

**CALIFORNIA ENERGY COMMISSION**1516 NINTH STREET  
SACRAMENTO, CA 95814-5512

**DATE:** October 26, 2010

**TO:** Interested Parties

**FROM:** Dale Rundquist, Compliance Project Manager

**SUBJECT: Palomar Energy Center Project (01-AFC-24C)  
Staff Analysis of Proposed Modifications to Install and Operate  
Emergency Engine**

On April 27, 2010, San Diego Gas and Electric Company (SDG&E) owner of the Palomar Energy Center (PEC) filed a petition with the California Energy Commission (Energy Commission) to amend the Energy Commission Decision for the PEC Project. Staff prepared an analysis of this proposed change and a copy is enclosed for your information and review.

The PEC project is a 500 MW combined cycle power plant located in the City of Escondido in San Diego County. The project was certified by the Energy Commission on August 6, 2003, and began commercial operation on April 1, 2006.

The proposed modifications will allow SDG&E to operate this emergency engine in order to keep certain plant systems in a ready mode when electricity is unavailable from the SDG&E power grid. Several conditions of certification will be added in the Air Quality section of the Energy Commission Decision to address this modification.

Energy Commission staff reviewed the petition and assessed the impacts of this proposal on environmental quality and public health and safety and proposes several additions to existing conditions of certification for Air Quality. It is staff's opinion that, with the implementation of new air quality conditions, the project will remain in compliance with applicable laws, ordinances, regulations, and standards (LORS) and that the proposed modifications will not result in a significant adverse direct or cumulative impact to the environment (Title 20, California Code of Regulations, Section 1769).

The amendment petition and staff's analysis has been posted on the Energy Commission's webpage at [www.energy.ca.gov/sitingcases](http://www.energy.ca.gov/sitingcases). The Energy Commission's Order (if approved) will also be posted on the webpage. Energy Commission staff intends to recommend approval of the petition at the December 1, 2010 Business Meeting of the Energy Commission. If you have comments on this proposed modification, please submit them to me at the address below prior to November 9, 2010.

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Comments may be submitted by fax to (916) 654-3882, or by e-mail to [drundqui@energy.state.ca.us](mailto:drundqui@energy.state.ca.us). If you have any questions, please contact me at (916) 651-2072.

For further information on how to participate in this proceeding, please contact the Energy Commission Public Adviser's Office, at (916) 654-4489, or toll free in California at (800) 822-6228, or by e-mail at [publicadviser@energy.state.ca.us](mailto:publicadviser@energy.state.ca.us). News media inquiries should be directed to the Energy Commission Media Office at (916) 654-4989, or by e-mail at [mediaoffice@energy.state.ca.us](mailto:mediaoffice@energy.state.ca.us).

Enclosure: Staff Analysis