

## Regulators recommend that the state reject a Ventura County natural gas plant

By IVAN PENN

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A California Energy Commission committee is urging the state to reject a proposal to build a new natural gas plant in Ventura County.

Called the Puente Energy project, the 262-megawatt power plant would be owned and operated by NRG, a Houston-based electricity company. NRG contracted with Southern California Edison to supply power to the utility.

In what the regulators themselves called an "unusual" statement, the two-member committee said that the proposed plant, set for construction on Mandalay Bay in Oxnard, conflicted with state laws and goals for communities and the environment.

"We hereby notify the parties and interested members of the public that we intend to issue a [decision] that recommends denial of the project on the grounds that it creates inconsistencies with LORS [laws, ordinances, regulations or standards] and significant environmental impacts that cannot be mitigated," Commissioners Janea Scott and Karen Douglas said in their two-page statement.

Southern California Edison said in a statement that the Puente project was competitively chosen and is needed to help meet demand when older power plants close by 2021.

"It is important to remember that the approval for new resources is a very lengthy and costly process, and it is not practical to continually revisit development decisions, as this can make it more difficult to address reliability needs on the system," Edison stated.

"While there are potential solutions to the needs addressed by the Puente project, it is speculative to assume that preferred resources can be developed on the scale and at the cost needed to competitively replace the Puente project by 2021."

The recommendation sends the final decision about the project to the full energy commission, but the rare statement all but signals that the power plant plan is dead.

The recommendation follows Los Angeles Times investigations that showed the state has overbuilt the electricity system, primarily with natural gas plants, and has so much clean energy that it has to shut down some plants while paying other states to take the power California can't use. The overbuilding has added billions of dollars to ratepayers' bills in recent years.

Officials in Oxnard, along with state lawmakers who represent the area, have called for clean energy alternatives to the plant. And residents flooded the energy commission with hundreds of emails for days throughout the summer, pressing regulators to reject the project.

California has a mandate that 50% of the state's electricity come from clean energy sources by 2030. Some lawmakers want to increase the mandate to 100%.

In August, the California Independent System Operator, which manages the state's electric grid, released a 46-page report detailing that clean energy sources could serve as alternatives to building the natural gas plant. But in its study at the time, Cal-ISO said that the alternatives would cost more than the gas facility.

The report by Cal-ISO, which has argued that additional energy resources are needed in the Oxnard area to ensure reliability in the local area, pegged the new plant's cost at \$299 million while the three clean-energy alternatives would cost \$309 million to \$1.1 billion.

Some critics said that a request for proposals could yield more competitive prices than the Cal-ISO study.

Billionaire environmentalist Tom Steyer, who had joined the opposition to the plant, said rejection of the natural gas facility is crucial for the Oxnard community, which has a substantial low-income population that has been saddled with polluting production plants.

"For decades, corporations have targeted Oxnard as a dumping site, profited from the city's environmental destruction and left behind hazardous waste and pollution that continues to threaten the health and safety of its residents," Steyer said.

Steyer and others said Californians must continue to support clean energy in the face of the energy industry's push for more fossil fuels.

"California is at a critical and exciting threshold of a clean energy future that will expand clean energy jobs and build healthier communities," said Gladys Limon, executive director of the California Environmental Justice Alliance.

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