



980 Ninth Street, Suite 1900
Sacramento, California 95814
main 916.447.0700
fax 916.447.4781
www.stoel.com

August 11, 2009

KIMBERLY HELLWIG
Direct (916) 319-4742
kjhellwig@stoel.com

VIA HAND DELIVERY

Mike Monasmith, Siting Project Manager
California Energy Commission
1516 Ninth Street, MS-15
Sacramento, CA 95814

DOCKET	
07-AFC-6	
DATE	AUG 11 2009
RECD	AUG 11 2009

**Re: Carlsbad Energy Commission (07-AFC-6)
Correspondence to the Mayor of Solana Beach, California**

Dear Mr. Monasmith:

On behalf of Carlsbad Energy Center LLC, please find enclosed for docketing correspondence to the Honorable Mike Nichols, Mayor of the city of Solana Beach, regarding the proposed Carlsbad Energy Center Project.

Respectfully submitted,


Kimberly J. Hellwig

Enclosure

cc: See attached Proof of Service

1817 Aston Avenue, Suite 104
Carlsbad, CA 92008

Direct: (760) 710-2146
Fax: (760) 710-2158



July 1, 2009

The Honorable Mike Nichols
Mayor, City of Solana Beach
635 S. Hwy 101
Solana Beach, California 92075

Dear Mayor Nichols:

Thank you for allowing us to present to your City's Council in response to the City of Carlsbad's request for opposition to the Carlsbad Energy Center Project (CECP). The repowering project planned at Encina Power Station's industrial corridor between Interstate 5 and the railroad right-of-way is being studied by the California Energy Commission (CEC).

To summarize, the two new units proposed for the CECP are essential to San Diego grid reliability and are a necessary link to retire the existing power plant; this project will initiate retirement of the existing power plant by requiring permanent retirement of the three (oldest) 1950's boilers within the Encina power house. The project meets California clean air goals – it burns the same volume of gas as the old boilers, but at an 80% reduction in regulated emissions, while producing nearly 240 megawatts more. It also has a substantially lower carbon footprint, reducing greenhouse gas (i.e., carbon dioxide) emissions by about 30% for the energy produced. Most importantly, the two new units will operate on a moments notice to support the new renewable resources such as wind and solar planned for California.

The CEC has exclusive jurisdiction over land use for large electric generating facilities, including this project. In December 2008, CEC staff released its Preliminary Staff Assessment (PSA) which found the proposed site is the preferred location and that the Carlsbad Energy Center would reduce environmental impacts and ratepayer costs while meeting regional needs for new electrical generating resources. An extensive search for an alternate site, including City of Carlsbad suggested sites that would provide ratepayer benefits of access to existing electric and gas transmission lines and full use of available air emissions credits located no acceptable alternative site. CEC staff is expected to issue its Final Staff Assessment in late July 2009, reaching the same conclusions on land use.

Prior to 2008, the City of Carlsbad and NRG had worked cooperatively to plan the replacement of the existing Encina Power Station with a more efficient facility within the abovementioned industrial corridor zoned for public utility uses. We regret that the City changed its position, but we feel it is our responsibility to the California grid and the ratepayers in the San Diego region to complete the CECP. We are confident that the City will recognize the positive benefits of the CECP as designed and that the CEC will ensure that the project is completed in a manner that mitigates potential environmental impacts and accounts for the proposed I-5 widening. As Caltrans wrote in a February 2009 letter to the CEC regarding these important infrastructure projects, "the needs of both facilities can be accommodated." And as we've stated, this project

Honorable Mayor Nichols
City of Solana Beach
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will lead to the eventual retirement of the rest of the Encina Power Station – a mutual goal shared with the City of Carlsbad.

A *North County Times* editorial on January 7, 2009, says it best: “The quickest, best way for the City of Carlsbad to see redevelopment of beachfront land that is now home to a power plant is the very proposal against which the city is waging a public relations campaign.” The CECP also received a strong editorial in support from the San Diego Union Tribune in August 2008 and a letter of support from the San Diego Regional Chamber of Commerce in April 2009.

We renew an invitation to Council members and City Manager for a guided tour of the Encina Power Station. For more information please contact me at (760) 710-2156 or visit www.carlsbadenergycenter.com. I am available to meet with you or your staff at your convenience to discuss the project and address any additional questions or concerns you might have about the project.

Sincerely,



George L. Piantka
Director, Environmental Business – West Region
NRG Energy, Inc.

cc:

Deputy Mayor, Thomas M. Campbell
Council Member Lesa Heebner
Council Member Joe G. Kelligan
Council Member David W. Roberts
City Manager David Ott



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT
COMMISSION OF THE STATE OF CALIFORNIA
1516 NINTH STREET, SACRAMENTO, CA 95814
1-800-822-6228 – WWW.ENERGY.CA.GOV

APPLICATION FOR CERTIFICATION
FOR THE CARLSBAD ENERGY
CENTER PROJECT

Docket No. 07-AFC-6
PROOF OF SERVICE
(Revised 7/07/2009)

Carlsbad Energy Center LLC's
Correspondence to the Mayor of Solana Beach, California

CALIFORNIA ENERGY COMMISSION

Attn: Docket No. 07-AFC-6
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.state.ca.us

APPLICANT

David Lloyd
Carlsbad Energy Center, LLC
1817 Aston Avenue, Suite 104
Carlsbad, CA 92008
David.Lloyd@nrgenergy.com

George L. Piantka, PE
Carlsbad Energy Center LLC
1817 Aston Avenue, Suite 104
Carlsbad, CA 92008
george.piantka@nrgenergy.com

APPLICANT'S CONSULTANTS

Robert Mason, Project Manager
CH2M Hill, Inc.
6 Hutton Centre Drive, Ste. 700
Santa Ana, CA 92707
Robert.Mason@ch2m.com

Megan Sebra
CH2M Hill, Inc.
2485 Natomas Park Drive, Ste. 600
Sacramento, CA 95833
Megan.Sebra@ch2m.com

COUNSEL FOR APPLICANT

John A. McKinsey
Stoel Rives LLP
980 Ninth Street, Ste. 1900
Sacramento, CA 95814
jamckinsey@stoel.com

INTERESTED AGENCIES

California ISO
P.O. Box 639014
Folsom, CA 95763-9014
(e-mail preferred) e-recipient@caiso.com

INTERVENORS

City of Carlsbad
Allan J. Thompson
Attorney for City
21 "C" Orinda Way #314
Orinda, CA 94563
allanori@comcast.net

City of Carlsbad
Joseph Garuba, Municipals Project Manager
Ron Ball, Esq., City Attorney
1200 Carlsbad Village Drive
Carlsbad, CA 92008 (e-mail preferred)
Joe.Garuba@carlsbadca.gov;
Ron.Ball@carlsbadca.gov

Terramar Association
Kerry Siekmann & Catherine Millr
5239 El Arbol
Carlsbad, CA 92008
siekmann1@att.net

California Unions for Reliable Energy ("CURE")
Gloria D. Smith & Marc D. Joseph
Adams Broadwell Joseph & Cardozo
601 Gateway Boulevard, Suite 1000
South San Francisco, CA 94080
gsmith@adamsbroadwell.com

INTERVENORS

Center for Biological Diversity
c/o William B. Rostove
EARTHJUSTICE
426 17th St., 5th Floor
Oakland, CA 94612
wrostov@earthjustice.org

Power of Vision
Julie Baker and Arnold Roe, Ph.D.
P.O. Box 131302
Carlsbad, CA 92013
powerofvision@roadrunner.com

Rob Simpson
Environmental Consultant
27126 Grandview Avenue
Hayward, CA 94542
rob@redwoodrob.com

ENERGY COMMISSION

JAMES D. BOYD
Vice Chair and Presiding Member
jboyd@energy.state.ca.us

KAREN DOUGLAS
Commissioner and Associate Member
kidougla@energy.state.ca.us

Paul Kramer
Hearing Office
pkramer@energy.state.ca.us

Mike Monasmith
Siting Project Manager
mmonasmi@energy.state.ca.us

Dick Ratliff
Staff Counsel
dratliff@energy.state.ca.us

Elena Miller
Public Adviser's Office
publicadviser@energy.state.ca.us

DECLARATION OF SERVICE

I, Elizabeth Hecox, declare that on August 11, 2009, I deposited copies of the aforementioned document in the United States mail at 980 Ninth Street, Suite 1900, Sacramento, California 95814, with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

OR

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 on the Proof of Service list above.

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



Elizabeth Hecox