

Agenda
Integrated Energy Policy Report
2004 Update Committee's 3rd Workshop
on the Aging Power Plant Study
Wednesday, June 9, 2004
(Times are approximate)

- 10:00-10:15** Opening Remarks Commissioners John L. Geesman and James D. Boyd (IEPR Committee)
- 10:15-10:30** Introduction Sandra Fromm
- 10:30-11:30** Staff Presentations
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| Status to date | Matt Trask |
| Role of Aging Plants in the System | Dave Vidaver |
| Preliminary findings on Reliability | Matt Trask/Mark Hesters |
| Air Emissions and Aging Power Plants | Matthew Layton |
| Marine Environmental Issues | Noel Davis |
| Land Use Issues | Eileen Allen |
| Next Steps | Matt Trask |
- 11:30-Noon** Public Comment, Other Presentations*
- 1:00-3:30** Panel Discussions* (Depending on interest expressed by the audience, the staff will facilitate as many as four panels on the following topics):
- Panel 1) Environmental and public health effects of aging plant operation
- Panel 2) The APPS study list and the role aging plants play in the system
- Panel 3) Present and anticipated plans, policies and projects that could affect aging plant economics
- Panel 4) Reliability effects of plant retirements
- 3:30-4:00** Discussion of Aging Power Plant Study (APPS) Process (Next Steps)
- 4:00-4:15** Closing Remarks IEPR Committee

Questions for the Discussion Panels

Panel #1*: Environmental and public health effects of continued reliance on aging plants

1. What other factors should the Committee consider in the study of the environmental and public health effects of the continued operation on aging generating units for RMR services and for peak needs? (air quality, marine biology, land use, other?)
2. What studies or other sources of information should the Committee consider in the analysis of the environmental and public health effects of the continued operation of aging generating units?
3. What are the likely effects on the environment and public health of the viable alternatives that could substitute for the lost generating capacity caused by the retirement of aging boiler units?
4. Are there opportunities for improvements to the environment or public health from increasing generation at an aging boiler unit, such as by displacing generation of peaking plants, or by shifting generation away from air quality “hot spots”?

Panel #2*: The proposed APPS study list and the role the aging plants play in the system.

1. What are the most important points to consider in the APPS concerning the role that aging generating units play in the integrated electric and natural gas industries?
2. Should any individual unit at any plant be added or removed from either list of units developed for the APPS? (66-unit Environmental/Gas Use Analysis list, and 50-unit Reliability Analysis list; see handouts)
3. Are the concerns expressed about aging steam boiler power plants applicable to other general categories of generators, such as peaking plants, nuclear plants or hydroelectric plants?
4. If so, should a study of these other generating categories be included in the IEPR process?
5. What other concerns or issues, other than those associated with the APPS study group, would support a study of other generating categories?

Panel #3*: The present and anticipated plans, policies and projects that could affect aging plant economics

1. What are the likely effects on aging plant economics, and decisions to retire, of the pending decisions at the California Public Utilities Commission concerning Resource Adequacy, Procurement, and Locational Pricing?
2. What other pending or active regulatory proceedings or legislative bills would affect aging plant economics and decisions to retire?
3. Are there any transmission projects or upgrades that will likely affect the RMR status of any unit on the APPS study list during the time frame of 2004-2008? (Valley-Rainbow, Mira Loma-Etiwanda, Moorpark area, others?)
4. Would the development of any power plant that is permitted but not yet operational affect the RMR status of the APPS study list units during that time frame? (Otay Mesa, Palomar, Metcalf, others?)

Panel #4*: Reliability effects of plant retirements

1. Would the retirement of any one non-RMR unit or group of units create a local or regional reliability problem in any geographical region in California? What methods or tools are available for the analysis of such problems during the time frame of the APPS?
2. What effect does the generation from aging plants in Southern California have on the congestion of transmission interties used to import bulk power into the region? Would the retirement of aging units affect the ability to control congestion on these or other interties?
3. What are the viable alternatives that could be developed in time to substitute for lost generating capacity caused by retirement of aging steam boiler units in 2004 through 2008? Could these alternatives provide all the reliability services that the aging boiler units currently provide (black start, etc.)?