

**PLANNING AND COMMUNITY  
DEVELOPMENT DEPARTMENT**

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**DEVELOPMENT SERVICES AGENCY**

Planning and Community Development  
Engineering, Surveying and Permit Services  
Roads Department

July 12, 2012

California Energy Commission  
Attn: Robert Worl, Project Manager  
1516 9th Street, MS-15  
Sacramento, CA 95814-5512



File: Hydrogen Energy, California (HECA)  
Zone Map No. 120

**RE: Hydrogen Energy California – Amended Application for Certification (08-AFC-8A)**  
Kern County comments: Presented at July 12, 2012 Scoping Meeting/ Public Hearing in Tupman, CA.

California Energy Commission Representatives:

Kern County is in receipt of the notice from the California Energy Commission, dated May 15, 2012, requesting Agency participation in the review of the amended application submitted to the California Energy Commission (CEC) on May 2, 2012 for the Hydrogen Energy California (HECA) Project.

The County appreciates this invitation to participate in the coordination and review of this project. County Staff has worked with the CEC in the past to coordinate information on a variety of renewable energy projects, including large power plants, and will participate in review of this project. As such, we have developed a procedure for the effective management of this coordination role. Throughout this coordination process, the Kern County Planning and Community Development Department will act as the clearinghouse for all communications with the CEC. In order to facilitate this County coordination effort, this Department will coordinate internally with other County Departments to compile the County's comments related to this project and this Department will then present those items to the Board of Supervisors for review and direction prior to submittal to the CEC.

We would like to note that the applicant, SCS Energy, was advised in our June 11, 2012 letter, that all communications pertaining to potential issues affecting County Departments, County jurisdiction, and potential mitigation measures for this project shall be coordinated through this Department and that communications should not be represented to the CEC by the applicant as having County concurrence.

As the coordinating Agency for Kern County, we have compiled comments for the record from several County Departments, as follows:

**Kern County Planning and Community Development Department (PCDD):**

1. This Department would like to note that Kern County has detailed experience in reviewing and permitting chemical plants, refineries, and similar-type facilities. Unlike other power plants, the HECA project has characteristics of a chemical manufacturing plant, due to the chemicals listed in the application package (including anhydrous ammonia, hydrogen, carbon monoxide, hydrogen sulfide, methanol, sulfur, sulfuric acid, Sodium Hydroxide, Ammonium Nitrate, Solution, nitric acid, urea, and urea ammonium nitrate, etc.).
2. County Staff recently participated in the latest workshop held for this project on June 20, 2012. Staff appreciates the opportunity to participate in this workshop via WebEx Access technology and looks forward to participating in future workshops via WebEx Access and in-person.

3. CEC Staff has docketed this Department's previous comment letter dated June 11, 2012 (Log #65840 & #65837). The following are additional comments on the project:
  - a. The CO<sub>2</sub> sequestration portion of the project is related directly to oil and gas production and is therefore allowed in the A (Exclusive Agriculture) and NR (Natural Resources) zone districts.
  - b. If any portion of the pipeline is within a public road easement or County maintained road, the project will be reviewed by Kern County Property Management to determine if a franchise agreement is necessary for construction and operation of the pipeline.
  - c. This Department has continued concerns related to the land use compatibility of the revised project application, as it was submitted to the CEC in May 2012. The new chemical manufacturing component of the project, as part of the power plant, changes this Department's determination of compatibility. If the project were to produce only fertilizer strictly for agricultural uses, then the proposal would be consistent with Conditionally Permitted Uses listed in the Kern County Zoning Ordinance. However, the May 2012 application package includes several references to the production of items that are beyond the scope of the production of fertilizer for agricultural uses. Specifically, language is included throughout the revised application which states that the "Manufacturing Complex" portion of the project will produce products (including urea, urea ammonium nitrate [UAN], anhydrous ammonia, etc.) that will be used for transportation and industrial applications.
  - d. Any use of the urea or other chemicals for purposes other than the production of fertilizer for agricultural uses would constitute a chemical production plant. While the HECA chemical production plant would also happen to produce power, this chemical production component would prompt the need for an "industrial" general plan designation and industrial zoning (M-2 with a CUP or M-3). Chemical production is not permitted at all in agriculturally designated areas. Therefore, if the application remains as written, the County will require that the project proponent process applications for a General Plan Amendment and a Zone Change to an industrial designation and zone district.
  - e. To date, the applicant has not submitted a list of proposed uses to resolve the zoning issue or the Williamson Act Land Use petition for cancellation.

**Kern County Roads Department (Roads):**

The Roads Department would like to have further discussions related to the structural capacity of specific haul routes that will be used by trucks within Kern County, the operational capacity of the haul routes with respect to the preliminary recommendations in the application for signalization and other road improvements, the temporary impacts upon existing roads resulting from construction traffic and the rail spur alignment and type of potential crossings of roadways.

**Kern County Environmental Health Services Division (EHS) & Kern County Fire Department (Fire):**

As described in the application package, the hazardous nature of many of the materials used for production of the urea products requires specialized handling and management of the transport and use for the safety of the public. The amount of anhydrous ammonia alone (3.8 million gallons) will require careful review and appropriate mitigation to ensure public safety. While the applicant has proposed internal fire controls, EHS and the Fire Department will be discussing additional mitigation for fire protection, Haz-Mat response, and protection of first responders and the general public. The risk assessment conducted and submitted by the applicant will be reviewed for the use of the appropriate assumptions. Additionally, EHS and the Fire Department require a more thorough understanding of the CO<sub>2</sub> sequestration project and pipeline, and accident potential. Prior to the development of comments for the CEC, the PCDD will be coordinating a joint-technical meeting with EHS, Fire, and the applicant to discuss the technical details related to operation of the plant and disposition and use of chemicals. The PCDD will also request a second joint-technical meeting with EHS and Fire to allow for a presentation and discussion of the CO<sub>2</sub> sequestration project.

The Fire Department also notes that the project presents significant challenges to the Fire Department due to project-related flammable and/or combustible materials, confined space hazards, hazardous material use and storage, large population of workers, tall structures, and large machinery. Additionally, project-related increases in truck and train traffic presents increased emergency activity throughout Kern County; particularly on Highway 99, Interstate 5, and on major railroads. The project may require additional Fire Department facilities/equipment and the Department will further examine the revised project's impact to operations.

**Kern County Waste Management Department (KCWMD):**

KCWMD has been in an on-going dialogue with the project proponent regarding the potential impacts of the project. In addition to the comments previously submitted to the CEC, the KCWMD will conduct further review of the impacts of the revised project and will provide additional comments.

**Kern County Engineering, Survey and Permit Services Department (ESPS):**

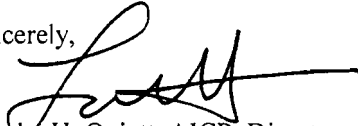
ESPS is interested in further conversations regarding the issuance of grading permits, building permits, and facility inspections; should this project ultimately be approved.

**Closing Comments:**

Planning Staff is currently awaiting receipt of additional information from the applicant, as listed above. These items were all previously requested in our June 11, 2012 letter sent to SES Energy. Upon receipt of these materials, Staff will continue to coordinate with the CEC on review of this project and will process the request for a Cancellation of the Williamson Act Contract.

**Should you have any questions, please contact me at the contact information listed above. You may also contact the Supervising Planner coordinating Kern County's review of this project, Jacquelyn R. Kitchen, at (661) 862-8619 or via email at [kitchenj@co.kern.ca.us](mailto:kitchenj@co.kern.ca.us).**

Sincerely,



Lorelei H. Oviatt, AICP, Director  
Kern County Planning & Community Development Department

By: Jacquelyn R. Kitchen, Supervising Planner  
Advanced Planning Division

cc: SCS Energy California, LLC.  
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Kern County Engineering Services  
Kern County Environmental Health Services  
Kern County Fire Department  
Kern County Administrative Office  
Kern County Roads  
Kern County Waste Management