

**Appendix 2E**  
**Will Serve Letters (Natural Gas, Water, Sewer)**

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Douglas D. Spahr, P.E.  
Sr. Account Manager

A  Sempra Energy utility™

July 19, 2012

Mr. John Kistle  
Business Development  
AES Southland  
690 N. Studebaker Road  
Long Beach, CA 90803

**Subject: Firm Gas Transportation Service Request Response for  
AES Redondo Beach, 1100 Harbor Blvd, Redondo Beach, CA 90277**

Dear Mr. Kistle:

Thank you for your request concerning firm gas transportation service to the AES Redondo Beach (AES RB) property.

As requested, we have researched our ability to provide firm noncore service to AES RB. As instructed, our review was performed assuming a maximum hourly fuel input of 4,220 MMBtu per hour, based on the higher heating value of natural gas. This 4,220 MMBtuH translates into a peak day load of 101,280 MMBtu per day, or 99 MMscf per day of gas volume. As of today, SoCalGas does currently have the capacity to provide firm noncore gas transportation service at this level to AES RB.

AES RB is currently served from our gas transmission system through two meter set assemblies. One meter set serves the existing generators known as Units 5 and 6. The other measurement assembly serves Units 7 and 8. In the future, AES RB has requested that the meter set assemblies be modified so that AES RB could be served at the immediate higher upstream gas transmission operating pressures that are available to the inlet side of the metering systems. The current as-available upstream regulated minimum operating pressure of the gas transmission system at AES RB's metering location is 175 psig. A more detailed analysis of upstream pressures is provided in the SoCalGas engineering analysis previously provided. While we do not guarantee elevated service pressures above our standard delivery pressure of eight inches of water column (residential service), we are not aware of any current plans to change the operating characteristics of our gas transmission system in the Redondo Beach area. Elevated service pressure is provided on an as-available basis without any guarantees or warranties.

Our recent capacity studies for AES RB indicate that the current gas transmission system has enough capacity to deliver firm service to AES RB at the levels requested above. The current metering systems for AES RB may need to be modified, possibly substantially, to insure that our facilities can accurately measure the new loads, support

Southern California  
Gas Company

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the requested higher service pressure and accommodate the proposed operating load changes at AES RB. For your planning information, if SoCalGas were required to build a completely new meter set assembly to support the proposed AES RB power block, such an assembly may cost as much as \$2.5 million, +/- 30%, based on recently completed, similar-sized, large electrical generation metering facilities. This rough construction estimate includes all costs, such as direct costs, indirect costs and the imputed income tax known as Contribution in Aid of Construction. This service feasibility estimate has a sunset date of six months from the date this information is submitted to AES. For an additional fee, SoCalGas can prepare a detailed engineering construction estimate that would include detail costs that have been omitted from this preliminary estimate.

This preliminary cost estimate is for the construction cost of the facilities and is provided at your request. SoCalGas/SDG&E have not performed a detailed specific site or route evaluation for your project in the development of this estimate. Additionally, costs associated with permitting, paving, right-of-way, environmental, gas quality, measurement, regulatory, and land acquisition/development issues; and any unusual construction costs or facility requirements (e.g. freeway, river, or channel crossings) are explicitly excluded from this preliminary cost estimate. These costs are the developer's responsibility and can be significant.

SoCalGas construction costs also continue to rise with increasing costs of labor and materials. Since this preliminary cost estimate is developed using average historical project cost data, it is highly likely that the actual construction costs for your particular project could vary significantly from this preliminary estimate based on the actual design, permitting and construction variables associated with this specific project. SoCalGas/SDG&E urge you to retain the services of a third-party engineering construction firm, or enter into a design and engineering contract with SoCalGas/SDG&E to develop a more accurate construction cost estimate for your specific project. SoCalGas/SDG&E do not recommend any use of this preliminary cost estimate. Any use by you is at your own risk and should factor in the above risks and limitations.

Assuming normal planning and construction schedules, SoCalGas requires approximately 12 to 18 months from the completion of contracts and the receipt of any necessary deposits in order to complete the planning, design and modification of the current metering and service facilities needed for your project.

Thank you for your consideration.

Sincerely,





**CALIFORNIA WATER SERVICE COMPANY**

2632 W. 237TH STREET • TORRANCE, CA 90505-5272  
(310) 257-1400 • FAX (310) 325-4605

**RANCHO DOMINGUEZ DISTRICT**

May 1, 2012

Stephen O'Kane  
Director, Permitting and Regulatory Approvals  
690 Studebaker Rd  
Long Beach, California 90803

RE: Redondo Beach Energy Project

To Whom It May Concern:

Please be advised that the AES power plant located at Harbor Drive in Redondo Beach lies within the existing service boundaries of the California Water Service Company. California Water Service Company is prepared to provide continued water service to the above mentioned project.

The project, as planned, is expected to result in a decreased potable water demand at this location. As such, it will have a positive impact on our system wide conservation efforts.

Should you have any further questions or require more detailed information, please give me a call at (310) 257-1400.

Very Truly Yours,

A handwritten signature in blue ink, appearing to read "Henry Wind".

Henry Wind  
District Manager  
California Water Service Company  
Rancho Dominguez District



**Engineering and Building  
Services Department**

415 Diamond Street, P.O. Box 270  
Redondo Beach, California 90277-0270  
www.redondo.org

Building 310 318-0636  
Engineering 310 318-0661  
fax 310 374-4828

July 16, 2012

Stephen O'Kane  
Director, Permitting and Regulatory Approvals  
Southern Repower Team  
AES Southland  
690 N. Studebaker Road  
Long Beach, CA 90803

RE: Request for Service for Sewer Interconnection – Redondo Beach Generating Station

Dear Mr. O'Kane:

The City of Redondo Beach is in receipt of your request for a "Will Serve" letter to continue to provide an interconnection for sanitary sewer discharge from the Redondo Beach Generating Station located at 1100 North Harbor Drive. The "Will Serve" letter is needed for the Redondo Beach Energy Project (RBEP) Application for Certification (AFC) with the California Energy Commission (CEC). The RBEP is proposing the development of new power generating equipment at 1100 North Harbor Drive. CEC requires the identification of available and adequate sanitary sewer to service the RBEP.

Currently 1100 North Harbor Drive is served by a fifteen (15") inch Vitrified Clay Pipe (VCP) sanitary sewer mainline that enters the property at the corner of Marina Way and Harbor Drive and exits the property near the corner of Herondo Street and Monterey Boulevard. The discharge from the 15' sewer main is then conveyed to the Los Angeles County Sanitation District's sewer mainline running along Herondo Street.

Sewage discharge from the subject site as indicated in your July 3, 2012 letter "is projected to decrease" as the workforce will be reduced from approximately 55 permanent and full time employees to 21. The City is committed to serving the development at 1100 North Harbor Drive in conveying sewage discharge to the Los Angeles County Sanitation District. Based on the work force projection, there will be no capacity impacts to the existing 15" sewer mainline due to the new project.

Please consider this correspondence as the "Will Serve" letter. If you have any questions or need additional information, please contact me at (310) 318-0661, extension 2431.

Sincerely,

Steve Huang, S.E.  
City Engineer/Chief Building Official

cc: William P. Workman, City Manager  
Mike Witzansky, Public Works Director