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Docket Number:	05-AFC-03
Project Title:	Sun Valley Energy Project-- Valle del Sol Energy, LLC.
TN #:	205195
Document Title:	Motion to Terminate Proceeding
Description:	N/A
Filer:	Alicia Campos
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	6/30/2015 12:28:24 PM
Docketed Date:	6/30/2015



**BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT
COMMISSION OF THE STATE OF CALIFORNIA
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***APPLICATION FOR CERTIFICATION FOR THE
SUN VALLEY ENERGY PROJECT***

Docket No. 05-AFC-03

ENERGY COMMISSION STAFF MOTION TO TERMINATE PROCEEDING

BACKGROUND

On December 1, 2005, Valle del Sol Energy, LLC (VSE), a wholly-owned subsidiary of NRG Energy, filed an Application for Certification (AFC) with the California Energy Commission and was determined to be data adequate on February 1, 2006. The Sun Valley Energy Project (SVEP) would be a nominal 500 megawatt (MW) simple-cycle power plant, consisting of five General Electric LMS100 natural gas-fired turbine-generators and associated equipment. The SVEP site is located in the City of Menifee in Riverside County.¹

In May 2007, the Energy Commission staff published its Preliminary Staff Assessment and determined that VSE has not secured or identified sufficient emission reduction credits to offset the air quality emission impacts of sulfur dioxide (SO₂), volatile organic compounds (VOC), particulate matter less than 10 microns in diameter (PM₁₀) and particulate matter less than 2.5 microns in diameter (PM_{2.5}). The PSA noted that the applicant was relying upon the Air District Priority Reserve Program for the majority of the emission credits needed to offset the potential impacts of the SVEP.

In May 2011, Applicant acknowledged that the project had been in informal suspension since 2007 and requested and received a 12-month suspension. Applicant informed the Committee that it would use the time to work with the South Coast Air Quality Management District to develop an appropriate offset strategy.

In 2012, 2013 and 2014, the Applicant has filed and received additional 12-month suspensions. In its last request for continued suspension, Applicant informed the Committee that permitting difficulties still exist due to the continued unavailability within the South Coast Air Basin of emission offsets needed to satisfy applicable SCAQMD rules.

¹ In October 2008, the project site became part of the incorporated City of Menifee which includes the communities of Menifee, Sun City, Quail Valley, Paloma Valley and portions of Romoland.

THE SUN VALLEY ENERGY PROJECT APPLICATION SHOULD BE TERMINATED

After nine years, Applicant has been unable to pursue the Sun Valley Energy Project application with due diligence. Commission regulations provide that “any party may, based on the applicant’s failure to pursue an application or notice with due diligence, file a motion to terminate the . . . application proceeding.” (Cal. Code Regs., tit. 20, §1720.2, subd. (a).) It follows that the full Commission should terminate the Sun Valley Energy Project proceeding. (Cal. Code Regs., tit. 20, § 1720.2, subd. (b) [requiring action to terminate a proceeding to be by “full commission”].)

THE APPLICATION IS STALE AND A NEW APPLICATION IS WARRANTED

Applicant’s application was filed more than nine years ago when the environmental baseline was described. Much has changed in nine years, and virtually all the information and data relied upon to determine the environmental assessment is stale and needs to be refreshed. Applicable laws, ordinances, regulations and standards must also be reevaluated for consistency. Supplementing the original application would not be in the interest of staff, agencies and the public. A new Application for Certification would be the best way to restart an application proceeding when all the project details are known and the applicant is able to diligently pursue project certification.

Date: June 30, 2015

Respectfully Submitted,

Originally Signed By
Roger E. Johnson, Deputy Director
Siting, Transmission and
Environmental Protection Division