

CALIFORNIA ENERGY COMMISSION

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



May 15, 2012

DOCKET**08-AFC-8A**

DATE MAY 15 2012

RECD. MAY 15 2012

Dear Librarian:

**DOCUMENT HANDLING FOR HYDROGEN ENERGY CALIFORNIA AMENDED
APPLICATION FOR CERTIFICATION (08-AFC-8A)**

In 2011, Hydrogen Energy California LLC, was acquired by SCS Energy LLC. Subsequently, the project has been amended and a new comprehensive Amended Application for Certification (AFC) has been prepared and assigned a separate distinguishing docket number, 08-AFC-8A. All previous information submitted by the applicant is superseded by this Amended AFC. The applicant submits this Amended AFC for the project which supersedes and replaces all previous submissions, and incorporates all relevant information from the previous versions of the HECA AFC.

All previous documents can be disposed and replaced with this Amended AFC.

On May 2, 2012, Hydrogen Energy California, LLC, submitted an Amended Application for Certification (AFC) to the California Energy Commission to construct and operate an Integrated Gasification Combined Cycle (IGCC) power generating facility called Hydrogen Energy California (HECA). On July 31, 2008, HECA LLC submitted an Application for Certification (AFC) (08-AFC-8) to the California Energy Commission. A Revised AFC was submitted on May 28, 2009, to reflect a change in the project site to an alternative location.

The proposed project would be located on a 453-acre site located approximately 7 miles west of the outermost edge of the city of Bakersfield and 1.5 miles northwest of the unincorporated community of Tupman in western Kern County, California. The site would be located near a hydrocarbon-producing area known as the Elk Hills Oil Field. The HECA site is currently used primarily for agricultural purposes.

The proposed HECA project would gasify blends of coal and petroleum coke to produce hydrogen to fuel a combustion turbine operating in combined cycle mode. The amended project incorporates a proposed manufacturing complex that will produce fertilizer and other nitrogen-based products as well as carbon dioxide (CO₂) to be used in enhanced oil recovery in the Elk Hills Field. A Mitsubishi Heavy Industries MHI 501GAC[®] CT combustion turbine has been selected. The combined cycle power block would generate approximately 405 MW of gross power and would provide a nominal 300-megawatt output of electricity to the grid. The gasification block would also capture approximately 90 percent of the carbon from the raw syngas (the direct end of the gasification process) at steady-state operation, which will be transported to a custody transfer point at Elk Hills Oil Field for CO₂ enhanced oil recovery (EOR) and

sequestration. Due to the complex gasification and sequestration (storage) process, there is a larger than usual parasitic load.

HECA is under the Energy Commission's siting authority. The power plant certification process examines engineering, environmental, public health, and safety aspects of power plant proposals and provides analyses pursuant to the California Environmental Quality Act (CEQA). When reviewing applications for certifications, the Energy Commission is the lead state agency under CEQA, and, because this regulatory program has been certified by the Natural Resources Agency pursuant to Public Resources Code section 21080.5, several environmental and decision documents are prepared rather than an Environmental Impact Report.

The Energy Commission's siting process is open to the public and incorporates the input of the public as well as local, state, and federal agencies. To facilitate public participation in our review process, the Energy Commission has sent copies of the Amended AFC to libraries in the project area, and to libraries in Eureka, San Francisco, Sacramento, Fresno, Los Angeles, and San Diego.

Please make the enclosed Amended AFC available for those who may wish to be informed about the project. We request that you not allow the Amended AFC or any of its contents, or the compact disc (CD) version, to be removed from the library. To increase accessibility of the document, we ask, if possible, that you cross reference it as a general reference work under the title and author categories, as well as under such subjects as "Energy Commission," "electricity," "energy/generation," "power plant siting," or any other relevant subject.

Thank you for your cooperation. If you have any questions, please contact Bob Worl, Energy Commission Project Manager, at (916) 651-8853, or by email at robert.worl@energy.ca.gov, or please contact Elizabeth Stewart, Project Assistant, at (916) 651-8106, or by email at Elizabeth.Stewart@energy.ca.gov.

Sincerely,

Original signed by

Chris Davis, Manager
Energy Facilities Siting Office

Enclosure