

DOCKETED

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| Docket Number: | 86-AFC-01C |
| Project Title: | Compliance - Application for Certification for the (ACE) Argus Cogeneration Expansion AFC |
| TN #: | 203437 |
| Document Title: | Notice of Receipt - Decommissioning |
| Description: | N/A |
| Filer: | Dale Rundquist |
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CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov



**NOTICE OF RECEIPT
PETITION TO DECOMMISSION
THE ARGUS COGENERATION EXPANSION PROJECT
(86-AFC-1C)**

On November 25, 2014, the ACE Cogeneration Company, LP (ACC), the owner of the Argus Cogeneration Expansion (ACE) Project, filed a petition with the California Energy Commission (Energy Commission) requesting to decommission the ACE project. The coal-fired circulating fluidized bed (CFB) 100-megawatt cogeneration project, was certified by the Energy Commission as a demonstration project on January 6, 1988. The project demonstrated the CFB combustion system that produced electricity and steam from solid fuels under California's stringent air emission standards. The Energy Commission approved the conclusion of demonstration activities on June 8, 1994. The ACE project provided electricity to Southern California Edison (SCE) for sale, and steam to the Searles Valley Mineral (SVM) facility for use in its industrial processes. The plant consists of a single, coal-fired CFB boiler and a single steam turbine generator (STG). It was also equipped for supplementary natural gas firing for startup. The project is located on the northwest side of Searles Lake in Trona, San Bernardino County, California.

DESCRIPTION OF PROPOSED DECOMMISSION

Upon the cessation of plant operations at the ACE project on October 2, 2014, the plant was placed in a long-term outage condition to secure the facility and minimize environmental hazards. Prior to the outage, all remaining coal and limestone stored on-site was consumed. During the outage all of the remaining ash is being disposed of in the plant's ash land fill, and the land fill is being closed except for a small portion to be used for later disposal of the refractory lining; draining and either returning or disposing all fluids including ammonia for the air emission control system; de-energizing the plant; and isolating the appropriate plant interconnections to off-site services.

Decommissioning of ACE involves selling easily removed tools and equipment of no interest to the new buyer of the site, Sabco, Inc (Sabco), dismantling/demolishing the power plant and any other facilities not retained by Sabco, recycling components and materials to the extent possible, hauling off and disposing of the remaining waste, remediating portions of the site if necessary, and cleaning-up the site. The demolition and site clean-up activities will take approximately six months. Following decommissioning, any equipment and facilities shared with SVM and not to be used by Sabco, such as the coal unloading facility and storage barn, will be turned over to SVM according to separate agreements. The ACE site including the administration building, water tanks, cooling tower, petroleum coke handling and storage facility, and ash landfill will be transferred to Sabco for future industrial use.

ENERGY COMMISSION REVIEW PROCEDURES

The Energy Commission's webpage for this project, <http://www.energy.ca.gov/sitingcases/argus/>, has a link to the petition on the right side of the webpage in the box labeled "Compliance Proceeding." Click on the "Documents for this Proceeding (Docket Log)" option.

Energy Commission staff is currently reviewing the proposed Decommissioning Plan. The purpose of the Energy Commission's review process is to assess the impacts of this proposal on environmental quality and on public health and safety. The review process includes an evaluation of the consistency of the proposed Decommissioning Plan with the Energy Commission's Decision and a determination on whether the project, during decommissioning, would remain in compliance with applicable laws, ordinances, regulations, and standards (20 Cal. Code of Regs., § 1769). The process will also ensure that there will be no additional significant adverse impacts with the implementation of the existing conditions of certification and any additional decommissioning conditions that may be proposed.

This Notice of Receipt has been mailed to the Commission's post-certification mail list of interested parties and property owners adjacent to the project site. It has also been e-mailed to the project listserv. The listserv is an automated Energy Commission e-mail system by which information about this project is e-mailed to parties who have subscribed. To subscribe, go to the Commission's webpage for this project, cited above, scroll down the right side of the project's webpage to the box labeled "Subscribe," and provide the requested contact information.

Any person may comment on the petition. To use the Energy Commission's electronic commenting feature, go to the Energy Commission's webpage for this project, cited above, click on the "Submit e-Comment" link, and follow the instructions in the on-line form. Be sure to include the project name in your comments. Once submitted, the Energy Commission Dockets Unit reviews and approves your comments, and you will receive an e-mail with a link to them.

Written comments may also be mailed or hand-delivered to:

California Energy Commission
Dockets Unit, MS-4
Docket No. 86-AFC-1C
1516 Ninth Street
Sacramento, CA 95814-5512

All comments and materials filed with and approved by the Dockets Unit will be added to the project Docket Log and become publicly accessible on the Energy Commission's webpage for the project.

Notice of Receipt
Argus Cogeneration Expansion Project
December, 12, 2014

If you have questions about this Notice, please contact Dale Rundquist, Compliance Project Manager, at (916) 651-2072, or by fax to (916) 654-3882, or via e-mail at dale.rundquist@energy.ca.gov.

For information on participating in the Energy Commission's review of the petition, call the Public Adviser at (800) 822-6228 (toll-free in California) or send your e-mail to publicadviser@energy.ca.gov. News media inquiries should be directed to the Energy Commission Media Office at (916) 654-4989, or by e-mail to mediaoffice@energy.ca.gov.

Date: _____

ROGER E. JOHNSON, Deputy Director
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Mail List 753
Argus Listserv