Memorandum

Date:

October 15, 2008

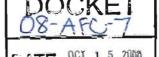
Telephone: (916) 653-1639

File:

08-AFC-7

To:

Karen Douglas, Presiding Member Arthur H. Rosenfeld, Associate Member



From:

California Energy Commission -1516 Ninth Street

Sacramento, CA 95814-5512

Christopher Meyer Siting Project Manager



RECD. OCT 1 5 2008

Subject:

GWF TRACY COMBINED CYCLE POWER PLANT PROJECT (08-AFC-7)

ISSUES IDENTIFICATION REPORT

Attached is staff's Issues Identification Report for the GWF Tracy Combined Cycle Power Plant Project (08-AFC-7). This report serves as a preliminary scoping document that identifies any potential issues that Energy Commission staff believes will require careful attention and consideration. Energy Commission staff will present the issues report at the Informational Hearing and Site Visit to be held on October 23, 2008.

CC:

Docket (08-AFC-7)

Proof of Service List

Attachment

GWF TRACY COMBINED CYCLE POWER PLANT PROJECT (08-AFC-7)

October 15, 2008

ISSUES IDENTIFICATION REPORT

CALIFORNIA ENERGY COMMISSION

Siting, Transmission and Environmental Protection Division

ISSUES IDENTIFICATION REPORT GWF TRACY COMBINED CYCLE POWER PLANT PROJECT

(08-AFC-7)

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ISSUES IDENTIFICATION REPORT

California Energy Commission Staff

The purpose of this California Energy Commission staff report is to inform the Committee and all interested parties of any potential issues that have been identified in the case thus far. Issues are identified as a result of our discussions with federal, state, and local agencies, and our review of the GWF Tracy Combined Cycle Power Plant Project Application for Certification (AFC), Docket Number 08-AFC-7. The Issues Identification Report contains a project description, summary of any potentially significant environmental and engineering issues, and a discussion of the proposed project schedule. The staff will address the identification of any issues and progress towards their resolution in periodic status reports to the Committee.

PROJECT DESCRIPTION

The proposed GWF Tracy Combined Cycle Power Plant Project (GWF Tracy) would modify the existing Tracy Peaker Plant (TPP) (01-AFC-16), a nominal 169-megawatt (MW) simple-cycle power plant by converting the facility into a combined-cycle power plant with a new nominal generating capacity of 314 MW. The proposed project would occupy a 16.38-acre, fenced site within the existing GWF-owned 40-acre parcel in an unincorporated portion of San Joaquin County immediately southwest of Tracy, California, and approximately 20 miles southwest of Stockton, California.

The project would include the addition of two heat recovery steam generators (HRSGs), a steam turbine generator, an auxiliary boiler, an air-cooled dry condenser unit, and a 115-kilovolt (kV) electrical switchyard. The proposed project would use existing TPP infrastructure, including the existing natural gas pipeline, water supply pipeline, and electric transmission line. Three short segments of the PG&E's 115 kV transmission system (totaling approximately 3 miles) would require reconductoring (upgrading wires to accommodate the added generating capacity). The reconductoring segments would be a 0.7-mile long transmission line adjacent to the proposed project site, and two segments, approximately 1.6 miles and 0.7-mile long, respectively, near the intersection of Interstate 5 (I-5) and Interstate 205 (I-205), near the PG&E Kasson Substation. Process water would be supplied via the existing TPP pipeline from the Delta-Mendota Canal by the Byron Bethany Irrigation District. If approved, project construction would begin in the fall of 2011, with commercial operation commencing in 2013.

POTENTIAL MAJOR ISSUES

This portion of the report normally contains a discussion of the potential issues the Energy Commission staff has identified to date. At this point in the process, staff has not identified any potential major issues. The Committee should be aware that significant issues may arise during the case. Discovery is not yet complete, and other parties have not had an opportunity to identify their concerns. The identification of the potential issues is based on comments of other government agencies and on our judgment of whether any of the following circumstances will occur:

- 1. Potential significant impacts which may be difficult to mitigate;
- Potential areas of noncompliance with applicable laws, ordinances, regulations or standards (LORS);
- 3. Areas of conflict or potential conflict between the parties; or
- 4. Areas where resolution may be difficult or may affect the schedule.

Although staff did not identify any major issues, the following table lists all the subject areas evaluated and notes areas where staff has identified the need for additional information. Even though an area is identified as having no potential issues, it does not mean that an issue will not arise related to the subject area. This report does not limit the scope of staff's analysis throughout this proceeding, but it acts to aid in the analysis of any potentially significant issues that the GWF Tracy proposal could pose.

Major Issue	DRs	Subject Area	Major Issue	DRs	Subject Area
No	Yes	Air Quality	No	No	Noise and Vibration
No	Yes	Biological Resources	No	No	Paleontological Resources
No	No	Cultural Resources	No	No	Public Health
No	No	Efficiency and Reliability	No	No	Socioeconomics
No	No	Electromagnetic Fields & Health Effects	No	No	Soils & Water Resources
No	No	Facility Design	No	No	Traffic and Transportation
No	Yes	Geological Resources	No	No	Transmission Line Safety
No	No	Hazardous Materials	No	No	Transmission System Design
No	No	Worker Safety and Fire Protection	No	No	Visual Resources
No	Yes	Land Use	No	No	Waste Management
No	No	Project Overview	No	No	Alternatives

SCHEDULING

Although the proposed schedule reflects accomplishing the processing of the GWF Tracy AFC according to the Commission's normal 12-month AFC schedule, delays are possible due to limitations in the availability of staff and its consultants for evaluating the AFC in light of the very high current and expected workload of siting cases before the Energy Commission.

Following is staff's proposed 12-month schedule for key events of the project. Meeting the proposed schedule will depend on: the applicant's timely response to staff's data requests; the timing of the San Jaoquin Valley Air Pollution Control District's (SJVAPCD's) filing of the Determination of Compliance; determinations by other local, state and federal agencies; and other factors not yet known. The SJVAPCD will be required to provide a Preliminary Determination of Compliance (PDOC) and a Final Determination of Compliance (FDOC). Prior to the publication of the Preliminary Staff Assessment (PSA), staff normally requires a PDOC from the air district, and the FDOC before it publishes the Final Staff Assessment.

STAFF'S PROPOSED SCHEDULE – GWF TRACY COMBINED CYCLE POWER PLANT PROJECT (08-AFC-7)

ACTIVITY	DATE
Applicant files Application for Certification (AFC)	7/30/08
Executive Director's recommendation on data adequacy	9/05/08
Commission's determination on data adequacy	9/10/08
Staff files Issue Identification Report	10/15/08
Staff files data requests	est. 10/20/08
Informational Hearing and Site Visit	10/23/08
Applicant provides data responses	11/20/08
Data response and issue resolution workshop	12/04/08
Staff and applicant each file Status Report 1	12/04/08
Local, state and federal agency draft determinations & SJVAPCD PDOC	1/14/09
Staff and applicant each file Status Report 2	2/04/09
Staff files Preliminary Staff Assessment (PSA)	2/12/09
PSA workshop	2/26/09
Local, state and federal agency final determinations & SJVPCD FDOC	3/25/09
Staff and applicant each file Status Report 3	4/03/09
Staff files Final Staff Assessment (FSA)	4/16/09
Prehearing Conference*	TBD
Evidentiary hearings*	TBD
Committee files proposed decision*	TBD
Hearing on the proposed decision*	TBD
Committee files revised proposed decision*	TBD
Commission Decision * The assigned Committee will determine this part of the schedule.	est. 9/16/09



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA 1516 NINTH STREET, SACRAMENTO, CA 95814

1-800-822-6228 - www.energy.ca.gov

APPLICATION FOR CERTIFICATION
FOR THE GWF COMBINED CYCLE MBINED
CYCLE POWER PLANT PROJECT

Docket No. 08-AFC-7

PROOF OF SERVICE

<u>INSTRUCTIONS:</u> All parties shall either (1) send an original signed document plus 12 copies <u>or</u> (2) mail one original signed copy AND e-mail the document to the address for the Docket as shown below, AND (3) all parties shall also send a printed <u>or</u> electronic copy of the document, <u>which includes a proof of service</u> <u>declaration</u> to each of the individuals on the proof of service list shown below:

CALIFORNIA ENERGY COMMISSION Attn: Docket No. 01-AFC-16 1516 Ninth Street, MS-15 Sacramento, CA 95814-5512 docket@energy.state.ca.us

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DECLARATION OF SERVICE

I, <u>Sabrina Savala</u>, declare that on <u>October 15, 2008</u>, I deposited copies of the attached <u>Issues Identification Report</u>, in the United States mail at Sacramento, CA. with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

OR

Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the Proof of Service list above.

I declare under penalty of perjury that the foregoing is true and correct.

Sabrina Savala