DOCKET

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STATE OF CALIFORNIA

Energy Resources Conservation and Development Commission

Application for Certification for the Mariposa Energy Project)	Docket No. 09-AFC-3
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APPLICANT'S COMMENTS On THE PRESIDING MEMBER'S PROPOSED DECISION For THE MARIPOSA ENERGY PROJECT

April 28, 2011

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INTRODUCTION

Pursuant to the "Notice of Availability of the Presiding Member's Proposed Decision" Mariposa Energy Project, LLC ("Applicant") submits the following comments on the Presiding Member's Proposed Decision ("PMPD") issued on April 13, 2011.

The PMPD represents the next to the last step in the Commission's review of the Mariposa Energy Project - the culmination of an exhaustive and comprehensive 20 month review and analysis by the Commission Staff, myriad federal, state and local agencies, seven active intervenors and the general public. The Applicant is pleased that the Proposed Decision recommends approval of the Mariposa Energy Project.

The Applicant thanks the Committee and the Hearing Officer for preparing a well-reasoned and comprehensive decision. The PMPD contains 185 Conditions of Certification. The Applicant is in substantial agreement with each of the proposed conditions. Of course, as with any proposed document of this size and complexity, there are a few minor points which require correction or clarification. Set forth below are the Applicant's suggested corrections and clarifications. None of these changes are intended to substantively alter the findings or conditions of certification.

These comments are organized into three sections. First, we propose edits to the Conditions of Certification in the PMPD that may have inadvertently included text from the Staff Assessment (SA) rather than the Supplemental Staff Assessment (SSA). The second section proposes edits to VIS-6 to reflect language agreed to by Applicant, Staff and Mr. Sarvey. The third section identifies minor clerical errors contained within the text of the PMPD.

I. <u>APPLICANT'S PROPOSED EDITS TO CONDITIONS OF CERTIFICATION</u> TO REFLECT THE LANGUAGE PROPOSED IN THE SSA.

It appears that the PMPD may have inadvertently used language from the SA rather than the SSA for several Conditions of Certification, as described below. The SSA reflects the most current version of the Conditions, as agreed to by Staff and Applicant. The Applicant requests that the PMPD be corrected to use the SSA language as follows:

TRANSMISSION LINE SAFETY AND NUISANCE

Page 6, Verification for Condition TLSN-1. The project involves construction of a gen-tie line rather than an upgrade:

TLSN-1 . . .

<u>Verification</u>: At least 30 days before starting the <u>upgrade_construction</u> of the transmission line or related structures and facilities, the project owner shall submit to the Compliance Project Manager (CPM) a letter signed by a California registered electrical engineer affirming that the lines will be constructed according to the requirements stated in the condition.

Page 6, Condition TLSN-3 and Verification. The project includes a single gen-tie line:

TLSN-3 The project owner shall ensure that the rights-of-way of the proposed transmission lines are-is kept free of combustible material, as required under the provisions of section 4292 of the Public Resources Code and section 1250 of Title 14 of the California Code of Regulations.

<u>Verification</u>: During the first 5 years of plant operation, the project owner shall provide a summary of inspection results and any fire prevention activities carried out along the right-of-way of <u>eachthe</u> line and provide such summaries in the Annual Compliance Report.

Page 7, Condition TLSN-4 and Verification:

TLSN-4 The project owner shall ensure that all permanent metallic objects within the right-of-way of each of the two project-related lines are is grounded according to industry standards.

Verification: At least 30 days before the lines <u>isare</u> energized, the project owner shall transmit to the CPM a letter confirming compliance with this condition.

AIR QUALITY

Page 47, AQ-26 verification: There appears to be an inadvertent deletion in the verification language; the verification language from the SSA reads as follows:

Verification: The results and field data collected during source tests shall be submitted to the District and CPM within 60 days of testing and according to a pre-approved protocol (**AQ-27**). Testing for steady-state emissions shall be <u>conducted upon initial</u> operation and at least once every 12 months.-f1

HAZARDOUS MATERIALS

Page 18, Condition HAZ-2 and Verification:

The project owner shall concurrently provide an updated Business Plan, an updated Spill Prevention, Control, and Countermeasure Plan (SPCC), and an updated Risk Management Plan (RMP) prepared pursuant to the California Accidental Release Program (CalARP) to the Alameda County Department of Environmental Health (ACDEH) and the CPM for review. After receiving comments from the ACDEH and the CPM, the project owner shall reflect all recommendations in the final documents. Copies of the final updated Business Plan, updated SPCC Plan, and updated RMP shall then be provided to the ACDEH and the Alameda County Fire Department (ACFD) for information and to the CPM for approval.

Verification: At least 30 days prior to receiving any hazardous material on the site for commissioning or operations, the project owner shall provide a copy of a final updatedBusiness Plan and updated-SPCC Plan to the CPM for approval. At least thirty (30) days prior to delivery of aqueous ammonia to the site, the project owner shall provide the final updated-RMP to the ACDEH and the ACFD for information and to the CPM for approval.

Pages 19 and 20, Condition HAZ-7:

The project owner shall also revise the existing or prepare a new site-specific security plan for the commissioning and operational phases that will be available to the CPM for review and approval. The project owner shall implement site security measures that address physical site security and hazardous materials storage. The level of security to be implemented shall not be less than that described below (as per NERC 2002).

The Operation Security Plan shall include the following:

4. B. a statement(s) (refer to sample, Attachment B), signed by the contractor or authorized representative(s) for any permanent contractors or other technical contractors (as determined by the CPM after consultation with the project owner), that are present at any time on the site to repair, maintain, investigate, or conduct any other technical duties involving critical components (as determined by the CPM after consultation with the project owner) certifying that background investigations have been conducted on contractors who visit the project site. Background investigations shall be restricted to determine the accuracy of employee identity and employment history and shall be conducted in accordance with state and federal laws regarding security and privacy.

Page 22. Hazardous Materials Attachment A.

Attachment A Hazardous Materials Proposed for Use at the Mariposa Energy Project*

Chemical	Use	Quantity	Storage Location (GA Location Code)	State
Aqueous Ammonia (19% NH3 by weight)	Control oxides of nitrogen (NOx) emissions through selective catalytic reduction	8,500 gallons	Onsite storage tanks with secondary containment (38)	Liquid
R 134A (1-1-1-2- Tetrafluoroethane)	Refrigerant in the inlet air chiller system	110,000 26,960 pounds	Inlet air chiller system (21)	Liquid
Cleaning chemicals/detergent s	Periodic cleaning of combustion turbine	Varies (less than 300 25 gallons liquids or 100 pounds solids for each chemical)	Chemical storage tote or drums at a protected temporary storage location onsite (40)	Liquid
Diesel No. 2	Fuel back-up fire pump	200 gallons	Permanent onsite storage in above ground storage tank with secondary containment (32)	Liquid
Hydraulic oil	High-pressure combustion turbine starting system, turbine control valve actuators	270 450 gallons	Onsite 55-gallon drums (9),160 gals in CT tanks	Liquid
Laboratory reagents	Water/wastewater	Varies (less than 5	Laboratory chemical	Liquid and granular

	laboratory analysis	gallons liquids or 10 pounds solids for each chemical)	storage cabinets (stored in original chemical storage containers/bags) (43)	solid
Lubrication oil	Lubricate rotating equipment (e.g., gas turbine and steam turbine bearings)	3,240 400 gallons	Onsite 55-gallon drums, and 200-gallon waste oil storage tank (5), and 2600 gallons in CT/ Gen tanks	Liquid
Mineral insulating oil	Transformers/ switchyard	28,800 <u>36,000</u> gallons	Inside the transformers; no mineral actually stored on site (18)	Liquid
Sodium carbonate	Alkalinity source for nitrification reactor	200 pounds	Dry storage area	Solid Powder
Sodium hypochlorite (12.5 % solution)	Biocide/biofilm control for potable, fire, and service water systems	500 gallons	Water treatment chemical feed storage (40)	Liquid
Acetylene	Welding gas	185 pounds	Maintenance / warehouse building (40)	Gas
Oxygen	Welding gas	250 pounds	Maintenance / warehouse building (40)	Gas
Propane	Torch gas	300 pounds	Maintenance /warehouse building (40)	Gas
EPA protocol gases	Calibration gases	25 624 pounds	CEMS enclosures (2), <u>Maintenance/</u> <u>Warehouse (40)</u>	Gas
Cleaning chemicals	Cleaning	Varies (less than 25 gallons liquids or 100 pounds solids for each chemical)	Admin/control building, maintenance/wareh ouse building (40)	Liquid or solid
Paint	Touchup of painted surfaces	Varies (less than 25 gallons liquids or 100 pounds solids for each type)	Maintenance /warehouse building (40)	Liquid

NOISE AND VIBRATION

Page 10, Condition NOISE-6.

NOISE-6 Heavy equipment operation and noisy construction work relating to any project features shall be restricted to the times delineated below, unless a special permit has been issued bythe CPM in consultation with Alameda County authorizes longer hours:

Mondays through Fridays:	7 a.m. to 7 p.m.
Weekends:	8 a.m. to 5 p.m.

SOCIOECONOMICS

Page 13. It appears that Condition of Certification Socio-1 may have been inadvertently omitted.

II. APPLICANT'S PROPOSED EDITS TO CONDITIONS OF CERTIFICATION PROPOSED TO RELECT LANGUAGE ACCEPTED BY STAFF, APPLICANT AND SARVEY.

Staff proposed the following additions to Condition of Certification VIS-6 to respond to concerns raised by Intervenor Robert Sarvey. The Applicant agreed to this language. It is our understanding that Mr. Sarvey also accepted this language. The Applicant requests that the PMPD incorporate those additions to VIS-6 as follows:

VISUAL RESOURCES

Page 35, Condition VIS-6:

VIS-6 The Applicant shall provide a comprehensive landscaping and irrigation plan along the northern boundary of the 10 acre facility site and the vehicle access exclusively serving the facility site in accordance with the requirements of Policy 114 of the East County Area Plan. Landscaping shall be installed or bonded prior to the start of commercial operation. In no event shall landscaping be installed any later than 6 months after the start of commercial operation.

The landscaping and irrigation plan shall include a list of proposed plant or tree species prepared by a qualified professional landscape architect familiar with local growing conditions and the suitability of the species for project-site conditions.

The Applicant shall submit to the Director of the Alameda County Community Development Agency Planning Department for comment a comprehensive landscaping and irrigation plan. The Applicant shall provide a copy of the Director of the Alameda County Community Development Agency Planning Department's written comments on the landscaping and irrigation plan.

The Applicant shall not implement the landscaping and irrigation plan until the Applicant receives approval from the CPM. Planting must be completed or bonded by the start of commercial operation, and the planting must occur during the optimal planting season, but not later than 6 months after the start of commercial operation.

Verification: Prior to commercial operation and at least 60 days prior to installing the landscaping, the applicant shall provide a copy of the landscaping and irrigation plan to the Director of the Alameda County Community Development Agency Planning Department for review and to the CPM for approval.

The applicant shall provide to the CPM a copy of the transmittal letter submitted to the Director of the Alameda County Community Development Agency Planning Department requesting their review of the submitted landscaping and irrigation plan.

The applicant shall notify the CPM within seven days after completing installation of the landscaping and irrigation that the landscaping and irrigation is ready for inspection.

The applicant shall replace dead or dying plantings (plants and trees) listed or shown in the approved landscaping and irrigation plan for the project, annually at the least (e.g., start of Spring), for the life of the project. The landscaping plan must be reviewed and approved by the biology staff to identify any issues related to sensitive species.

III. MINOR, CLERICAL CORRECTIONS TO PMPD TEXT

ENGINEERING ASSESSMENT

Page 1, 1st paragraph, first sentence:

The broad engineering assessment of the Mariposa Energy Plat Project consists of separate analyses that examine its facility design, engineering efficiency, and reliability aspects.

TRANSMISSION LINE SAFETY AND NUISANCE

Page 1, second paragraph, last sentence:

The project's switchyard would be designed and built by PG&E the project owner according to PG&E's guidelines on safety and field management.

AIR QUALITY

Page 6, first paragraph: Table 4 presents the construction phase maximum ground-level impacts. We recommend changing the sentence to read:

"Estimates for the highest short-term daily emissions and total annual impacts emissions over the 14-month construction period are shown in Air Quality Table 4."

BIOLOGICAL RESOURCES

Page 3, first paragraph, last sentence.

Construction and laydown areas will be located in an existing maintenance yard at the <u>Byron</u> Bethany Bay Irrigation District (BBID) headquarters and in annual grassland immediately adjacent to the MEP site.

HAZARDOUS MATERIALS

Page 2, Natural Gas, first paragraph, second sentence:

The natural gas will be delivered by Pacific Gas & Electric (PG&E) via a new 580-foot long, foureight-inch pipeline that would run directly west from PG&E's existing gas pipeline (Line 002).

Page 9, Risk Mitigation, first paragraph, last sentence:

MEP would use 19 percent aqueous ammonia solution stored in one stationary 10,000gallon above-ground storage tank, with a maximum fill quantity capacity of 8,500 gallons to minimize the potential for overflow during filling.

LAND USE

Page 8, third paragraph, first sentence:

The project's pump station would be located near an existing, similar pumping structure on BBI₽D land.

Page 8, third paragraph, third sentence:

The BBIPD lands are designated "Farmland of Local Importance".

Dated: April 28, 2011 ELLISON, SCHNEIDER & HARRIS L.L.P.

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Energy Resources Conservation and Development Commission

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PROOF OF SERVICE

I, Karen A. Mitchell, declare that on April 28, 2011, I served the attached Applicant's Comments On The Presiding Member's Proposed Decision For The Mariposa Energy Project via electronic mail and U.S. Mail to all parties on the attached service list.

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

Karen A. Mitchell

Karen G. Mutchell

SERVICE LIST

09-AFC-3

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