



BIG PLANS - During an interview Wednesday at the Valley Press' Palmdale office, Palmdale City Manager Steve Williams talks about the city's application to build a natural gas- and solar-powered electricity-generating plant big enough to power the Antelope Valley.

BERNARD KANE/Valley Press

Palmdale planning for new power plant

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PALMDALE - The city's application to build a natural gas- and solar-powered electricity-generating plant big enough to power the Antelope Valley - with energy to spare - is expected to go next week to the California Energy Commission, accompanied by a \$300,000 application fee.

The 570-megawatt plant is intended to provide lower-cost power to major Valley employees like Lockheed Martin and Northrop Grumman, which are at a disadvantage in competing with plants in other states where electricity prices are lower than in California.

"The idea is we will be able to provide power that is cheaper than Edison is providing today," City Manager Steve Williams said Wednesday during an interview with Antelope Valley Press editors and managers.

Getting state approval to build the plant, planned on 300 acres southeast of Columbia Way (Avenue M) and Sierra Highway, is expected to take 12 to 15 months and cost \$5.5 million, Williams said.

Construction is projected to cost about \$950 million.

The City Council voted last year to spend \$18 million on 615 acres owned by Lockheed Martin.

The plant is planned on the eastern 300 acres.

The plant would create 500 megawatts with clean-burning jet turbine engines fueled by natural gas, and 70 megawatts by parabolic-trough solar panels, using treated sewage effluent for cooling, Williams said.

With new technology, Williams said, the plant will be more efficient and thus produce electricity more cheaply than older plants.

The plant would produce enough electricity to supply a community of 600,000 people - or nearly half again the population of the Antelope Valley.

The power plant is expected to start providing electricity in 2012, Williams said.

While city officials in the past have talked about selling the completed California Energy Commission permit to a private firm that then would build and operate the plant, Williams said the ideal result would have the city build the plant with financing from investment banks or other sources, own it and operate it.

At present, state law does not allow a new municipal power plant to provide cheaper electricity directly to industry or homes.

Instead, the electricity must be fed into the statewide power grid.

But Williams said state lawmakers are taking another look at permitting so-called "direct access," in which utility customers could sign up with independent producers.

Direct access began in California in the 1990s, but was halted after the state's 2000-01 energy crisis, which investigations since have shown came about as some energy producers were manipulating California's short-term energy market to hike prices.

In addition, state lawmakers have authorized a practice called "community choice aggregation," which allows any city, county or groups of cities and counties to buy electricity and sell it to the residents and businesses within their boundaries.

Williams noted the legal situation means the city has other work besides building the plant in order to get its residents and businesses cheaper energy.

"The community choice aggregation is not in place. The direct access is not in place. A lot of things have to happen," he said.

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