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Oakley power plant clears final regulatory hurdle

By Paul Burgarino and Rowena Coetsee,

May 27--OAKLEY -- A long-anticipated natural gas-fired power plant here appears on the way to becoming a reality after state regulators rejected an appeal Thursday.

The Public Utilities Commission's decision not to reconsider its earlier approval of the Oakley Generating Station clears the last remaining regulatory hurdle for the project, which has been heavily supported by local leaders because of its potential to generate jobs and revenue for the city.

Commissioners voted 4-0 in closed session to dismiss a request for rehearing by the state's Division of Ratepayer Advocates and environmental groups. Commissioner Michel Fiorio abstained.

Construction by Danville-based Radback Energy on the plant foundation will start next week, Mayor Jim Frazier said.

Frazier spoke before commissioners for the allotted two minutes Thursday.

"You just never know (how it might turn out), and had they not denied the appeal, the project would have been dead," he said.

Frazier said representatives of area labor groups along with a small contingent of Oakley seniors attended the hearing as well, wearing T-shirts emblazoned with the words "Oakley First."

Radback estimates that the project will generate 730 construction jobs over the approximately 30 months needed to build the plant.

Once the facility is finished and operational, Pacific Gas & Electric will buy it and start paying property taxes, a portion of which will go toward local schools and the fire district, Frazier added.

The utilities commission initially rejected the project in July on grounds that it was not necessary to meet the region's energy needs.

PG&E requested an immediate rehearing and pushed back its proposed date to bring the plant online from 2014 to 2016. The commission approved the modified project without making PG&E begin the application process anew.

Environmental groups Californians for Renewable Energy (CARE), Communities for a Better Environment and Sierra Club, The Utility Reform Network and the Division of Ratepayer Advocates asked for a rehearing.

The state energy commission approved the license for the plant last week, located on a 22-acre industrial site near the Antioch board on Bridgehead Road formerly operated by DuPont.

San Francisco's Wild Equity Institute is one of at least four conservation organizations that plan to challenge in court not only the Oakley facility but other area power plants that are already up and running, said Brent Plater, the group's executive director.

They maintain that the plant first needs a permit from the U.S. Fish and Wildlife Service because of the threat its toxic emissions pose to an extremely rare butterfly in the area, Plater said.

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