CALIFORNIA COASTAL COMMISSION

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ENERGY, OCEAN RESOURCES, AND FEDERAL CONSISTENCY DIVISION REPORT

FOR THE

NOVEMBER 5, 2009 MEETING OF THE CALIFORNIA COASTAL COMMISSION

- TO: Commissioners and Interested Parties
- FROM: Alison Dettmer, Deputy Director Energy, Ocean Resources & Federal Consistency

IMMATERIAL AMENDMENT		
Applicant	PROJECT	LOCATION
E-08-008-A1 Pacific Gas & Electric Co.	Amend CDP No. E-08-008 to relocate modular offices originally proposed along the power plant's entrance road to a location on the north side of Unit 3 and provide utility services to the modular office.	Humboldt Bay Power Plant Humboldt County

DE MINIMIS WAIVER		
Applicant	PROJECT	LOCATION
E-09-012-W Poseidon Resources	Request for a 12-month extension of the operation of an existing desalination test facility at the Encina Power Station in Carlsbad.	Encina Power Station San Diego County

NOTICE OF PROPOSED IMMATERIAL PERMIT AMENDMENT

E-08-008-A1

TO:	All Interested Parties
FROM:	Peter M. Douglas, Executive Director
DATE:	October 27, 2009
SUBICT	Application to amond coastal development permit No.

SUBJECT: Application to amend coastal development permit No. E-08-008 granted to Pacific Gas & Electric (PG&E) allowing site modifications for demolishing and decommissioning power units at the Humboldt Bay Power Plant, near King Salmon, Humboldt County.

The Executive Director has determined that the requested project change described herein may be approved as an immaterial amendment to the above-referenced coastal development permit (CDP). The amendment would result in a minor change to the CDP, which allowed PG&E to modify the power plant site for demolishing and decommissioning the existing power units.

Background and Project Description: On September 11, 2008, the Commission approved CDP No. E-08-008 allowing PG&E to modify its Humboldt Bay Power Plant site in preparation for demolishing and decommissioning power units. The approved modifications included installing twelve modular office buildings, a radiation portal monitor, material storage, and construction staging areas within the power plant site.

Requested Amendment: PG&E has requested its permit be amended to allow four of the modular buildings to be located in a different area of the power plant site. Rather than placing them along the plant's entrance road, PG&E would site them on an existing concrete slab on the north side of the power plant's Unit 3, which is the retired nuclear unit. The amendment would also allow PG&E to provide underground water, sewer, electrical, and communication connections to the buildings.

PG&E would combine the four buildings to form one building of about two thousand square feet, which would be similar in height and appearance to other modular buildings on the site. This facility would be used to provide controlled personnel access into the Unit 3 Radiological Control Area, as required by the federal Nuclear Regulatory Commission for health and human safety. It would be used throughout the demolition and decommissioning project and PG&E would remove it at the end of decommissioning.

Findings: The proposed amendment has been deemed "immaterial" for the following reasons:



- <u>Visual Resources</u>: The re-located modular units would present no substantial visual changes, since they would be similar in appearance to the other modular buildings the Commission approved as part of the original CDP and would be located within and near developed areas of the power plant site.
- <u>Site Restoration</u>: The units would be temporary and used only for the duration of the decommissioning activities (expected to last until about 2020), after which they would be removed and the site restored.

Immaterial Permit Amendment

Pursuant to the California Code of Regulations—Title 14, Division 5.5, Volume 19, section 13166(b)—the Executive Director has determined this amendment to be IMMATERIAL.

Pursuant to section 13166(b)(1), if no written objection to this notice of immaterial amendment is received at the Commission office within ten (10) working days of mailing said notice, the determination of immateriality shall be conclusive and the amendment shall be approved.

Pursuant to section 13166(b)(2), if a written objection to this notice of an immaterial amendment is received within ten (10) working days of mailing notice, and the executive director determines that the objection <u>does not</u> raise an issue of conformity with the Coastal Act or certified local coastal program if applicable, the immaterial amendment shall not be effective until the amendment and objection are reported to the Commission at its next regularly scheduled meeting. If any three (3) Commissioners object to the executive director's designation of immateriality, the amendment application shall be referred to the Commission for action as set forth in section 13166(c). Otherwise, the immaterial amendment shall become effective.

Pursuant to section 13166(b)(3), if a written objection to this notice of an immaterial amendment is received within ten (10) working days of mailing notice, and the executive director determines that the objection <u>does</u> raise an issue of conformity with the Coastal Act or a certified local coastal program if applicable, the immaterial amendment application shall be referred to the Commission for action as set forth in section 13166(c).

If you wish to register an objection to this notice, please send the objection in writing to Tom Luster at the above address. If you have any questions, you may contact him at (415) 904-5248 or via email at tluster@coastal.ca.gov.

NOTICE OF COASTAL DEVELOPMENT PERMIT WAIVER – DE MINIMIS



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NOTICE OF COASTAL DEVELOPMENT PERMIT WAIVER – DE MINIMIS

DATE: October 29, 2009

PERMIT NO: E-09-012-W

TO: Coastal Commission and Interested Parties

SUBJECT: Waiver of Coastal Development Permit Requirements

Based on the plans and information submitted by the applicant for the development described below, the Executive Director of the Coastal Commission hereby waives the requirements for a coastal development permit (CDP), pursuant to Section 30624.7 of the California Coastal Act.

Applicant: Poseidon Resources Corporation

Background: This waiver would allow continued operation of an existing desalination test facility at the Encina Power Station in Carlsbad, San Diego County. The facility has operated since January 2003 under several one-year temporary waivers previously authorized by the Coastal Commission. This new waiver would allow the facility to operate until October 31, 2010, when the facility is to be removed and the site restored. The waiver would allow placement and operation of test equipment, connection to and use of the power plant cooling water system, and discharge of treated water to the cooling water system. It would also allow a small amount of the processed water (less than 1%) to be sent to laboratories for testing.

Project Location: Encina Power Station, 4600 Carlsbad Blvd., Carlsbad, San Diego County.

Project Description: The project purpose is to test and compare the effectiveness of various seawater desalination techniques and equipment under different seasonal source water conditions. The applicant has operated the facility since January 2003 in conjunction with the power plant owner, Cabrillo Power I LLC. The facility uses seawater from the Agua Hedionda lagoon after it passes through the power plant's once-through cooling system. The desalination test facility diverts up to 200 gallons per minute from the power plant's cooling system, which uses up to several hundred million gallons per day of seawater from the Agua Hedionda Lagoon. After processing and testing, the facility would return about 99% of the water to the existing power plant discharge, which is then discharged through a nearshore structure to the Pacific Ocean. Water not returned to the discharge is sent to laboratories for testing.

The facility includes sled-mounted desalination test equipment, a 500-gallon raw water tank, 500-gallon filter tank, pump/instrumentation skid, reverse osmosis equipment, operations office, and storage. The equipment covers less than 1500 square feet, and the tallest equipment is about 20 feet high. The facility is located on a parking lot west of the power plant, and covers about 30 of the plant's 184 parking spaces.

The project has been reviewed and approved by the San Diego Regional Water Quality Control Board. The Board determined that discharges from the proposed project would conform to the discharge limits of the power plant's existing NPDES permit, although it required additional sampling to confirm that the desalination discharge would meet those limits. The project has also been approved by the City of Carlsbad, and is subject to a City building permit, electrical permit, and Fire Marshal approval.

Waiver Rationale: For the following reasons, the proposed project will not have a significant adverse effect, either individually or cumulatively, on coastal resources, nor will it conflict with the policies of Chapter Three of the Coastal Act:

- The project is not expected to alter the existing water quality in Agua Hedionda or the nearshore discharge area of the Pacific Ocean, as it uses water already being used by the power plant and discharges recombined desalted water and brine back into the power plant's existing discharge at a rate well below 1% of the power plant's expected discharge volumes.
- There is little risk for movement of hazardous material offsite, as the project is located within the power plant boundaries and is subject to the plant's safety, hazardous material, and emergency response plans, as well as Fire Marshal review.
- The project takes place on an existing paved area within an existing industrial site. It does not require vegetation removal and it will have minimal impacts on other natural resources. The project site is surrounded by mature trees that screen the facility from passing motorists on Carlsbad Boulevard, so the project does not adversely affect visual resources.
- The project is not anticipated to limit or alter coastal access. The equipment covers about 30 of the 184 existing parking spaces within a restricted access area at the power plant. As part of a previous waiver application, the applicant stated that a recent parking survey showed the maximum parking demand at the plant was about 100 spaces, so the project will only take up what is considered excess parking capacity.

<u>Important</u>: This waiver is not valid unless the project site has been posted and until the waiver has been reported to the Coastal Commission. This waiver will be reported to the Commission at the meeting of November 4-5, 2009 in Long Beach. If four or more Commissioners object to this waiver, a coastal development permit will be required.

Sincerely,

Peter M. Douglas Executive Director

ALISON J. DETTMER Manager Energy and Ocean Resources Unit