

STATE OF CALIFORNIA

Energy Resources Conservation and Development Commission

In the Matter of:)
)
Application for Certification For the)
Almond 2 Power Plant)
_____)

Docket No. 09-AFC-2

APPLICANT’S COMMENTS ON THE PRESIDING MEMBER’S PROPOSED DECISION
FOR THE ALMOND 2 POWER PLANT (“A2PP”)

On behalf of the Turlock Irrigation District’s (“TID” or “District”) ratepayer-owners, the District thanks the Commissioners and the Staff for diligently processing this Application for Certification (“AFC”). The Almond 2 Power Plant (“A2PP”) project is the keystone in an integrated resource plan that will continue and enhance the District’s aggressive Renewable Portfolio Standard (“RPS”).

The Committee’s timely issuance of the Presiding Member’s Proposed Decision (“PMPD”) is a great service to the District’s ratepayer owners. Specifically, by allowing the A2PP Project to receive the Commission’s Final Decision on December 15, 2010, the District will be able to engage in earnest in securing land rights and other long-lead time items to support the Project’s targeted commercial operations beginning in the fourth quarter of 2011.

The Applicant has reviewed the PMPD, including Conditions of Certification set forth in the PMPD. We understand that the Conditions in the PMPD are the Conditions set forth in the Revised Staff Assessment, as modified by the Land Use and Cultural Resources Conditions revisions that Staff and Applicant jointly recommended to the Committee at the September 16th Mandatory Status Conference. Based on this understanding, the Conditions of Certification in the PMPD are acceptable. Listed below, for the Committee’s consideration, are the District’s comments on the PMPD for the A2PP (09-AFC-2).

INTRODUCTION

Page 2, First Paragraph. The PMPD describes the natural gas line as an approximately 11.6 mile long natural gas pipeline. This sentence should include the other portion of the pipeline that will be constructed: reinforcement of a 1.8 mile segment along the western side of the San Joaquin River. The full description is included in the PMPD, Project Description, p. 7.

PROJECT DESCRIPTION: GRAYSON SUBSTATION NORTH

As noted in both the Project Description and Transmission System Engineering Sections of the PMPD, the Grayson Substation and linears are not part of the A2PP project. Rather they are part of TID's Hughson-Grayson 115-kV Transmission Line and Substation Project ("Hughson-Grayson Project"). (See, for example, PMPD, Transmission System Engineering at P. 11). The Hughson-Grayson Project has been designed to accommodate current and projected load growth, increase reliability on the transmission system, and relieve load on the existing 69-kV transmission system within TID's service territory. Currently, the Ceres area is only served by the 69-kV transmission system, which is near capacity due to increased electrical demand and lack of expansion.

At its November 2, 2010 meeting, the TID Board of Directors approved the Hughson-Grayson 115-kV Transmission Line and Substation Project (Hughson-Grayson Project), including the Grayson Substation North location.

Exhibit 46 included a detailed description and figure showing the location of the Grayson Substation North and a description of how the project would interconnect to the A2PP project if the Board approved the Hughson-Grayson Project with the Grayson Substation North. As indicated in this exhibit, the Grayson Substation North would be located south of the A2PP and existing Almond Power Plant sites, just beyond the existing TID 230-kV line and Lateral 2.

By selecting the Grayson Substation North, the transmission line route is nearly identical to the 115-kV Circuit 2 line shown in the figure attached to the September 29, 2010 letter. However, where the Circuit 2 line heads west toward Crows Landing Road and ultimately Grayson Substation South, the transmission line for Grayson Substation North would instead continue south an additional 30 feet to the substation's northern boundary.¹ The 230-kV poles on each side of the 230-kV undercrossing would have to be raised to accommodate the transmission line crossing under the 230-kV line at the same location. The pole height would be increased up to an approximate height of 130 feet. However, given that there are no sensitive receptors in the area, this would not result in any visual impacts.

In short, the route for the Grayson Substation North is the same route as for the Grayson Substation South (addressed in the Revised Staff Assessment), only considerably shorter. In addition, the 30 additional feet beyond Lateral 2 was previously surveyed as part of the environmental surveys conducted for the A2PP AFC and would result in no environmental impacts. A shorter line on the same route within the same area surveyed means the already less than significant impacts would be even less with Grayson Substation North.

¹ It is important to note that in order to comply with the North American Electric Reliability Council reliability standards as enforced by the WECC, and to meet TID's reliability objectives, the A2PP double-circuit 115-kV line can be placed on a single pole for a length of five poles once the transmission line exits the A2PP switchyard. Given this, in order to travel the greater distance to the Grayson Substation South as described in the AFC and Revised Staff Assessment, after the fifth pole the double-circuit line would be separated into two single circuit lines (115-kV Circuit 1 and 115-kV Circuit 2). Given the short distance to Grayson Substation North, however, only approximately five poles are required so the 115-kV line will remain as a double-circuit line.

Given the TID Board's approval of the Hughson-Grayson Project, the fact that the now considerably shorter interconnection to the Grayson Substation North, and the fact that the description of the relation of the Grayson Substation North and the A2PP project is fully described in the record of this proceeding (Exhibit 46), the Applicant respectfully suggests that Committee make conforming changes to the PMPD to reflect the selection of Grayson Substation North. The Applicant is preparing these suggested conforming changes to the PMPD and will submit these prior to the close of the thirty day comment period on December 6, 2010.

PROJECT DESCRIPTION

Page 4: Figure 2 reflects the alternates analyzed for the PG&E pipeline project. The Map should be updated to reflect only Alternate B.

Page 7, Second Paragraph, Third Sentence. "TIP" should be changed to "TID".

Page 10, Fourth Paragraph, Second Sentence. "locate" should be changed to "located"

AIR QUALITY

Page 24, Findings and Conclusions, #3: Please change the finding to read as follows: "The project NO_x and VOC emissions would contribute to existing violations of state and federal ambient ozone air quality standards. The project emissions of PM₁₀/PM_{2.5} and particulate matter precursors would contribute to existing violations of ambient PM₁₀ and PM_{2.5} air quality standards. Compliance with Condition of Certification AQ-SC7 will mitigate these ~~ozone~~ impacts to less than significant levels."

Page 24, Findings and Conclusions, #7: Please change the finding to read as follows: "The SJVAPCD requires the project to mitigate stationary source NO_x, VOC, CO, SO₂, and PM₁₀/PM_{2.5} emissions by employing Best Available Control Technology (BACT)."

Page 24, Findings and Conclusions, #8: Please change the finding to read as follows: "To reduce NO_x, VOC, and PM_{10/2.5} emissions to insignificant levels under CEQA, Conditions ~~AQ-SC6 and AQ-SC7~~ AQ-SC1 through AQ-SC5 require the project to use low emission ~~maintenance~~ vehicles and fugitive dust controls during construction ~~operation~~."

GREENHOUSE GASES

Pages 7-8, Emissions During Operation of the Facility, A2PP Project Emissions, last paragraph: The PMPD states: "The project's annual GHG emissions from operation equate to an emissions performance factor of 0.510 metric tons of CO₂ per megawatt hour. This is *significantly* higher than the Emission Performance Standard (EPS) of 0.500 metric tons of CO₂ per megawatt-hour described above..." [emphasis added] The statement that 0.510 MTCO₂/MWh is "significantly higher" than the EPS of 0.500 MTCO₂/MWh is not supported by the evidence. Exhibit 300, pp. 4.1-63 states: The proposed A2PP, at 0.51 MTCO₂/MWh, would *slightly* exceed the limits of SB 1368 and the Greenhouse Gas Emission Performance Standard of 0.500 MTCO₂/MWh for

base load generation.” [emphasis added] Please change the statement on pp. 7-8 to read as follows: “The project’s annual GHG emissions from operation equate to an emissions performance factor of 0.510 metric tons of CO₂ per megawatt hour. This is ~~significantly~~ slightly higher than the Emission Performance Standard (EPS) of 0.500 metric tons of CO₂ per megawatt-hour described above...”

Page 12, Findings of Fact, #10: Please change the finding to read as follows: “The A2PP project slightly exceeds the EPS of 0.500 MTCO₂/MWh with a rating of ~~0.454~~ 0.510 MTCO₂/MWh, but the project is designed and intended to provide electricity at an annualized plant capacity factor of less than 60 percent.”

Page 13, Findings of Fact, #13: Please change the finding to read as follows: “Even as more renewable generation is added to the California electricity system, gas-fired power plants such as the A2PP will be necessary to meet local capacity requirements and to provide intermittent generation support, grid operations support, extreme load and system emergencies support, and general energy support.”

Page 14, Conclusions of Law, #4: Please change the finding to read as follows: “The A2PP ~~project’s GHG emissions will comply with~~ project is a simple-cycle power plant, not designed, or intended, or permitted for base load generation and is therefore not subject to the SB 1368 EPS.”

Page 14, Conclusions of Law, #12: Please change the finding to read as follows: “Any new natural-gas-fired power plant that we certify must:

- a) not increase the overall system heat rate for natural gas plants;
- b) not interfere with generation from existing renewables or with the integration of new renewable generation; and
- c) have the ability to reduce system-wide GHG emissions.

The A2PP meets these requirements.”

BIOLOGICAL RESOURCES

Page 2, Third Paragraph, Number 7: This item should be revised as follows: “7) that parts of the surrounding area are already relatively noisy and otherwise impacted due to the existing Almond 1 power plant that currently occupies a portion of the site, 8) agricultural activities that currently occur along the gas pipeline alignment, and 9) current traffic volumes in the area of the site.”

Page 12, First Full Paragraph, First and Second Sentences: These sentences should be revised to reflect that a jurisdictional determination has not been made on the water features crossed by the proposed gas pipeline. The suggested revisions are as follows: “To protect any potentially jurisdictional waters and wetlands during construction, we have adopted Condition of Certification BIO-14, which requires the Applicant to include any necessary measures to avoid or minimize impacts to potentially jurisdictional waters and to fully mitigate impacts to potentially jurisdictional features. The final conditions of any required permits from ACOE, CDFG, and/or the Regional Water Quality Control Board for impacts to potentially jurisdictional

waters will be included in the final Biological Resources Mitigation Implementation and Monitoring Plan (BRMIMP).”

Page 16, First Partial Paragraph, Last Sentence: The sentence should be deleted since the vegetated areas along the gas pipeline are primarily inactive and fallow agricultural fields and dairy farms. The agricultural fields affected by construction will be restored as required by Condition of Certification LAND-2. Given this, TID proposes that the last sentence be deleted.

Page 18, Findings of Fact #16: This finding should be revised to reflect that a jurisdictional determination has not been made on the water features crossed by the proposed gas pipeline. The suggested revision is as follows: “Any project-related impacts to potentially jurisdictional waters are expected to be temporary and less than significant since PG&E shall be drilling under any potentially jurisdictional canals, thus avoiding direct impacts to these canals, and features will be restored to pre-project conditions.

CULTURAL RESOURCES

Page 14, Potential Direct and Indirect Impact, Second Paragraph Second to Last Sentence: The sentence needs to be revised to reflect that the existing gas pipeline which is being reinforced will not be removed. The sentence should be revised as follows: “The evidence suggests that ~~removal of the old pipe and it’s the reinforcement segment with a pipe~~ would disturb some previously undisturbed sediments on the sides and bottom of the ~~original~~ installation trench.

Page 15, First Bullet: The bullet needs to be revised to reflect that a cultural resources monitor will also be maintained. The bullet should be revised as follows: “retaining a designated Cultural Resources Specialist (CRS) and Cultural Resources Monitor (CRM) who will be available during the entire construction period to evaluate any unanticipated discoveries.

HAZARDOUS MATERIALS

Page 11, Section Engineering Controls: There is an extra bullet at the bottom of the section, which should be removed.

Page 13, Third Paragraph, Last Sentence: The sentence should be revised as follows: “This would result in either 42 or 226 miles of delivery truck travel in the project area per year (with a full load) for all ~~two~~ twelve deliveries.”

Page 15, Fourth Paragraph: A bullet should be added for “Crows Landing Flea Market and Ceres Lions Park Wells”.

Page 17, Findings of Fact #5: The gas pipeline will be designed, constructed, owned, and operated by PG&E. Given this, the Finding of Fact should be revised as follows: “Potential leak and fire risks associated with road crossings by natural gas pipes and other project facilities will be reduced to insignificant levels with PG&E’s and the project’s ~~and PG&E’s~~ compliance with applicable regulatory requirements.”

Page 17, Findings of Fact #7: This finding should be revised as follows: “While the A2PP site could potentially be subject to earthquakes that result in the failure of hazardous materials storage facilities ~~and/or solar field piping~~, such occurrences are not probably and do not represent a significant risk to the public.”

LAND USE

Page 7, Figure 1: This figure shows the incorrect lay-down area, which will be used for A2PP construction. A map of the correct lay-down area is available at Exhibit 8 (TID Comments on CEC Staff Assessment), Attachment A, Figure 1.1-3R.

NOISE AND VIBRATION

Page 4, Assumptions and Baseline Conditions, First Paragraph, Second to Last Sentence: This sentence should be revised to make it consistent with the discussion on page 10. The suggested revision is as follows: “Staff further assumes that an increase in a background noise levels up to 5 dBA in a residential setting is insignificant and that an increase of 10 dBA in such a setting is potentially significant.”

PUBLIC HEALTH

No comments.

SOCIOECONOMICS

Page 3, Fourth Paragraph, First Sentence: The sentence should be revised to replace San Joaquin County with Stanislaus County to make it consistent with Table 2. The sentence should be revised to read as follows: “The evidence indicates that all construction labor and the majority of operations workforce would commute from the surrounding communities of Merced, ~~San Joaquin~~ Stanislaus, and Santa Clara Counties.”

Page 13, Findings and Conclusions, #1: This Finding should be revised to replace San Joaquin County with Stanislaus County. The Finding should be revised to read as follows: “The A2PP Project will draw primarily upon the labor force in Merced, ~~San Joaquin~~ Stanislaus, and Santa Clara counties, for both the construction and operation workforce.”

SOIL AND WATER RESOURCES

Page 1, Footnote 36: The footnote should be revised to reflect that a determination has not been made that any of the water features affected by the project are jurisdiction. Given this, the footnote should be revised to read: “The Biological Resources section of this Decision discusses the potential impacts of project construction on potentially jurisdictional waters and includes related ~~Conditions~~ Conditions of Certification to ensure any such impacts are reduceds to less than significant levels.”

Page 12, Second Paragraph, Last Sentence: The last sentence in the paragraph should be revised as follows: “Some of tThe canal water comes from TID-owned agricultural wells that are used to maintain location groundwater levels.”

TRAFFIC AND TRANSPORTATION

No comments.

TRANSMISSION LINE SAFETY AND NUISANCE

No comments.

VISUAL RESOURCES

Page 5, Figure 1: The figure shows the incorrect lay-down area for the A2PP. A map of the correct lay-down area is available at Exhibit 8 (TID Comments on CEC Staff Assessment), Attachment A, Figure 1.1-3R.

WASTE MANAGEMENT

Page 3, Third Paragraph, First Sentence: The sentence should be revised to read as follows: “Non-hazardous liquid wastes include sanitary wastes, ~~and~~ dust suppression, drainage, and equipment washwater.”

WORKER SAFETY/FIRE PROTECTION

Page 2, Second Paragraph, Second Sentence: The sentence should be revised as follows: “Specifically, the project owner must develop and implement a “Construction Safety and Health Program” and an “Operations and Maintenance Safety and Health Program,” both of which must be approved by ~~BLM’s Authorized Officer~~ and the Energy Commission’s Compliance Project Manager prior to project construction and operation.”

FACILITY DESIGN

No comments.

GEOLOGY, MINERAL RESOURCES AND PALEONTOLOGY

Page 8, Findings of Fact #11: The Finding of Fact should be revised to reflect that a Paleontological Resources Monitor will also be on-site. The Finding should be revised as follows: “The project owner will implement several mitigation measures to avoid impacts to any paleontological resources discovered, including worker education, preparing a Paleontological Monitoring and Mitigation Plan, and having a Paleontologic Resources Specialist and/or Paleontologic Resources Monitor on-site.

POWER PLANT EFFICIENCY

No comments

POWER PLANT RELIABILITY

No comments

TRANSMISSION SYSTEM ENGINEERING

Page 8, b. Voltage Stability, First Paragraph, Second Sentence: Project Description and Interconnection Facilities, Second Paragraph, Second sentence: The sentence should be revised as follows: “The purpose of the analysis was to determine the voltage drop caused by selected outages and how ~~slow~~ close the system is ~~form~~ from collapse...”

Page 9, Fifth Paragraph: “he” should be changed to “the”

Page 10, Second Paragraph, Second Sentence: The sentence should be revised to read as follows: “The Grayson Substation and linears ~~a~~ are not part of the A2PP project.”

Page 11, Sentence after bullets: The citation missing at the end of the sentence should be made to Exhibit 46.


GENERAL CONDITIONS

Page 6, Conditions, Compliance-3: This condition should reflect that Dale Rundquist is now the Compliance Project Manager for the A2PP, not Chris Davis.

Respectfully submitted,

Dated: November 17, 2010

ELLISON, SCHNEIDER & HARRIS

By  _____

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STATE OF CALIFORNIA


Energy Resources Conservation
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)
)
_____)

PROOF OF SERVICE

I, Karen A. Mitchell, declare that on November 17, 2010 I served copies of the attached *Applicant's Comments on the Presiding Member's Proposed Decision for the Almond 2 Power Plant* by email and U.S. Mail to each party on the attached service list.

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



Karen A. Mitchell



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**APPLICATION FOR CERTIFICATION
FOR THE TID ALMOND 2
POWER PLANT PROJECT**

Docket No. 09-AFC-2

**PROOF OF SERVICE
(Revised 7/30/10)**

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