioned the study.

Enpex is contributing \$100,000 to the costs of the "facilities study," Hertzberg said.

"From our side, it's a serious commitment because it's real cash," he said.

He cautioned that full environmental studies, which include estimates of the effects on regional air quality, would be required by federal and state authorities and had not begun.

However, he noted that the manager of the state power grid, the Independent System Operator, has placed Enpex in a favorable position in its "generation queue," a priority list of proposed power plants or improvements statewide.

According to the power grid manager's website, Enpex is in the queue right behind a proposal located at the Encina power plant in Carlsbad.

The owners of Encina, NRG Energy, have previously said they plan to retool Encina and will apply to the California Energy Commission to do so next year.

Enpex plans to apply to state authorities in the last quarter of 2006 for permission to build the Miramar plant, Hertzberg said.

The Miramar power plant, called the San Diego Community Power Project, would be closest to SDG&E's Sycamore Canyon substation. It represents local competition for the ability to supply electricity to San Diego County, and contrasts with SDG&E's stated plans to bring in renewable energy from Imperial County via the Sunrise Powerlink proposal.

Enpex originally announced its intentions in 2000 in a joint press conference with Congressman Bob Filner (D-San Diego), when Hertzberg described a plan to contribute some of the project's profits to a community development bank.

The company was a bidder during the competitive process that led to the construction of the Palomar Energy power plant in Escondido. Enpex lost out to SDG&E's corporate cousin Sempra Generation, which later sold Palomar to SDG&E for approximately \$420 million.

Enpex operated a power plant in New Jersey for a decade but does not operate any plants now, Hertzberg said.

As part of a military appropriations bill passed by Congress in 2002, Enpex would have to offer the Marines off-base military family housing in exchange for 60 acres of Miramar property on which it would build the power plant.

A Miramar spokesman, Sgt. Matthew Sewell, said the Marines' decision has not been made about whether there would be a trade and what properties would be involved.

Contact staff writer Quinn Eastman at (760) 740-5412 or qeastman@nctimes.com <<mailto:qeastman@nctimes.com>>.

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