

EXECUTIVE SUMMARY - RECOMMENDATION

5-YEAR EMERGENCY CERTIFICATION APPROVED WITH CONDITIONS

The Energy Commission Committee, Commissioner Arthur Rosenfeld, Presiding, and Commissioner Robert Pernell, recommends approval of AES's proposed 450 megawatt Huntington Beach Units 3 & 4 Retool Project in Huntington Beach, California, together with the following highlighted measures to mitigate potential environmental and community impacts:

ELECTRICITY SALES IN CALIFORNIA:

- ✓ AES's has repeatedly represented that the generation from the Huntington Beach Units 3 & 4 Retool Project is for California and will be available 90 days after certification.

5-YEAR EMERGENCY CERTIFICATION:

- ✓ The retooling of a vintage, coastal boiler power plant is warranted since it can immediately respond to California's electricity emergency; thus certification will be effective until September 30, 2006. At such time, if AES has fully complied with all Conditions of Certification, the Energy Commission may consider an extension of this certification or a new certification.

AIR QUALITY:

- ✓ The power plant will use state-of-the-art Best Available Control Technology to minimize emissions.
- ✓ Complete offsets will be used to compensate for any pollutant for which the South Coast Air Quality Management District (SCAQMD) requires offsets.
- ✓ To prevent a significant cumulative air quality impact, through December 31, 2002, Units 3 and 4 shall not operate contemporaneously with Unit 5 unless the ISO has declared a Stage 3 Electrical Emergency and the ISO has specifically called-up Unit 5 to avoid an imminent blackout. After December 31, 2002, operation of Huntington Beach Unit 5 shall cease. These requirements may be superseded by SCAQMD's adoption of emission controls by Best Available Retrofit Control Technology or other means applicable to Unit 5.

WATER QUALITY:

- ✓ AES will fund a study of the possible contribution of the power plant project to the occurrence of bacteria in the Huntington Beach surf zone through heated cooling water discharge in the Pacific Ocean. If the power plant project contributes to the impact, AES will provide its proportional share of mitigation.

VISUAL RESOURCES:

- ✓ Structures and fences will be painted in muted colors compatible with the setting.
- ✓ Shields and motion detectors on plant lighting will minimize nighttime glare.
- ✓ Tree planting will screen views of the plant, particularly from the Pacific Coast Highway and nearby residences.

BIOLOGY:

- ✓ For cooling water, AES will continue to use the existing ocean water intake and outfall system that entraps and kills a modest amount of fish and other organisms. By restarting operation of Units 3 & 4, flow rates will be doubled compared to recent years. Rather than rely on an extrapolation of 1970s data from other coastal power plants, AES will conduct a one-year entrainment and impingement study at Huntington Beach to assess current project and potential cumulative impacts. AES will also review best available technology for the intake system that might lessen entrainment and impingement.

NOISE:

- ✓ In order to complete the retooling project in July 2001, AES will implement a 20-hour per day construction schedule. To prevent disturbance to nearby residences, AES proposes to limit "noisy" construction from 7:00 a.m. to 8:00 p.m. daily. Between 8:00 p.m. and 2:00 a.m., activities will be limited to "quiet" construction that will not exceed present nighttime noise levels by a perceptible amount, which is 5 dBA.

Dated: March 29, 2001

ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

ARTHUR H. ROSENFELD
Commissioner and Presiding Member
Huntington Beach AFC Committee

ROBERT PERNELL
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