A major new natural gas power plant at Carlsbad should be put on hold — pending plans to tear down the oceanfront Encina Power Station — until more clean energy options are explored, a state utilities judge said on Friday.

The recommendation signals that the California Public Utilities Commission may reject a contract between New Jersey-based power plant operator NRG Energy and San Diego Gas & Electric, which would underwrite construction of a smaller plant next to Encina and its 400-foot smokestack.
Southern California is wrestling with how to replace power from the recently retired San Onofre Nuclear Generating Station without compromising state goals for reducing greenhouse gas emissions.

The Carlsbad City Council signed off on NRG’s plans last year, but construction has hinged all along on state authorization of a long-term power contract with SDG&E.

SDG&E has been seeking authorization for a 20-year contact to underwrite the new plant’s construction at Carlsbad. The arrangement would cost SDG&E customers about $2.6 billion.

The recommendation by an administrative judge at the California Public Utilities Commission suggests that a smaller gas-fired plant could be in order if San Diego Gas & Electric is able to meet power demands with technologies that produce less air pollution.

Any final decision must be approved by a majority vote of the five-member California Public Utilities Commission.

Environmentalists applauded the recommendation.

“The commission’s proposal is great news for San Diegans who want to breathe cleaner air,” said Kayla Race, of the National City-based Environmental Health Coalition.

Environmental and consumer groups say NRG’s plans would unnecessarily bind utility customers to a plant that would pollute the environment for decades to come, when cleaner methods have emerged for meeting power needs.

SDG&E says the quick-start generators proposed at Carlsbad would emit far less pollution than the aging 60-year-old Encina plant, and are needed to fill in for gaps in solar and wind power.

NRG Energy said through a spokesman that it disagreed with the proposed regulatory decision.

“The Carlsbad Energy Center remains the only viable approach to having the appropriate flexible (power generating) capacity online when needed,” said David Knox of NRG. “We remain optimistic that the CPUC will approve our contract with SDG&E.” The project was scheduled for completion in 2017.

San Diego Gas & Electric said through a spokeswoman that it was still reviewing the decision.

Encina is scheduled for retirement in 2018 to comply with the state’s phase-out of ocean-water cooling systems blamed for killing off marine life.

Sierra Club attorney Matt Vespa had urged the utilities commission to make more information public about competing bids to ensure that clean energy alternatives were being considered. The request was refused because of fear that the disclosures might open the door to market manipulation.

State law requires consideration of clean energy solutions, like solar power and conservation plans that reduce peak electricity demands, before new fossil-fuel-burning power plants are commissioned.
Approving the plant now, commission judge Hallie Yacknin wrote, would relieve SDG&E of its “duty to procure renewable generation to the fullest extent possible.”

Yacknin noted that SDG&E “has produced a robust number of offers for preferred resources and energy storage.”

As proposed, the Carlsbad Energy Center could deliver 600 megawatts of electricity — enough to power 390,000 homes at a time by one common measure. That would leave a 200 megawatt gap in power supplies to be filled by 2022.

San Onofre, in northern San Diego County, was retired by Southern California Edison in 2013 because of a botched generator replacement project.

SDG&E has told the commission it expects to identify by mid-May a short list of new alternatives.

A commission vote could come as soon as April 9.
Brees outcome would suit Rivers

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COMMENTS

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Making the power plant work will be very beneficial for San Diego. The halting should stop.

March 11 at 12:28am

“The commission’s proposal is great news for San Diegans who want to breathe cleaner air,” Not so much for San Diegans who like to see what they are doing when the sun goes down.

March 9 at 10:24am

The corrupt CPUC which has represented the interests of greedy utility companies now is worried about the environmental impact of a smaller natural gas power plant? Have I missed something? It this the same CPUC that wheeled and dealed on the SONGS shutdown so that the ratepayer absorbs the cost and not the corrupt utilities? The CPUC needs to be shut down all commission members prosecuted and all employees fired.

March 8 at 9:42am