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Commission hears final peaker protests

POWER PLANT FAILURE APPEARS IMMINENT

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The California Energy Commission on Monday offered the public one last chance to comment on a proposed update and expansion of a power plant in Chula Vista.

MMC Energy Inc. has been trying for years to expand the capacity of its Main Street "peaker" plant, so called because it is designed to run only during peak hours, supplementing the region's energy grid during periods of high demand.

After a long-running campaign by local groups opposing the plant on the basis of health concerns, and a preliminary ruling earlier this year that recommended denial of MMC's plan, it appeared as if the saga would soon be coming to an end. Preliminary recommendations are rarely reversed by the full commission.

Citing the region's economic troubles and those of the nation as a whole, MMC's Senior Vice President Harry Scarborough addressed the CEC panel assembled in Chula Vista's City Hall, and made one last appeal.

"Permitting the upgrade project to move forward would mean an \$80 million investment that would bring hundreds of con-

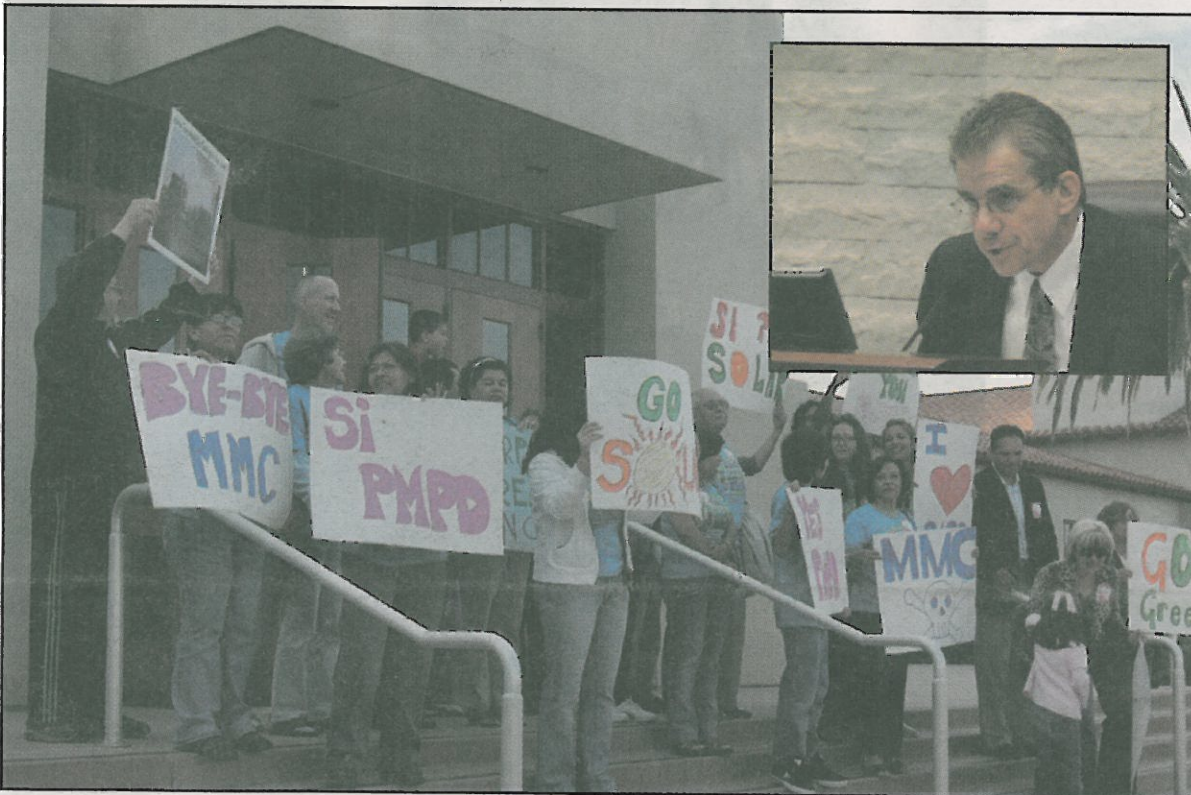
struction jobs and substantial tax revenues to the people of Chula Vista," Scarborough said.

Community groups have waged a long-running battle against the plant, saying that the health effects of increased emissions would be detrimental to the local neighborhood. They also maintained that the plant would violate the city's general plan, which mandates minimum distances between homes, schools and certain kinds of polluting industrial uses.

The plant is located adjacent to a residential community.

MMC counters that on a per-kilowatt basis, the plant emits less harmful pollutants than the plant that is currently on the site.

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PHOTO/JON CAMPBELL

Demonstrators on Monday held signs thanking the California Energy Commission for their preliminary denial of a new power plant project in Chula Vista. Inset, MMC Energy Inc. executive Harry Scarborough addressed the commission.

ENERGY

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New technology does make the plant more efficient, however, because the plant would be nearly double the capacity of the old facility, the net emissions during operation would likely increase.

The two sides have often cited competing scientific reviews that found either negligible health impacts or significant ones.

Supporters of the project and some city officials have also linked the MMC plant to the eventual dismantling of the South Bay Power Plant.

Increased peaker capacity, among a number of other long term steps, are required before that plant can be decommissioned, freeing up valuable bay front land for development.

One of the most contentious parts of the project in terms of Chula Vista's political landscape has to do with a letter sent last year by the city to the CEC.

In the letter, the city asserted its opinion that the plant was not prohibited by zoning ordinances.

Opponents saw that letter as a show of support for the MMC project, and it was one factor in a short-lived recall campaign against Mayor Cheryl Cox and Councilman John McCann.

Despite the fact that the city has no control over whether or not the project is ultimately approved, they are formally recognized as an "intervenor" and their written opinions are taken into account by the commission in making its recommendations.

At the time, the city downplayed the importance of the letter, saying that it had no regulatory authority and was simply offering its opinion on its own general plan.

Despite the letter, and another sent last month which reiterated the city's position, the commission apparently disagreed with the city's reading of its own land use policies.

The commission's preliminary decision in January stated that its own interpretation of the zoning ordinances would prohibit the MMC project.

Scarborough referred to the city's letter repeatedly during his address to the commission, making just the argument that plant opponents feared his company would.

"The bottom line here is that the city has told the commission how it interprets these provisions (of the general plan). The city is in the best position to interpret its own general plan and zoning code. As far as we know, there has been one official action taken by the full City Council with respect to this project, and that was to authorize the sending of the August 7, 2008, letter to the commission..." Scarborough said.

A rally outside of the City Council chambers lacked the numbers of previous demonstrations, some of which drew more than 100 people, but had a decidedly more positive message. Whereas previous protests had been full of acrimony at what organizers felt was a lack of support from City Council members, many of the signs on Monday were messages of thanks to the CEC for their preliminary denial of the plant.