



**THE PORT  
OF LOS ANGELES**

Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: NOVEMBER 1, 2012**

**FROM: PLANNING & ECONOMIC DEVELOPMENT**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - TIME EXTENSION OF COASTAL DEVELOPMENT PERMIT NO. 11-05 TO THE CITY OF LOS ANGELES, BUREAU OF SANITATION FOR THE TERMINAL ISLAND RENEWABLE ENERGY PROJECT**

**SUMMARY:**

The City of Los Angeles Bureau of Sanitation (BOS) is requesting a one-year extension to Coastal Development Permit (CDP) No. 11-05, a Level II, appealable permit to continue the operation of the Terminal Island Renewable Energy (TIRE) Project at the Terminal Island Water Reclamation Plant (TIWRP). The TIRE Project injects bio-solids underground with the goal of producing methane gas, a renewable energy source. CDP No. 11-05 will expire prior to U.S. Environmental Protection Agency (EPA) approval of a new underground injection control (UIC) permit. The UIC permit is now expected to be approved by mid-2013.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners (Board):

1. Approve a one-year extension for Coastal Development Permit No. 11-05, subject to the standard conditions set forth in the permit, and direct the Director of Planning and Economic Development to extend said permit; and
2. Adopt Resolution No. \_\_\_\_\_.

**DISCUSSION:**

Background – On March 1, 2007, the Board approved Coastal Development Permit No. 06-02 for the TIRE Project at the TIWRP (Transmittal 1). Special Condition No.1 of CDP No. 06-02 limited the term of the coastal development permit to three years from the beginning of operations for the demonstration project. The TIRE Project began operations in August 2008. In April 2011, the BOS submitted a request to receive a subsequent coastal development permit for the continued operation of the TIRE Project, prior to the scheduled permit expiration in August 2011.

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On July 7, 2011, the Board approved the issuance of CDP No. 11-05 to the BOS, which temporarily allowed the continued operation of the TIRE Project while the BOS applied for a new EPA underground injection control (UIC) permit to replace their existing permit which would expire in November 2012. Upon receipt of a new UIC permit from the EPA, expected to be received in mid-2013, BOS would apply for a new coastal development permit which would have the same duration as the UIC permit. Therefore, the BOS is requesting a one-year extension of CDP No. 11-05 to bridge the gap until it receives a new UIC permit.

The purpose of the TIRE Project is to convert subsurface thermal biodegradation of bio-solids into the creation of renewable energy. The TIRE Project is currently injecting approximately 200 tons of bio-solids into one well, while using two wells as monitoring instruments. When the project was first introduced, the BOS anticipated injecting up to 400 tons of bio-solids in order to achieve the proposed methane results, but has been unable to attain the maximum daily load because of infrastructure limitations. Because the maximum daily load of bio-solid injection has not been achieved, the bio-solid plume has not spread far enough to be detected by the monitoring devices. The BOS is confident, due to the scientific studies that have been performed, that as the maximum allowable load of 400 tons of bio-solids is reached, and the bio-solid plume increases, the TIRE Project should produce measureable results of methane.

The BOS developed a Subsequent Negative Declaration (SND) to the existing Mitigated Negative Declaration (certified in October 2006) to address the current infrastructure limitations and enable the TIRE Project to achieve the 400 tons of bio-solids injected into the ground that was originally proposed. The SND was certified in March 2012.

Under the *Guidelines for Implementation of the Port of Los Angeles Certified Port Master Plan* (Guidelines) operation authorized through a coastal development permit must begin within two years of issuance. Special Condition No.1 of CDP No. 11-05 limited the term of the coastal development permit to one year. If necessary, an applicant may seek a one-year extension. Extensions requested prior to the expiration date automatically extend the expiration date of the permit until the Board can act on the extension request. Consistent with the Guidelines, the BOS applied for a one-year extension for CDP No. 11-05 on September 12, 2012, prior to its October 3, 2012 expiration date. If approved by the Board, CDP No. 11-05 would be extended to October 3, 2013 (Transmittal 2).

The proposed project has been found to be consistent with the Port Master Plan as the proposed development is an institutional use, which is an allowable use in Master Planning Area 7. The proposed project has been found to be consistent with Chapter 8

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policies of the California Coastal Act of 1976, as amended. Specifically, the improvements are consistent with Section 30708 of the Coastal Act that provides beneficial uses consistent with the public trust.

Under Section 30715 of the Coastal Act, coastal development permits issued by the Board are appealable if they involve a wastewater treatment facility. An appeal to the California Coastal Commission (Coastal Commission) may be filed within ten working days of the closure of the Proposition 5 City Council review period. Should an appeal be filed, the Coastal Commission shall hear the appeal and approve, modify or deny the proposed project unless the Coastal Commission determines that no substantial issue exists as to conformity with the Port Master Plan.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of a one-year extension of CDP No. 11-05 for the TIRE Project. The TIRE Project was evaluated in a Mitigated Negative Declaration (State Clearinghouse Number 2006081100) which was prepared and adopted by the Los Angeles City Department of Public Works in November 2006. Therefore, as an activity for which the underlying project has previously been evaluated for environmental significance and processed according to the requirements of CEQA, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article II Section 2(i) of the Los Angeles City CEQA Guidelines.

**ECONOMIC BENEFITS:**

This Board action will have no employment impact.

**FINANCIAL IMPACT:**

The proposed one-year time extension to the existing CDP seeks approval for extending the TIRE Project for an additional one-year period and is not expected to have a financial impact upon the City of Los Angeles Harbor Department. Construction for the TIRE Project was borne by BOS in 2008 and no additional construction costs are expected. Ongoing operating and maintenance costs will continue to be fully borne by the BOS.

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**CITY ATTORNEY:**

The City Attorney's Office has reviewed the Board Report and coastal development permit and finds that they present no legal issues at this time.

**TRANSMITTALS:**

1. Site Location Map
2. Coastal Development Permit No. 11-05

FIS Approval: WR (initials)  
CA Approval: WR (initials)

  
DAVID L. MATHEWSON  
Director of Planning & Economic Development

  
~~FOR~~ KATHRYN McDERMOTT  
Deputy Executive Director

APPROVED:

  
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Executive Director

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ADP No: 110428-053  
CDP No. 11-05