

HECA Response to Concerned Neighbors PDOC Comment Letter*Coal dust and impact to crops and workers*

Hydrogen Energy California (HECA) has implemented significant systems to ensure coal dust does not enter the atmosphere. As stated in the response to California Energy Commission (CEC) Workshop Request A34, HECA has committed to using a chemical surfactant on coal train cars to limit fugitive dust with a control efficiency of at least 85%. When the coal is loaded into the train cars at the mine, it is sprayed with a chemical surfactant to limit the coal dust. The use of surfactants for coal rail delivery was analyzed under the Conformity Analysis, which concluded that the federal action will conform to the State Implementation Plan which is administered by the U.S. Environmental Protection Agency to ensure California air quality meets National Ambient Air Quality Standards (NAAQS). Once at the HECA Project Site, coal trains or trucks will be unloaded inside an enclosed building, transferred via enclosed conveyors to the storage barn, and transferred via enclosed conveyors to the gasifier, all of which are serviced by baghouses to limit fugitive dust.

In addition, as detailed in Association of Irrigated Residents (AIR) Date Response (DR) 20(5), the Applicant has performed extensive air quality and public health modeling from the HECA Project. Modeling has been performed using models and conservative assumptions approved by the U.S. EPA. The criteria pollutant modeling results, including ambient background concentrations, show that the Project will not cause a violation of any state or federal Ambient Air Quality Standards (AAQS), and will not significantly contribute to existing violations of Particulate Matter standards. The primary AAQS are designed to protect human health, including sensitive groups like asthmatics, children and the elderly; the secondary AAQS are designed to protect the public welfare, which includes visibility and animals, crops, vegetation and buildings. In addition, the Authority to Construct (ATC) permit application, modeled impacts were below U.S. EPA screening threshold levels at which scientific studies have shown a potential for negative impacts on soils and vegetation, and thus below the levels at which adverse effects on vegetation or soils are expected to occur. Therefore, because modeled impacts are less than the most stringent AAQS, below the soils and vegetation thresholds, below the Health Risk Assessment thresholds, and will not significantly contribute to existing violations, neither public health nor the public welfare will be adversely affected by the Project. These analyses were corroborated in Section 7.1 Soils and Vegetation of the Preliminary Determination Of Compliance (PDOC), as the District concluded that emissions associated with the Project will not result in adverse impacts to soils or vegetation.

Regarding worker health risk, Section 9.3.4 Health Risk Analysis of the PDOC, the District studied the impacts of an individual whom is exposed continuously to the maximum pollutant concentrations 24 hours a day for 70 years in order to produce a conservative worst-case estimate of potential cancer and non-carcinogenic acute and chronic effects. The results of this analysis conclude that the Project's emissions are below the District Significant Threshold of 10 in 1 million for the cancer risk and below 1.0 for the non-carcinogenic acute and chronic hazard indices.

Request for Tupman Air Monitor

As detailed in the AIR DR 20(5), the Applicant does not believe an additional air quality monitor is warranted based on the presence of the existing regional network of monitors owned and operated by the San Joaquin Valley Air Pollution Control District (SJVAPCD). The SJVAPCD operates air quality monitors throughout the San Joaquin Valley (Valley) to support its mission of improving and protecting public health.¹ The SJVAPCD is the regulatory agency which determines air monitoring locations in the Valley and annually reviews the region's existing and proposed monitoring network to ensure compliance with state and federal requirements. Moreover, ambient air quality monitors measure the total pollutants in the air, which come from many sources (natural sources, agriculture, vehicles, other point sources, etc.) and cannot be simply attributed to one source. The regional monitors already in place are more appropriate for the purpose of local residents being informed about their daily air quality.

As stated in the PDOC, HECA has committed to numerous monitoring and reporting requirements in order to quantify emissions at the exit point of the stack. Notably, HECA will employ a system of continuous emissions monitors (CEMs) that will measure nitrogen oxide (NOX), carbon monoxide (CO), and oxygen (O2) levels. HECA will also be required to maintain rigorous performance standards for the CEMS equipment and administrative requirements for record keeping, reporting, and notification.

Request for SJVAPCD to conduct an Alternatives Analysis

As detailed in Section 6.0, Alternatives of the Amended Application For Certification (May 2012), an alternative analysis is a requirement under both California Environmental Quality Act

¹ San Joaquin Valley Air Pollution Control District 2011 Air Monitoring Network Plan
http://www.valleyair.org/aqinfo/Docs/2011/1_2011AirMonitoringNetworkPlanandAppendixA_Final2.pdf

(CEQA) and National Environmental Policy Act (NEPA). The forthcoming Preliminary Staff Assessment/Draft Environmental Impact Statement (DEIS) will detail the Alternative Analysis findings of both the CEC and DOE. As described in the PDOC, the CEC is the sole authority that has discretionary approval of the HECA Project and the PDOC review is intended to provide comment and guidance to the CEC on the proposal's compliance with air quality requirements. As such, the SJVAPCD does not include a distinct alternative analysis as a component of their review process but rather, will rely on the CEC's analysis.

Request for SJVAPCD to conduct a Cumulative Impact Analysis

Per CEQA/NEPA guidelines, a cumulative impact analysis was included for each resource area in the Amended AFC and the findings will be addressed in the forthcoming PSA/DEIS. In addition, as a component of the PDOC, the SJVAPCD conducted a cumulative nitrogen dioxide (NO₂) 1-hour NAAQS impact analysis to consider impacts from nearby sources in addition to impacts from the Project itself plus added background concentrations. In addition, for demonstrating compliance with the other NAAQS and California AAQS, the applicant added a background concentration to represent those sources not explicitly included in the modeling. The results of these analyses indicate that HECA emissions will not cause or contribute to an exceedance of any NAAQS or California AAQS.

DOE offered grant without knowing project location

HECA's initial AFC (08-AFC-8) was submitted to the CEC on July 30, 2008, and proposed the Project on a different site. The Project was subsequently moved when it was discovered that previously undisclosed sensitive biological resources existed at the originally proposed site. As a result, HECA was required to conduct an extensive analysis to identify an alternative site for the Project, which concluded in the selection of the current Project Site. Once the Project Site had been selected and evaluated, HECA filed a Revised AFC in May 2009. The U.S. Department of Energy (DOE) is providing financial assistance to the HECA Project under the Clean Coal Power Initiative Round 3 (CCPI) via a cost-sharing agreement with HECA LLC covering project construction and a "Demonstration Period" for the first 2 years of project operations. The Project Period for the DOE award began on October 1, 2009, which was after the Applicant had moved the project site to the current proposed location at the street address of 7361 Adohr Road, Buttonwillow, CA 93206.

**STATE OF CALIFORNIA
ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION**

In the Matter of:	)	Docket No. 08-AFC-08A
	)	
REVISED APPLICATION FOR	)	PROOF OF SERVICE
CERTIFICATION FOR THE HYDROGEN	)	
ENERGY CALIFORNIA POWER PLANT	)	(March 4, 2013)
PROJECT ("HECA")	)	
_____	)	

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HYDROGEN ENERGY CALIFORNIA PROJECT
CEC Docket No. 08-AFC-08A

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DECLARATION OF SERVICE

I, Paul Kihm, declare that on May 7, 2013, I served and filed copies of the attached:

HECA RESPONSE TO CONCERNED NEIGHBORS PDOC COMMENT LETTER

to all parties identified on the Proof of Service List above in the following manner:

California Energy Commission Docket Unit

☒ Transmission via electronic mail to:

CALIFORNIA ENERGY COMMISSION

Attn: DOCKET NO. 08-AFC-08A

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For Service to All Other Parties

☒ Transmission via electronic mail to all email addresses on the Proof of Service list.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am over the age of 18 years. Executed on May 7, 2013, at Costa Mesa, California.

/s/ Paul Kihm

Paul Kihm