

DOCKETED

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March 14, 2014

Mr. Eric Veerkamp, CPM
California Energy Commission
1519 Ninth Street
Sacramento, CA 95814

**Subject: *Emergency Petition For Amendment
 Colusa Generating Station (06-AFC-09C)***

Dear Mr. Veerkamp,

On behalf of Pacific Gas & Electric Company (PG&E), Galati & Blek LLP hereby submits this Emergency Petition for Amendment (Petition) for the Colusa Generating Station (06-AFC-09C) to allow temporary withdrawal of water from the Glenn Colusa Canal in the same manner that was authorized during construction. As described in the attached Petition, PG&E requests the Commission approve the Petition prior to April 15, 2014 in order to ensure that the CGS can continue operations in compliance with the License in the event that the California drought conditions prohibit withdrawal of water from the Tehama Colusa Canal.

I certify under penalty of perjury that the foregoing is true, correct, and complete to the best of my knowledge. I also certify that I am authorized to submit PG&E's Emergency Petition for Amendment on behalf of PG&E.

Sincerely,

A handwritten signature in blue ink that reads "Scott A. Galati" with a stylized flourish at the end.

Scott A. Galati
Counsel to PG&E

EMERGENCY PETITION FOR AMENDMENT

for the

COLUSA GENERATING STATION

(06-AFC-09C)

Submitted to the:

California Energy Commission

Submitted by:

PACIFIC GAS & ELECTRIC COMPANY

MARCH 2014

SECTION 1

Introduction

1.1 Background

On April 23, 2008, The California Energy Commission (CEC or Commission) granted a License to Pacific Gas & Electric Company (PG&E) to construct and operate the Colusa Generating Station (CGS). The Final Decision was docketed on April 25, 2008, Docket Number 06-AFC-09C. On July 29, 2008, PG&E began construction of the CGS. CGS began commercial operations on December 22, 2010.

Although CGS is dry-cooled, it needs water for normal operations. The Final Decision authorizes the use of up to 180 AFY supplied by the Glenn Colusa Irrigation District (GCID) and approved by the County of Colusa. The agreement allows the transfer of water rights and the use of water from the nearby Tehama Colusa Canal (TCC) supplied to the site via an underground pipeline. The TCC is owned by the Bureau of Reclamation and operated by the Tehama Colusa Canal Authority (TCCA). GCID transfers water into the TCC at the Sacramento River diversion facility located at Red Bluff. Currently the CGS removes water from the TCC which lies west of the CGS using a pumping station owned and operated by PG&E. While the water is physically taken out of the TCC, it is legally part of GCID's allotment.

On February 21, 2014, GCID notified CGS that the Bureau of Reclamation would only be providing 40% of its usual water allotment to GCID for the year due to the current California drought conditions. Even with the large reduction GCID has assured PG&E that it will have sufficient water to meet the CGS contractual obligations in 2014. (See attached letter from GCID.)

TCCA has yet to receive an allotment for 2014 and, barring a significant change in the current drought conditions, will likely suspend all water removal from the TCC beginning April 15, 2014. If this occurs, GCID's ability to convey water through the TCC will be impacted. In the advent of this scenario, GCID has assured PG&E that it will be able to continue to meet its contractual obligations by allowing the CGS to remove water directly from the Glenn Colusa Canal (GCC) which lies to the east of the facility.

The GCID would set up a temporary pump station at the GCC, with PG&E responsible for the conveyance of the water from that point to the CGS. GCID recommended that PG&E install and maintain a permanent pump station at the GCC as an optimal solution to mitigate for the current restrictions and any future restrictions or curtailments. Currently there is no time frame as to when the TCCA could receive an allotment. In the event that TCCA does not receive an allotment, CGS proposes to withdraw water from the GCC. The water would continue to be legally part of GCID's allotment, and just the point of withdrawal would be modified.

The CGS withdrew water from the GCC during construction before the permanent pipeline was installed. PG&E proposes to install the same facilities and truck the water from the GCC to the site in the same manner as was employed during construction. Therefore PG&E specifically files this Emergency Petition to Amend (Petition) the Final Decision to:

- Authorize the installation of a temporary pump near the banks of the GCC in the same manner as was employed during construction;
- Authorize withdrawal of the GCID water from the GCC in the same manner as was employed during construction; and
- Authorize trucking of the water from the temporary pump to the site for operations in the same manner, although less frequent truck trips, as was authorized during construction of the CGS.

1.2 Purpose and Need for Amendment

The primary purpose and need for this Amendment is to allow the temporary withdrawal of water from the GCC during drought conditions where there is insufficient water in the TCC to supply the CGS. Since withdrawal would be temporary and only during times of emergency, PG&E proposes to truck the water from the GCC to the CGS until such time as it can prepare an additional Petition For Amendment and obtain authorization from the Commission to install a permanent pipeline to the GCC.

As described in the attached letter from GCID, it is possible that on April 15, 2014, GCID will not be able to divert water to the TCC to serve the CGS. GCID will be able to serve CGS by delivery of CGS water via the GCC. This information was unavailable at the time of the original licensing as it is related to California's current drought conditions.

This Petition will not increase water use by the CGS nor will it cause GCID to obtain new water sources to serve the CGS.

PG&E is currently preparing another Petition for Amendment to install a permanent water pipeline and pumping structure to withdraw water from the GCC in the future if GCID cannot deliver water via the TCC. However, that Petition for Amendment is more complex than this Petition for a temporary emergency authorization to withdraw and truck water, and will take more time to prepare and for Staff to properly analyze. Therefore, PG&E requests this Petition be granted prior to April 15, 2014 with the understanding that the Commission will be processing a future amendment to install a permanent pipeline from the GCC to the CGS.

1.3 Project Amendment Benefits

The modifications would ensure that CGS has an alternate means of delivery of the same water it is authorized to use in order to keep operating during the current drought conditions. The delivery method of trucking water from the GCC to the site is the exact method employed during construction of the CGS, although will involve less truck trips.

1.4 Proposed Modifications to the Conditions of Certification

PG&E proposes the following modification to Condition of Certification **SOIL & WATER-8** to specifically authorize the use of water from the GCC to be used in case of emergency.

SOIL & WATER-8: The project owner shall use raw water from the Tehama-Colusa Canal (TCC) *as its primary source* for all industrial, landscape irrigation, and sanitary purposes. Prior to the use of TCC water for any purpose, the project owner shall install and maintain metering devices as part of the water supply and distribution system to monitor and record in gallons per day the total volume of water supplied to the CGS from the TCC. These metering devices shall be operational for the life of the project and must be able to record the volume of raw water consumed for industrial use, landscape irrigation, and potable and sanitary purposes. *In the case of emergency where GCID cannot provide water to the CGS via the TCC, the project owner may use raw water withdrawn from the Glenn Colusa Canal and trucked to the site provided that the water trucks meet Tier 3 emission standards and drive only on existing roads; and the pump is properly screened.*

The project owner shall prepare an annual water use summary, which will include the monthly range and monthly average of daily raw-water usage in gallons per day, and total water used by the project on a monthly and annual basis in acre-feet. Potable water use on site shall be recorded on a monthly basis. Following the initial report, the annual water use summary shall also include the yearly range and yearly average water use by the project. The annual water use summary shall be submitted to the CPM as part of the annual compliance report.

Verification: At least 60 days prior to commercial operation of the GCS, the project owner shall submit to the CPM evidence that metering devices

have been installed and are operational on the raw and potable water supply and distribution systems the project owner shall submit a water use summary to the CPM in the annual compliance report. The report shall distinguish the recorded water uses for industrial, landscape irrigation, and potable and sanitary purposes. The project owner shall provide a report on the servicing, testing, and calibration of the metering devices in the annual compliance report.

No other modifications to the conditions of certifications are warranted as a result of this Petition.

SECTION 2

Description of Project Amendment

2.1 Description of Modifications

This Section describes the proposed modifications to the CGS.

From the start of construction which began on July 29, 2008, through July 2009 all water was taken from the GCC while a temporary turnout agreement was being processed through the Bureau of Reclamation which would allow PG&E to begin taking construction water from the TCC. From the start of construction through May 2009 all water used for dust control, compaction, or maintaining the required fire water pond was completed with the use of Water Trucks. In the beginning of June a temporary pipe was laid from the fire water pond to the GCC to handle various construction water needs, though daily truck trips were still required for dust control. On July 2, 2009 the Temporary Turnout Agreement was completed allowing water to be obtained by the newly constructed TCC supply line.

During the height of ground construction, August through September 2008, there were 7 water trucks operating during construction hours with a total of as many as 200 daily trips to the canal. A Diesel pump fueled and maintained by the EPC Contractor was used to fill the trucks. The pump, located on the top of the levee inside secondary containment on the shoulder of the access road, only operated when filling. An overhead feed pipe expedited the filling process. Figure 1 is a photograph of the pump and location used for construction. The new pump location would be at the same location used during construction on the west side of the canal, north of Dirks Road on the canal road.

Therefore, the CGS will essentially be reinstalling the same type of temporary pumping equipment at the same location at the GCC that was used and approved during construction activities. The CGS will be using similar water trucks that meet Tier 3 air emissions standards as were used during construction activities, except the frequency of deliveries will be substantially less.

SECTION 3

List of Property Owners

Pursuant to the CEC Siting Regulations Section 1769(a)(1)(H) the petition must list all “property owners potentially affected by the modification.” This section lists those property owners within 1000 feet of the project site who may be potentially affected by the proposed Project modifications.

Assessor Parcel Number	Owner	Mailing Address
011-040-029-000	Allan and Mary Anne Azevedo	P.O. Box 629, Maxwell, CA 95955
011-140-021-000	Allan and Mary Anne Azevedo	
011-040-033-000	Jeffrey Holthouse and Cerena Lee	25039 Hwy 395 S, Canyon City 97820-8709
011-040-032-000		
011-140-014-000		
011-140-004-000		
011-040-011-000	Dirks & William Jr. and Dora	P.O. Box 9, Maxwell, CA 95955
011-140-019-000	Jack L. Barrett Jr.	P.O. Box 99, Maxwell, CA 95955

SECTION 4

Potential Effects on Property Owners

The CEC Siting Regulations Section 1769(a) (1) (I), requires the project owners address any potential effects the proposed amendment may have on nearby property owners, the public, and parties to the proceeding.

The modifications will have minimal impact on nearby property owners. Currently only two property owners utilizes Dirk's Road which will be used by the water trucks. The projected frequency is approximately one water truck every 30 minutes based on historical water usage it will take an average of 27 truck trips per day during the summer months and as little as 1 trip per day during the winter months. In an extreme scenario, during a 107° F day in the summer of 2013, with the plant operating at maximum load including duct burners, the plant utilized the equivalent of 39 water trucks, significantly less than the water truck traffic at the peak of construction. All water delivery activities will occur in the daytime hours.

Dirk's Road is very infrequently used by any user other than PG&E.

SECTION 5

Environmental Analysis of the Project Changes

Pursuant to Section 1769(a)(1)(E) of the CEC Siting Regulations this section addresses the potential for significant environmental impacts resulting from the proposed Project modifications and discusses the need for additional mitigation measures beyond those contained in the Final Decision.

Specifically, the impacts from the proposed trucking of water from the GCC would be less than those authorized during construction. The number and frequency of truck trips will be less than during construction and the installation of the pumping equipment will be installed on the bank of the GCC at the same location and manner used for construction. The Commission Final Decision found that with the incorporation of the conditions of certification, construction of the CGS would not result in significant environmental impacts. The activities proposed by this Petition are the same as allowed during construction and will comply with these same conditions of certification. Therefore, the Commission should conclude that the temporary withdrawal and trucking of water from the GCC as an emergency measure would similarly not result in significant environmental impacts.

With the incorporation of the modified Condition of Certification **SOIL & WATER-8** proposed above, the Commission should find that this Petition will not result in significant environmental impacts and is necessary to ensure safe and continued operation of the CGS during California drought conditions.

SECTION 6

Potential Effects on the Public

Pursuant to the CEC Siting Regulations Section 1769 (a) (1) (G), this section addresses the proposed amendment's effects on the public.

The proposed emergency trucking of water from the GCC to the CGS would not negatively affect the public but would instead allow the CGS to continue providing electricity to its customers.

With the current drought in California the Gas Fired Fleet will be one of the key resources to fill the lack of Hydro Electric Generation over the summer and fall of 2014.



Glenn-Colusa Irrigation District
Serving Our Lands and Environment Sustainably
Water Rights Established in 1883

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Thaddeus L. Bettner, P.E.

March 11, 2014

Mr. Ed Warner, Senior Plant Manager
Colusa Generating Station
Pacific Gas and Electric
4780 Dirks Rd.
Maxwell, California 95955

Dear Mr. Warner:

Thank you for meeting with us on February 21, 2014; as a follow-up to our meeting I would like to summarize Glenn-Colusa Irrigation District's (GCID) current position of supplying water to the Colusa Generating Station (CGS). The U.S. Bureau of Reclamation has notified GCID that it will be receiving only a 40% water supply this year. Even with this reduction, GCID will have sufficient water to meet the CGS contractual obligations in 2014, from April 1 through October 31.

As you are aware, GCID transfers water into the Tehama Colusa Canal (TCC), a Bureau of Reclamation canal that is operated by the Tehama Colusa Canal Authority (TCCA), at the Sacramento River diversion facility located in Red Bluff. Currently, your facility removes water from the TCC, which lies west of the CGS, using a pumping station owned and operated by PG&E. While the water is physically taken at the TCC, the water used is attributed to GCID's water supply.

TCCA has received a zero initial allocation for 2014 and, in all likelihood, barring a significant change in the current drought conditions, will suspend all diversions as of April 15, 2014. If this transpires, GCID's ability to convey water through the TCC could be impacted if an agreement is unable to be negotiated. Should this occur, GCID will be able to meet its contractual obligations by supporting the CGS in developing a plan to divert water directly from GCID's main canal, which lies to the east of the facility.

In coordination with PG&E, GCID will set up a temporary pump station at the canal, with PG&E responsible for the conveyance of the water from that point to the CGS. It is the recommendation of GCID that PG&E installs and maintains a

March 11, 2014
Mr. Ed Warner, Senior Plant Manager
Page 2

permanent pump station at the GCID canal as an optimal solution to mitigate for the current restrictions and any future restrictions or curtailments. Currently there is no time frame as to when the TCCA could receive an allotment. With either a temporary or long term pump station, it will be necessary to either amend the existing agreement or enter into a new agreement for this operation.

If there are any questions, please contact GCID Water Operations Superintendent Pat Kennedy at (530) 934-8881.

Sincerely,

A handwritten signature in black ink, appearing to read "Thaddeus L. Bettner". The signature is fluid and cursive, with a long horizontal stroke at the end.

Thaddeus L. Bettner
General Manager

