DATE: October 4, 2005

TO: Interested Parties

FROM: Connie Bruins, Compliance Project Manager

SUBJECT: INLAND EMPIRE ENERGY CENTER PROJECT (01-AFC-17C)
- NOTICE OF RECEIPT OF PETITION TO CHANGE OWNERSHIP OF THE TRANSMISSION LINE AND CHANGE THE ENERGY COMMISSION DECISION, AND
- PUBLIC REVIEW OF STAFF ANALYSIS

On September 1, 2005, the California Energy Commission received a petition from Inland Empire Energy Center, LLC to change ownership of the transmission line portion of the project and change the Energy Commission Decision for the Inland Empire Energy Center Project. An addendum to the petition was received on September 26, 2005.

BACKGROUND
The 670-megawatt natural gas-fired facility was certified by the Energy Commission on December 17, 2003. The power plant will be located near the community of Romoland in unincorporated Riverside County.

On June 22, 2005 the Energy Commission approved an amendment petition to modify the Project by changing from two GE Frame 7 combustion turbine-generators to two GE 107H combined-cycle systems (H System). The H System increased generation from 670 to 800-megawatts and enhanced operational efficiencies.

The power plant is currently under construction and is scheduled for commercial operation in June 2008. Construction of the transmission line is expected to begin January 2006.

DESCRIPTION OF PROPOSED PROJECT CHANGE
- The petition requests approval to transfer the ownership of the 0.9 mile overhead 500-kV transmission line, connecting the Inland Empire Energy Center facility to the Valley Substation, to Southern California Edison (SCE).

- The petition also requests approval to delete the verification portion of Condition of Certification Transmission Line Safety and Nuisance-3 (TLSN-3) pertaining to radio or television-frequency interference, and to delete (TLSN-4), pertaining to electric and magnetic fields
STAFF ANALYSIS
Energy Commission staff reviewed the petition and assessed the impacts of this proposal on environmental quality, public health and safety. TLSN is the only technical area impacted by this petition. A summary of staff’s analysis of the ownership change and changes to the conditions of certification follows:

Transfer of Ownership of the Transmission Line
Energy Commission staff determined that the transfer of ownership of the transmission line should be authorized because:

- SCE has signed an affidavit dated August 30, 2005, attesting under penalty of perjury that SCE understands and will comply with the conditions of certification applicable to the transmission facilities, and
- The transmission line will remain under the Energy Commission’s jurisdiction and therefore will be subject to the conditions in the Energy Commission Decision which requires that it be constructed according to the safety requirements of California Public Utilities Commission (CPUC)-GO-95 and Title 8, Section 2700 et seq. of the California Code of Regulation and present CPUC requirements for minimizing the strengths of transmission line electric and magnetic fields.

Deletion of the Verification Portion of TLSN-3
The proposed transmission line will be located within an existing corridor with a similar SCE line for which SCE has an existing complaint resolution program regarding interference with radio or television signals. Since this program will also apply to the proposed transmission line, modifying TLSN-3 to only require the reasonable mitigation steps in any given case (without an annual reporting requirement) will be adequate to address staff’s concerns regarding radio or television-frequency interference.

Deletion of TLSN-4
CPUC policy on line-field exposure was formulated to ensure that electric and magnetic fields from new or upgraded transmission lines are similar in intensity to fields from similar lines of the major service utility in the project area. The major utility in this case is SCE. Since SCE will now design, build, and operate the proposed line according to SCE’s CPUC-approved field reduction requirements, staff considers SCE’s building practices as meeting the requirements of all LORS of concern to staff regarding electrical safety and field intensity. Therefore staff does not consider TLNS-4 as necessary to verify the strengths of the electric and magnetic fields encountered within the right-of-way and recommends its deletion as requested in the petition.
It is Staff’s opinion that with the transfer of ownership and the deletion of TLSN-4, the project will remain in compliance with applicable laws, ordinances, regulations, and standards pursuant to Title 20, California Code of Regulations, Section 1769, and no adverse environmental impacts will result from this change.

PROPOSED REVISIONS TO CONDITION(S) OF CERTIFICATION

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TLSN-3 The project owner shall take reasonable steps to resolve any complaints of interference with radio or television signals from operation of the proposed line.

Verification: Any reports of line-related complaints shall be summarized along with related mitigation measures and provided in an annual report to the CPM. Such a yearly summary shall be provided for only the first five years of operation.

TLSN-4 The project owner shall utilize a qualified individual or individuals to measure the strengths of the electric and magnetic fields encountered within the proposed line right-of-way after the start of plant operation. Measurements shall be made at representative points (along the line route) to verify the design assumptions relative to field strengths. Any corrective action necessary will depend on the results of these measurements.

Verification: The project owner shall file copies of the post-energization measurements with the CPM within 60 days after the plant commercial operation date.

RECOMMENDATIONS

Energy Commission staff intends to recommend approval of the petition at the November 2, 2005 Business Meeting of the Energy Commission.

PUBLIC REVIEW PROCESS

The petition to modify the project and the addendum are available on the Energy Commission’s webpage at http://www.energy.ca.gov/sitingcases/inlandempire/index.html. Staff’s analysis is enclosed for your information and review. If you would like to receive a hard copy of the petition, and/or the Energy Commission Order if the changes are approved, please complete the enclosed Information Request Form and return it to the address shown. If you have comments on this proposed modification, please submit them to Connie Bruins, Compliance Project Manager, at the address on this letterhead, or by fax to (916) 654-3882, or by e-mail at cbruins@energy.state.ca.us no later than 5:00 P.M., November 1, 2005. Staff’s analysis and the Energy Commission Order (if approved); will also be posted on the webpage.

For further information on how to participate in this proceeding, please contact Margret J. Kim, the Energy Commission’s Public Adviser, at (916) 654-4489, or toll free in California at (800) 822-6228, or by e-mail at pao@energy.state.ca.us. If you require
special accommodations, please contact Lourdes Quiroz at (916) 654-5146. News media inquiries should be directed to Assistant Director, Claudia Chandler, at (916) 654-4989, or by e-mail at mediaoffice@energy.state.ca.us.

Enclosures:

    Staff Analysis
    Information Request Form

Mail List # 7108
INFORMATION REQUEST FORM

COMPLETE & MAIL TO: CALIFORNIA ENERGY COMMISSION
COMPLIANCE UNIT
ATTN: CONNIE BRUINS
1516 NINTH STREET, MS-2000
SACRAMENTO, CA  95814

OR FAX TO:  (916) 654-3882

NAME AND/OR TITLE   (AS IT IS TO APPEAR ON MAIL LABEL)

ORGANIZATION (IF APPLICABLE)

STREET ADDRESS OR P.O. BOX

CITY                                                                                                       STATE         ZIP CODE

PROPOSED AMENDMENT TO THE COMMISSION DECISION FOR THE INLAND EMPIRE ENERGY CENTER PROJECT TO TRANSFER OWNERSHIP OF THE TRANSMISSION LINE AND AMEND THE ENERGY COMMISSION DECISION

PLEASE CIRCLE THE DOCUMENTS YOU WOULD LIKE TO RECEIVE:

• PETITION TO AMEND
• ENERGY COMMISSION ORDER

PROJECT:       INLAND EMPIRE ENERGY CENTER
DOCKET NO:     01-AFC-17C
MAIL LIST NO:  7108