

Environmental Health Coalition

COALICION de SALUD AMBIENTAL

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February 13, 2008

Harry Scarborough, Vice President
MMC Energy, Inc.
11002 Ainswick Drive
Bakersfield, CA 93311
hscarborough@mmcenergy.com

DOCKET 07-AFC-4
DATE FEB 13 2008
RECD. FEB 13 2008

RE: Chula Vista Energy Upgrade Project (07-AFC-4)
Data Requests [Set 2 (#s 36-53)]

Dear Mr. Scarborough:

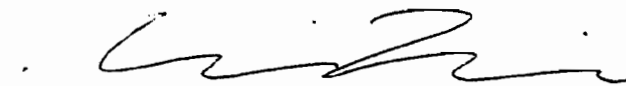
Pursuant to Title 20, California Code of Regulations, section 1716, Environmental Health Coalition (EHC) submits the following enclosed data requests. The information requested is necessary to: (1) more fully understand the project; (2) assess whether the project will result in significant environmental impacts; (3) assess whether the facilities will be operated in a manner protective of public health; and (4) assess potential alternatives and mitigation measures.

This set of data requests is being made in a variety of issues and are questions that have arisen through the course of the data response and public information processes. These requests are in addition to and should not be seen as a replacement for the previous set of data requests sent by EHC to MMC regarding CVEUP (07-AFC-4).

If you are unable to provide the information requested, need additional time, or object to providing the requested information, you must send a written notification to the Committee and me within 30 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. (Title 20, California Code of Regulations, Section 1716 (f)).

Thank you for your attention to these requests.

Sincerely,



Leo Miras,
Environmental Health Coalition

BACKGROUND: AIR QUALITY- GREENHOUSE GAS EMISSIONS

Greenhouse gas emissions remain one of the largest causes of global warming. Recently the California legislature passed AB32 which set stringent carbon emissions reduction levels. Furthermore, the city of Chula Vista has its own greenhouse gas reduction goals and to meet these goals is currently updating its carbon reduction plan. Therefore, in light of AB32, and Chula Vista's carbon emissions goals, it is important to determine whether this new project would provide an added burden to meet these reduction targets.

DATA REQUEST

36. Please provide an analysis on potential greenhouse gas emissions from the project and quantify any projected reductions or increases in the city's totals

BACKGROUND: AIR QUALITY- PROJECTED HOURS OF OPERATION

MMC assertion that it is likely to just run 500 hours would mean that MMC plans to run annually 11% of its technical potential. This means that MMC is putting roughly \$70-\$80 million into this project and yet only run 11% of its technical capacity. Therefore the community and EHC retain an amount of skepticism that MMC's claim of an estimated 500 hours of operation is truthful despite a projected financial loss that would arise from such a number of hours.

DATA REQUEST

37. Please provide revised numbers of the potential overall construction costs of the CVEUP.
38. What is the projected life span over this power plant?
39. What are the projected average hours of operation per year?
40. Conduct an analysis on how much the plant would operate based on various climate change scenarios.

BACKGROUND: AIR QUALITY- OPERATION AGREEMENTS

MMC has maintained in public that it does not expect the proposed CVEUP to run more than 500 hours annually. However, MMC's AFC states that the CVEUP would have a technical capacity of 4500 hours. Assuming an operational condition is placed on CVEUP to limit the plant to certain number of hours, a power purchase agreement between MMC and a utility or energy wholesaler could undermine such a condition. Therefore, to gain a more accurate assessment of the likely hours of operation of CVEUP it is necessary to gain a clearer understanding of the operational agreements surrounding the project.

DATA REQUEST

41. Has MMC sought or is it planning to seek a Power Purchase Agreement with SDG&E?
42. Has MMC pre-sold its power? Or is it in the process of doing so?
43. Is it true that MMC seeks to contract to be available at a moment's notice to fire up the turbines to supply power during peak demand periods? Is this compatible with the Resource Adequacy (RA) system (as this sounds more like an RMR-style approach)?

BACKGROUND: AIR QUALITY- LIQUIFIED NATURAL GAS EMISSIONS

CVEUP is likely to use liquefied natural gas (LNG) supplied from the Costa Azul terminal in Baja California. This form of LNG has a higher butane content.

DATA REQUEST

44. Please provide an air quality assessment based on the increased butane content directly attributable to the use of liquefied natural gas (LNG).

BACKGROUND: TRANSMISSION

MMC has provided conflicting statements regarding the likely capacity of the nearby substation and transmission infrastructure. At once MMC cites the existing transmission infrastructure as reasons for this terrible location, but then elsewhere MMC cites this same infrastructure as a major limitation to your energy and revenue generation.

DATA REQUEST

45. Explain in detail the planned substation expansions for the nearby substation on Main St. by SDG&E and how they could impact the amount of energy that the CVEUP could produce and transmit.
46. Please provide any information regarding planned transmission expansions in the immediate area that could affect increased output from CVEUP.
47. Please provide information supporting MMC's claims that due to transmission congestion problems, CVEUP must be located in areas west of the I-805 and not areas east of the I-805.

BACKGROUND: ALTERNATIVES

It appears that the area surrounding the land fill on the eastern section fits some if not most of siting criteria used to evaluate alternatives (AFC p.6-3)- this includes proximity

to centers of demand, zoning, infrastructure, site control, sufficient size of parcels, mitigation of environmental impacts, and minimizing of potential environmental impacts.

DATA REQUEST

48. Please provide a detailed evaluation of the landfill area (that is the actual land fill and parcels adjacent to it) regarding its feasibility as an alternative location to the CVEUP.
49. Please provide an analysis regarding transmission infrastructure for the landfill area since it is known that some limited transmission does exist.

BACKGROUND: NOISE

Because of its close proximity to residences and a school, it has been proposed by many community residents that MMC should abide by residential noise standards rather than the commercial standard. This is, it has been argued, the only way in which MMC can mitigate its impact to the neighboring community in regard to noise pollution.

DATA REQUEST

50. How does MMC plan on meeting the city's proposed new residential noise standard of 40 decibels? Please explain.
51. Explain any deviations from the existing power plant's noise level obligations since MMC took over control of the plant.

BACKGROUND: CULTURAL RESOURCES- ANDERSON HOUSE

The Anderson House lies in Southwest Chula Vista, 1500 feet from the proposed CVEUP. The house is the last remaining Victorian home, built in ????? Recently the house was awarded a city beautification award for "best historical preservation."

DATA REQUEST

52. Explain MMC's planned measures regarding mitigation of impacts to the Anderson House as well as to the residents thereof.
53. Please provide any and all analyses down regarding potential impacts to Anderson House.

BACKGROUND: WATER RESOURCES- RECLAIMED WATER

The Application for Certification (AFC) proposes to use potable water. EHC generally urges the use of potable water over reclaimed water in power plant cooling, if it reduces pollution emissions. However, the large amounts of potable water the AFC estimates the CVEUP would use in addition to the ongoing water conservation policies in place for the

region, require investigating other water resource measures. Furthermore, if reclaimed water is possible to be used for the new project, then other alternative locations could be used that would provide adequate water resource infrastructure.

DATA REQUEST

54. Please provide an analysis comparing the change in air emissions for criteria pollutants between the CVEUP when using potable water and the CVEUP when using reclaimed water.

STATE OF CALIFORNIA
ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:
The Application for Certification
for the CHULA VISTA ENERGY
UPGRADE PROJECT

Docket No. 07-AFC-4

PROOF OF SERVICE

I, Georgette Gomez, declare that on February 13, 2008, I deposited copies of the attached Data Request in the United States mail at National City, California, with first class postage thereon fully prepaid and addressed to the following:

CALIFORNIA ENERGY COMMISSION
Attn: Docket No. 07-SPPE-1
1516 Ninth Street, MS-14
Sacramento, CA 95814-5512

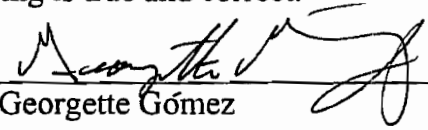
Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified in the following list:

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Kevin W. Bell, Staff Counsel
Public Adviser's Office

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


Georgette Gómez