State clears way for Carlsbad power plant

By Morgan Lee 4:53 P.M. MARCH 13, 2014

View looking south of the project, showing the old, adjacent Encina powerplant's smokestack at far right. — Charlie Neuman / U-T San Diego

Michael Peevey, president of the utilities commission, said the commission in replacing San Onofre.
"We’re making a Herculean commitment in the state of California to try to said. ‘We have no assurances that will happen. ... We just don’t have (alternative prosperity -- and for keeping the lights on in Southern California.’

Based on requests by SDG&E and NRG, the commission increased its initial proposal by 100 megawatts and authorized direct negotiations for procurement contracts with limited regulatory review.

"We feel the decision is a responsible one," SDG&E spokeswoman Jennifer Ramp said. "It makes progress in addressing the reliability issues here in Southern California."

Ramp declined to comment on possible contract negotiations with NRG. She said SDG&E will issue a request for offers that includes all types of energy resources, including clean-energy solutions that can offset the need for traditional power plants.

In a statement by email, NRG said the commission's decision "confirms the path forward for the generation capacity Southern California needs following the closure of San Onofre. We believe that our revised proposal for the Carlsbad Energy Center is the best candidate to provide this capacity."

The California Environmental Justice Alliance, a six-group consumer coalition, asserted that electric reliability concerns related to the San Onofre shutdown have been exaggerated.

"Our position is that we don’t actually need any of this power," said Kyla Race, policy advocate at the National City-based Environmental Health Coalition, part of the alliance. "I'm not advocating for Encina, but it could go for a couple more years to allow for these preferred resources to come online. The combination of energy storage and renewable energy would be far more
efficient that building another gas plant.”