CANYON POWER PROJECT FACT SHEET
Anaheim Public Utilities

PROJECT DESCRIPTION
Anaheim proposes to build the Canyon Power Project in the heart of Anaheim’s Canyon Industrial zone.

The Canyon Power Project is designed to meet Anaheim’s summer power needs, when demand is highest and supply is scarce, by generating up to 200 Megawatts (MW) of power, or enough power for 150,000 residential customers.

The project is expected to cost around $200 million. Following approvals from the California Energy Commission (CEC) and the South Coast Air Quality Management District (SCAQMD), construction should begin next year in March 2009 and conclude sometime during the second quarter of 2010.

Simulated project site at 3071 East Miraloma Avenue in Anaheim at the corner of Kraemer and Miraloma Avenues

PROJECT BENEFITS
Reliable, Affordable, and Cleaner Energy for Anaheim
As the energy crisis of 2000 and 2001 demonstrated, the best solution to keeping the lights on and maintaining public safety is to have electric generation located close to your customers. Local generation not only leaves more power available to customers outside of Anaheim, but it also reduces Anaheim’s dependence on out-of-state generation plants and hundreds of miles of capacity-strained transmission lines.

The Canyon Power Project has the power production capability to make a difference between forcing customers to turn off their electricity use completely versus using electricity more wisely during the hot summer months.

In addition, the Canyon Power Project will enhance Anaheim’s ability to provide cleaner energy to its customers. Powered by natural gas, the Canyon Power Project will be much cleaner than other fossil fuels like coal. What’s more, since its output can be adjusted quickly, the Canyon Power Project will help Anaheim increase its dependence on renewable resources like solar or wind whose power output is dependent on weather conditions.

Meeting our Regulatory Requirements
Recognizing the reliability benefits from local generation, state legislators and electric industry regulators have established new market rules that favor such facilities.

<table>
<thead>
<tr>
<th>Canyon Power Project Operating Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power for peak use summer months</td>
</tr>
<tr>
<td>Independence from out-of-state power and transmission lines</td>
</tr>
<tr>
<td>Quick-response ability to meet changes in customer demand</td>
</tr>
<tr>
<td>Reliable back-up for solar and wind generation resources</td>
</tr>
</tbody>
</table>

By building the Canyon Power Project, Anaheim will be able to save its customers up to $12 million per year in fees set by the California Independent System Operator (CAISO) – the agency that manages the state’s power grid.

Additionally, the CAISO has also established that electric utilities secure electric generation resources that are 15% above its needs as a reserve margin just in case demand is higher than expected or one of our power plants has an unplanned outage. The Canyon Power Project will provide power to satisfy those requirements for several years to come.
Presently, Anaheim must rely on energy from the spot market during the summer months to fulfill its reserve margins, leaving it exposed to high market prices. With the addition of the Canyon Power Project, Anaheim will have the ability to avoid such purchases, resulting in potential savings of $14 million annually.

Also, the Canyon Power Project may have surplus power available once the project is in operation. This could provide Anaheim with additional revenues of up to $8 million from wholesale sales of electricity, and avoid another $3 million in fees to the CAISO for ancillary services, which support the reliable operation of the transmission system as it moves electricity from generating sources to retail customers.

Altogether, the economic benefit to Anaheim could be as high as $37 million per year versus operating costs such as natural gas, labor, and debt service of $20 million annually. The Canyon Power Project therefore has the potential to generate $17 million in net benefit for Anaheim’s electric customers that will help to keep the lights on and maintain our rates 15% below our nearest competitor.

New Energy Supply Options for California

Electric utilities across California are developing new energy supply options in order to reduce the potential for state and regional power shortages that can have a disastrous effect on public safety and the economy.

According to the California Energy Commission (CEC), as of February 27, 2008, Anaheim’s proposed Canyon Power Project is one of 18 power plants representing nearly 7,451 MW of potential power production currently under review by the CEC. When completed, the Canyon Power Project will join 44 other power plants that have been built or are under construction in California from 1998 through 2008.

MEETING OUR ENVIRONMENTAL RESPONSIBILITIES

Encouraging Customer Conservation and Efficiency First

As the $200 million price tag for the Canyon Power Project indicates, generating electricity and delivering it to our customers is an expensive business. As a not-for profit utility, we would much rather keep our costs low and pass those savings on to our customers than make investments of hundreds of millions of dollars to build new power plants. This philosophy has helped us to keep our rates 15% lower than our nearest competitor.

And, for many years now, we have taken this approach to heart by helping our customers become more efficient electric users. In fact, since 1998, Anaheim has spent over $63.3 million to help our customers to do just that. The result: our customers now demand 41.5 MW less energy each year. This is roughly 21 percent of the 200 MW capacity of the proposed Canyon Power Project.

Anaheim expects to build on these gains through a portfolio of programs ranging from planting free shade trees and rebates for purchasing Energy Star-rated appliances, to recommending and financing energy efficiency plans for businesses, we have been able to delay the need for the Canyon Power Project and minimize the number of hours per year that we need to run it. To get more information on our customer programs, go to www.anaheim.net/ResidentialSavings or www.anaheim.net/BusinessSavings.

Air Quality Improvements – Customer Conservation & Efficiency

Besides reducing energy demand, Anaheim’s energy conservation and efficiency efforts have also reduced greenhouse gas emissions. In 2008, we will be able to reduce our carbon dioxide emissions from electric generation by 222.9 million pounds. This is equivalent
to taking 19,000 cars (driven 12,000 miles annually) off the road each year and is about 2.5 times more than the carbon dioxide from the Canyon Power Project should it run the maximum 2,000 hours per year as projected.

**Air quality improvements - Anaheim’s Renewable Portfolio Standards**

Anaheim is also committed to generating 20% of its electricity from renewable resources such as wind, solar, biomass and geothermal by the year 2015. The 20% target means that Anaheim plans to get about 100 MW of its electricity needs from renewable resources, which will reduce its annual greenhouse gas emissions by 330,000 tons annually in 2015. In fact, given the renewable energy contracts Anaheim has either completed and are under negotiation, we could reach our 20% target in 2012 – three years ahead of schedule.

By reaching the 20% renewable resource target, Anaheim will realize air quality improvements that will further offset greenhouse gas emissions from the Canyon Power Project.

**How the Canyon Power Project Helps Anaheim Use More Renewable Energy**

Anaheim’s goal to generate 20% of its electric needs from renewable resources demonstrates its commitment to realize the environmental benefits from sources like the sun and wind.

However, solar power systems require plentiful sunlight and a lot of space. Based on current technology, if Anaheim were to install a solar system on all 44,000 single family homes in the city, collectively they would generate only 110 MW or roughly half of the Canyon Power Project’s output, and produce only 6.4 hours of energy per day during the summer months versus the 14 to 16 hours per day that the Canyon Power Project could provide. Finally, in terms of cost, current solar systems generate power that is 2.5 times more expensive than that generated by the Canyon Power Project.

Nonetheless, Anaheim has endeavored to build and offset the cost of solar generation facilities throughout the city at the Convention Center, East Police Station, Main Police Station, Hermosa Village, various schools, and the Tiger Woods Learning Center, as well as at residential and commercial sites. In addition, the Canyon Power Project itself will have solar panels on all roofing areas that could generate up to 200 kilowatts of power.

Besides solar, wind is another promising renewable energy resource, but it is subject to highly variable and unpredictable wind conditions. To give an extreme example, on February 26, 2008, Texas electric grid operators had to drop 1,100 MW in 10 minutes because wind production suddenly fell from 1,700 MW to 300 MW. That’s like cutting electricity to a city two times the size of Anaheim on a typical summer day in 10 minutes – all because of highly unpredictable changes in wind speed.

Similarly, other renewable resources have limitations. Geothermal resources are dependent on geology and available transmission capacity to deliver this power to our customers. Likewise, generating power from biomass or refuse in an urban area usually means tapping into gas produced from landfills which are limited in number.

Therefore, when sunlight or wind speeds cannot produce enough electricity and geothermal or biomass is not feasible, Anaheim will always have the Canyon Power Project to provide reliable electricity from natural gas. And, as Anaheim becomes increasingly dependent on renewable energy, the reliability insurance that the Canyon Power Project will provide should become that much more important.

**Natural Gas versus other Fossil Fuels**

If Anaheim must rely on fossil fuels for the foreseeable future, natural gas clearly offers the cleanest option versus coal or oil. In terms of air emissions output per unit of electricity produced from coal and oil, natural gas combustion emits:

- 30% less carbon dioxide than oil, and just under 45% less carbon dioxide than coal.
- 90% less particulates from oil, and 99% less than coal.
- Virtually no particulates into the atmosphere.
- Virtually no sulfur dioxide, and up to 80% less nitrogen oxides than coal and oil, both of which are attributed to causing acid rain.

**Natural Gas and Greenhouse Gas Reduction Goals**

In 2007, AB 32 became law in California. AB 32 mandates that electric utilities like Anaheim reduce greenhouse gas emissions to 1990 levels (a 25% reduction from current levels) by 2020. For Anaheim, this could require reducing the amount of electricity it gets from coal by 80 MW. Since the Canyon Power Project operates on cleaner burning natural gas, it can help Anaheim reduce its dependence on higher polluting coal. Additionally, since power output from the Canyon Power Project can be adjusted at a moment’s notice, it can also safely increase Anaheim’s dependence on renewable resources like solar and wind that are dependent on varying
weather conditions. Thus, in light of AB 32, the Canyon Power Project becomes an integral part of Anaheim’s strategy to use more renewable resources and lower the use of polluting fossil fuels to generate electricity.

Canyon Power Project Proximity to Nearest Residential Area versus Other nearby Power Plants
Constructing a power plant in an urban area requires careful planning and consideration of environmental, health, safety, and visual issues. More importantly, power plant siting in an urban area means meeting some of the nation’s strictest air quality standards. The table below provides some perspective of where the Canyon Power Project stands in relation to other approved/constructed power plants that have already passed those strict air quality standards in order to be built close to residential areas. Overall, the Canyon Power Project is nearly two times as far from the nearest residence than other similarly situated power plants in southern California.

<table>
<thead>
<tr>
<th>Project</th>
<th>City</th>
<th>Distance to nearest residential complex (ft)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCE</td>
<td>Stanton</td>
<td>230</td>
</tr>
<tr>
<td>SCE</td>
<td>Norwalk</td>
<td>255</td>
</tr>
<tr>
<td>Pasadena</td>
<td>Pasadena</td>
<td>500</td>
</tr>
<tr>
<td>Glendale</td>
<td>Glendale</td>
<td>500</td>
</tr>
<tr>
<td>Wellhead</td>
<td>Ladera Ranch</td>
<td>710</td>
</tr>
<tr>
<td>Riverside</td>
<td>Riverside</td>
<td>954</td>
</tr>
<tr>
<td>Burbank</td>
<td>Burbank</td>
<td>1,350</td>
</tr>
<tr>
<td>Canyon Power</td>
<td>Anaheim</td>
<td>2,600</td>
</tr>
</tbody>
</table>

FREQUENTLY ASKED QUESTIONS

PROJECT BASICS
1) What is the Canyon Power Project?
The Canyon Power Project is a 200 MW power plant that will generate electricity using four natural gas-fired turbines. It will produce electricity during the peak summer hours when energy demand is highest and supply is scarce. The power plant can produce enough electricity to serve approximately 150,000 residential customers.

2) Where is the Canyon Power Project going to be located?
The project will be located at 3071 East Miraloma Avenue in the City of Anaheim, on the corner of Kraemer and Miraloma Avenues.

3) Why do we want to build it there?
The site is located in the heart of Anaheim’s Canyon Business Center, an industrial zone that is physically removed from any immediate residential developments. Additionally, this location is ideal due to close proximity to necessary electric system infrastructures, such as a transmission line to connect the plant to and natural gas transmission lines that will deliver fuel to the plant.

4) Who wants to build the Canyon Power Project?
The City of Anaheim Public Utilities department

5) How much will it cost?
The Canyon Power Project will cost approximately $200 million and will be financed by a bond issued through the Southern California Public Power Authority. The cost of this plant has been integrated into Anaheim Public Utilities’ financial forecast and will not result in any immediate rate increase to our electric customers. Additionally, the project will not require any taxpayer money to build.

6) When will the Canyon Power Project be built?
Construction is expected to take approximately 14 to 16 months to complete. Construction is expected to start in early 2009 and completion is expected to be the second quarter of 2010.

PROJECT BENEFITS – WHY IS IT NEEDED?
1) What are the operating benefits to Anaheim’s electric customers?
   - Power for peak use summer months when electric demand is highest and supplies are scarce
   - Independence from out-of-state power and transmission lines that have capacity constraints and high costs
   - Quick-response ability to meet changes in customer demand
   - Reliable back-up for solar and wind generation resources that can become unreliable depending on weather conditions
2) What are the economic benefits to Anaheim’s electric customers?
The Canyon Power Project could produce as much as $17 million in net benefit to Anaheim’s customers each year. There could be $37 million in gross benefits consisting of:

- $12 million in savings from avoidance of CAISO local capacity requirement fees
- $14 million in potential savings by supplying energy to Anaheim versus wholesale market purchases,
- $3 million in revenues through sales of ancillary services to the CAISO, and
- $8 million in excess power sales to the wholesale market from the Canyon Power Project.

By contrast, total annual operating costs, including debt service payments are expected to be $20 million.

3) Will the Canyon Power Project help Anaheim to meet environmental improvement goals?
In 2007, AB 32 became law in California. AB 32 mandates that electric utilities like Anaheim reduce greenhouse gas emissions to 1990 levels (a 25% reduction from current levels) by 2020. For Anaheim, this could require reducing the amount of electricity it gets from coal by 80 MW. Since the Canyon Power Project operates on cleaner burning natural gas, it can help Anaheim reduce its dependence on higher polluting coal. Additionally, since the Canyon Power Project output can be adjusted at a moment’s notice, it can also safely increase Anaheim’s dependence on renewable resources like solar and wind that are dependent on varying weather conditions.

4) Will the Canyon Power Project provide any regional or statewide benefits?
Like other electric utilities statewide, Anaheim is responding to growing demand for electricity from its residents and businesses by building more power plants closer to their customers. In fact, since 1998, there have been 44 power plants built or are under construction in California. Currently, there are 18 power plants representing nearly 7,451 MW of potential power production under review by the California Energy Commission (CEC). This building trend is intended to reduce dependence on out-of-state power plants and interstate transmission lines to deliver electricity to the state. Anaheim in particular, is currently dependent on the transmission system to deliver nearly 85 percent of its power. By building the Canyon Power Project, Anaheim will reduce its demand on the state’s transmission system and leave capacity for other electric utilities to deliver power to their customers. This will be particularly helpful during high demand summer months when energy supplies are scarce and the transmission system is capacity constrained.

ENVIRONMENTAL MITIGATION & IMPACT

1) What has Anaheim done to offset the need to build the Canyon Power Project?
Since 1998, Anaheim has spent over $63 million to help its customers to demand 41.5 MW less energy on an annual basis in 2008. To put these numbers in perspective, this is equal to 25% of the plant’s capacity. In terms of air emissions avoidance, this has helped to remove the annual carbon dioxide emissions equivalent of 19,000 cars or more than 2.5 times the output from the Canyon Power Project. Anaheim also has a renewable portfolio standard that will result in generating 20 percent of its electric needs from renewable resources by 2015. This will result in further air emissions improvements that will more than offset air quality impacts from the project.

2) Why doesn’t Anaheim invest in more renewable energy projects?
Anaheim has and will continue to invest in renewable energy sources like geothermal, solar, biomass, and wind power. Its 20% renewable energy target by 2015 is visible proof of this commitment. In fact, Anaheim may reach that target as early as 2012. Still, there are obstacles that Anaheim must overcome longer term to increase its dependence on renewable resources. Geothermal depends on favorable geology for hydrothermal (hot steam) vents. Biomass is primarily associated with landfill sites. Solar technology is expensive, requires a lot of space, and requires favorable weather. Wind also needs a lot of space and is dependent on weather conditions that create significant reliability concerns. For example, consider the Texas experience where over 1,100 MW had to be dropped in 10 minutes because of a sudden drop in wind generation. Consequently, relatively clean burning natural gas plants like the Canyon Power Project are still needed to help Anaheim increase its dependence on renewable energy by providing a source of reliable back-up power. Finally, most of these technologies require transmission availability in order to reach Anaheim’s retail customers, adding to the already large exposure for importing power to Anaheim. By contrast, the Canyon Power Project will help Anaheim reduce its reliance on out-of-state power.

3) Why use a fossil fuel like natural gas?
When locating a power plant in an urban area, natural gas is the best choice because it is the cleanest in terms of environmental impact:

- The combustion of natural gas emits almost 30 percent less carbon dioxide than oil, and just under 45 percent less carbon dioxide than coal.
- Natural gas emits virtually no particulates into the atmosphere.
- Emissions of particulates from natural gas combustion are 90 percent lower than from the combustion of oil, and 99 percent lower than burning coal.
- Natural gas emits virtually no sulfur dioxide, and up to 80 percent less nitrogen oxides than the combustion of coal, both of which are attributed to causing acid rain.
4) **What air quality standards must the plant meet?**
The plant’s design will incorporate air pollution emission controls designed to meet the stringent standards required by the State and the South Coast Air Quality Management District.

5) **What air emissions will the plant produce?**
- Nitric Oxide (NOx), Carbon Monoxide (CO) and particulate matter (PM 10). The amount of NOx emitted is equivalent to 156 cars operating in a year; the amount of CO is equivalent to 600 cars operating in a year.
- The amount of Carbon Dioxide (CO2) emitted by the facility is equivalent to the annual output from about 7,300 vehicles (each driven 12,000 miles).

However, it is important to keep in mind that Anaheim’s investments in air quality improvements from customer energy efficiency to increasing renewable energy use will more than offset the emissions impact from the Canyon Power Project.

6) **What will Anaheim do to protect air quality?**
State-of-the-art Best Available Control Technologies (BACT) will be used to control air emissions and comply with air quality standards.

7) **How does air emissions from the Canyon Power Project compare to other power plants in southern California?**
There are over 30 other electric generators operating in the Los Angeles basin. However, the emissions from Canyon Power Project will represent less than 1% of the emissions associated with operations from these other resources combined.

8) **What “green” or environmentally-friendly operating and design features will the plant incorporate?**
- 100% recycled water use for turbine operations. Waste water from plant operations will be treated off-site so that it can be used again as recycled water.
- Solar paneling on all roofing areas, including switchgear totaling 200 kilowatts.
- Thermal energy storage for energy efficient cooling for the control building.

9) **What visual impact will this project have on the surrounding community?**
The highest structure on the site will be 85 feet high. The height is well within the norm for other structures within the immediate vicinity, including a telecommunications antenna of equivalent height. Finally, the entire facility will be enclosed by a 20 foot landscaped wall, minimizing the exposure of the plant to public view.

10) **How does the Canyon Power Project compare to other power plants in the area?**
If built, the Canyon Power Project will be one of nine power plants in Orange County. Of these nine, five run on natural gas, two on landfill gas, and the remaining two on digester gas from sanitation plants. Geographically, these nine plants are distributed throughout the county:

<table>
<thead>
<tr>
<th>Project</th>
<th>Fuel</th>
<th>City</th>
<th>Size (MW)</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>AES</td>
<td>Natural gas</td>
<td>Huntington Beach</td>
<td>450</td>
<td>Existing</td>
</tr>
<tr>
<td>Edison Barre</td>
<td>Natural gas</td>
<td>Stanton</td>
<td>47</td>
<td>Existing</td>
</tr>
<tr>
<td>Combustion Turbine Plant</td>
<td>Natural gas</td>
<td>Anaheim</td>
<td>48</td>
<td>Existing</td>
</tr>
<tr>
<td>Canyon Power Project</td>
<td>Natural gas</td>
<td>Anaheim</td>
<td>200</td>
<td>Proposed</td>
</tr>
<tr>
<td>Wellhead</td>
<td>Natural gas</td>
<td>Ladera Ranch</td>
<td>48</td>
<td>Proposed</td>
</tr>
<tr>
<td>Coyote Canyon</td>
<td>Landfill gas</td>
<td>Irvine</td>
<td>23</td>
<td>Existing</td>
</tr>
<tr>
<td>OC Sanitation District</td>
<td>Digester gas</td>
<td>Huntington Beach</td>
<td>15</td>
<td>Existing</td>
</tr>
<tr>
<td>OC Sanitation District</td>
<td>Digester gas</td>
<td>Fountain Valley</td>
<td>7.5</td>
<td>Existing</td>
</tr>
<tr>
<td>Ridgewood Power/Brea Olinda</td>
<td>Landfill gas</td>
<td>Brea</td>
<td>29</td>
<td>Proposed</td>
</tr>
</tbody>
</table>
In terms of proximity to residential areas, there are seven power plants throughout southern California that are within a quarter mile of the nearest residence. By contrast, the Canyon Power Project is a half-mile or about 2,600 feet away from the nearest residence.

<table>
<thead>
<tr>
<th>Project</th>
<th>City</th>
<th>Distance to nearest residential complex (ft)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCE</td>
<td>Stanton</td>
<td>230</td>
</tr>
<tr>
<td>SCE</td>
<td>Norwalk</td>
<td>255</td>
</tr>
<tr>
<td>Pasadena</td>
<td>Pasadena</td>
<td>500</td>
</tr>
<tr>
<td>Glendale</td>
<td>Glendale</td>
<td>500</td>
</tr>
<tr>
<td>Wellhead</td>
<td>Ladera Ranch</td>
<td>710</td>
</tr>
<tr>
<td>Riverside</td>
<td>Riverside</td>
<td>954</td>
</tr>
<tr>
<td>Burbank</td>
<td>Burbank</td>
<td>1,350</td>
</tr>
<tr>
<td>Canyon Power</td>
<td>Anaheim</td>
<td>2,600</td>
</tr>
</tbody>
</table>

APPROVAL PROCESS
1) Who’s responsible for approving the project?
The California Energy Commission (CEC).

2) How does an energy facility like the proposed Canyon Power Project get licensed?
Through the Application for Certification (AFC) process, CEC staff determines if a project complies with applicable laws, if potentially significant adverse impacts are mitigated, and if the project will impact electrical system reliability and efficiency, and then makes recommendations to the Commission. It also establishes the conditions of certification required for the project to be constructed, operated and decommissioned.

3) Will a full environmental impact analysis be performed?
The CEC does not prepare Environmental Impact Reports (EIR) but prepares functionally equivalent documents including Staff Assessments and Committee reports. However, to thoroughly address all environmental concerns, our application with the CEC goes beyond the scope of a typical EIR and will address 18 environmental issue areas including, but not limited to, noise, traffic and air quality.

4) How long does the AFC process take?
The standard licensing process normally takes 12 months, starting from the day the application is deemed adequate by the Commission.

5) What has Anaheim done to fully disclose this project to the public?
Anaheim will build the proposed Canyon Power Project with full disclosure under the public process. These efforts include
- Public meetings during the month of October 2007 to inform the public of this project.
- City Council workshop on November 27, 2007 and numerous updates to the Public Utilities Board. Both forums are open to the public. These workshops are available via the internet and have also been repeatedly replayed on local television channel 3.
- Application that goes beyond the scope of a Negative Declaration and the typical EIR that could be submitted to the CEC/AQMD.
- Application that will have to meet the scrutiny of both the CEC and AQMD, and comply with state, county, and local regulations.

PLANT CONSTRUCTION
1) When will the Canyon Power Project be built?
Construction is expected to take approximately 14 to 16 months to complete. The start date is expected to begin first quarter of 2009 with the completion expected to be the second quarter of 2010.

2) What are the hours of construction?
Normal construction will be scheduled between 7 a.m. and 5 p.m., Monday through Friday.

3) How will construction affect traffic?
Large-equipment deliveries and pipeline activities will require short periods of road and/or traffic lane closures. The project construction will comply with all local traffic regulations. Local residents and businesses will be notified in advance of dates and times when construction activities will occur that may impact traffic. All activities will be
completed as quickly as possible and should not last longer than a few days in any one location. To the extent possible, activities will be scheduled to minimize impacts to traffic.

4) How many workers will be employed at this location?
The workforce on the project during construction will be approximately 250 people, including construction craft persons and supervisory, support, and construction management personnel. After construction, Anaheim estimates that the plant will require nine employees to operate.

PLANT OPERATION
1) Does Anaheim have experience with operating a natural gas power plant?
Since 1990, Anaheim has operated a natural gas powered electric plant within the city limits. Over the past 18 years, Anaheim has had an exemplary record of safe operations and compliance with environmental regulations.

2) How much noise will the facility create?
Normal operations will be equivalent to typical street noise found on a residential street or about 65 decibels. Noise reduction features will include “silencers” for the larger equipment, enclosures, and a 20 foot wall that completely surrounds the facility.

3) When will the facility operate?
The facility will operate primarily between 10 a.m. and 10 p.m. and mainly during summer weekdays. On rare occasions, the plant may operate during the non-summer months if Anaheim has to replace electricity generated from one of its out-of-state power plants due to an unplanned outage.

4) I understand ammonia is stored at the facility. Why is it needed and what safeguards are in place?
The ammonia used at the facility is used to help control nitrogen oxide which is a greenhouse gas. The type of ammonia used will be a solution of water and 19% ammonia. This means for every part of ammonia in the solution, there is four times more water. The typical household cleaner has about half that amount of ammonia or 10%. Ammonia will be stored onsite in a 10,000 gallon tank that will be surrounded by a wall to ensure proper containment and clean-up. Ammonia storage and handling facilities will be equipped with multiple monitors and an alarm system. At all times, there will be at least two trained staff members on the site to operate the facility versus depending on operating the plant from a remote location.

TIMELINE
The following timeline outlines the major milestones in the public approval process for the Canyon Power Project:

<table>
<thead>
<tr>
<th>Date</th>
<th>Milestone</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 2007</td>
<td>Public information meetings held on the Canyon Power Project</td>
</tr>
<tr>
<td>November 27, 2007</td>
<td>City Council public workshop held on the Canyon Power Project</td>
</tr>
<tr>
<td>December 20, 2007</td>
<td>Anaheim filed its application with the CEC and permit to the SCAQMD</td>
</tr>
<tr>
<td>March 2008</td>
<td>CEC began staff investigation. Hearing officer and Committee assigned</td>
</tr>
<tr>
<td>April 2008</td>
<td>CEC noticed Anaheim residents/businesses within a ½ mile radius of the power plant of the public hearing</td>
</tr>
<tr>
<td>April 15, 2008</td>
<td>CEC public hearing</td>
</tr>
<tr>
<td>April – June 2008</td>
<td>CEC staff submits data request, Anaheim submits responses, culminating in a workshop between the CEC staff and Anaheim</td>
</tr>
<tr>
<td>July 2008</td>
<td>State and Federal agencies, including SCAQMD issue draft permit decisions and/or determinations</td>
</tr>
<tr>
<td>August 2008</td>
<td>CEC staff files preliminary determination of the project and holds workshop with Anaheim for discussion of issues. State and Federal agencies issue final permit decisions.</td>
</tr>
<tr>
<td>October – November 2008</td>
<td>CEC staff files final assessment. Evidentiary hearings before the Commission are held.</td>
</tr>
<tr>
<td>December 2008 – January 2009</td>
<td>CEC issues proposed decision and additional hearings on proposed decision are held.</td>
</tr>
<tr>
<td>Early March 2009</td>
<td>Final CEC decision issued; license for construction approved.</td>
</tr>
</tbody>
</table>