

## CALIFORNIA ENERGY COMMISSION

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SACRAMENTO, CA 95814-5512  
www.energy.ca.gov



July 31, 2008

<b>DOCKET</b>	
08-AFC-4	
DATE	JUL 31 2008
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TO: AGENCY DISTRIBUTION LIST (Federal and State)

**REQUEST FOR AGENCY PARTICIPATION IN THE REVIEW OF THE ORANGE GROVE PROJECT APPLICATION FOR CERTIFICATION, (08-AFC-4)**

On June 19, 2008, Orange Grove Energy, L.P. (applicant), filed an Application for Certification (AFC) for the Orange Grove Project (OGP), a 96 megawatt (MW) electric generation peaking facility. Supplemental Information for the project was received on July 9, 2008, and OGP AFC was subsequently found complete by the Energy Commission at the July 16, 2008, Business Meeting which began the staff's analysis of the project. This project was previously the subject of a Small Power Plant Exemption (SPPE) application to the Commission which was withdrawn on April 25, 2008. The Commission terminated the SPPE proceeding on May 7, 2008. As noted above, the project was refiled as an AFC.

The applicant proposes to add an additional 96 megawatts (MW) net capacity to the grid via interconnection to San Diego Gas and Electric's (SDGE) Pala Substation located adjacent to the project site. The project is proposed for an approximately 8.5-acre abandoned orchard site within a larger 202-acre parcel owned by SDGE. The OGP is proposed in response to a Request for Offer from SDGE for peaking power to serve loads during high electricity peak demand periods.

**Project Description**

The OGEP will consist of (1) two natural gas fired General Electric (GE) LM6000 PC SPRINT combustion turbine generators (CTGs), (2) a packaged wet cooling tower for cooling the air inlet chiller system, (3) air cooling for the fuel gas compressors and generator lube oil systems, (4) a 0.3 mile undergrounded transmission line from the project to the Pala Substation, and (5) an approximately 2.4-mile length of natural gas lateral pipeline will connect to the SDGE main gasline, (6) 21.1 and 12.1 acre-feet per year of fresh and reclaimed water respectively from the Fallbrook Public Utilities District will be provided to the project site via truck transport during operations, (7) a reverse osmosis unit will employed on-site to recycle water for plant processes and eliminate liquid discharge from the project, (8) an on-site septic system will be employed to dispose of sanitary waste from the OGP.

The project site is owned by SDGE and will be available to the applicant for the purposes of building and operating the project, if approved, through a 25-year tolling agreement that allows SDGE to provide natural gas to the project, and utilize 100 percent of the proposed plant electrical output.

**Energy Commission's Facility Certification Process**

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications to construct and operate thermal electric power plants, 50 MW and greater, in California. The Energy Commission's facility certification process carefully examines public health and safety, environmental impacts, and engineering aspects of proposed power plants and all

and safety, environmental impacts, and engineering aspects of proposed power plants and all related facilities, such as electric transmission lines and natural gas and water pipelines. The Energy Commission is the lead agency under the California Environmental Quality Act (CEQA), but it produces several environmental and decision documents rather than an Environmental Impact Report. As part of our review process, the staff of the Energy Commission works closely with local, state and federal agencies to ensure that all laws, ordinances, regulations and standards are addressed in the final decision of the California Energy Commission.

### **Public Participation**

Over the next few months, the Energy Commission will conduct a number of public workshops and hearings to determine whether the exemption request should be approved and under what, if any, set of conditions. These workshops provide the public and local, state and federal agencies the opportunity to ask questions and provide input about the proposed project. The Energy Commission will issue notices for these workshops and hearings, normally 14 days, but in no case later than 10 days prior to the meeting. If you are not currently receiving these notices and want to be placed on the mailing list, please contact April Albright, Project Secretary, at (916) 653-1640 or by email at [aesau@energy.state.ca.us](mailto:aesau@energy.state.ca.us).

If you would like information on how to participate in the Energy Commission's review process for the proposed project, please contact the Energy Commission's Public Adviser's Office, at (916) 654-4489 or toll free in California at (800) 822-6228.

Technical or project schedule questions should be directed to Felicia Miller, the Energy Commission's Project Manager at (916) 654-4640 or by e-mail to [fmiller@energy.state.ca.us](mailto:fmiller@energy.state.ca.us). The status of the project, copies of notices, the AFC and other relevant documents will be placed on the Energy Commission's web site at <http://www.energy.ca.gov/sitingcases/orangegrovepeaker>.

### **Agency Participation**

During this analysis phase, we request that you review the sections of interest to your agency and determine whether the major issues of concern have been identified. At this time, we are only concerned that such issues are disclosed, not necessarily that they be discussed in detail. We request that you provide us with any written comments you may have regarding the disclosure of any potential issues of concern and any preliminary determinations regarding required permits or agency actions by **August 30, 2008**. Please address your comments to Felicia Miller, Project Manager, 1516 9<sup>th</sup> Street, MS-15, Sacramento, CA 95814, or by email at [fmiller@energy.state.ca.us](mailto:fmiller@energy.state.ca.us). Your agency may also present its comments and recommendations in person at the Energy Commission's future workshops. The purpose of these workshops will be to clearly identify issues, to discuss applicant responses to data requests and to clarify remaining issues requiring mitigation.

The OGP AFC with Supplemental information has been determined to be data adequate; your participation in the proceeding will continue to be valuable and encouraged and will allow you to identify and try to resolve issues of concern to your agency. There may be specific requests for agency review and comment during the proceedings after the AFC has been determined to be data adequate.



July 31, 2008

Page 3

Enclosed is a copy (CD) of the AFC and the Supplement in electronic format. If you would like to have a hard copy of the AFC and Supplement sent to you, if you have questions, or if you would like additional information on how to participate in the Energy Commission's review of the proposed project, please contact Project Manager, Felicia Miller. The proposed project, copies of notices, electronic version of the AFC, and other relevant documents are also available on the Energy Commission's Internet web site at

<http://www.energy.ca.gov/sitingcases/orangegrovepeaker>. If you wish to be on the mailing list, you can also subscribe to receive e-mail notifications at <http://www.energy.ca.gov/listservers>.

Sincerely,



Eileen Allen, Manager  
Energy Facilities Siting and Compliance Office

Enclosure