

DOCKETED

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Project Title:	Palomar Energy Project Compliance
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Document Title:	STATEMENT OF STAFF APPROVAL OF POST-CERTIFICATION CHANGE
Description:	Palomar Energy Center 01-AFC-24C install two nitrogen concentrator systems (NCS), one on each of the PEC's heat recovery steam generators
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STATEMENT OF STAFF APPROVAL OF POST-CERTIFICATION CHANGE PALOMAR ENERGY CENTER (01-AFC-24C)

On October 15, 2021, San Diego Gas & Electric Company (SDG&E) filed a petition for a post-certification project change (TN 240085) with the California Energy Commission (CEC) for the Palomar Energy Center (PEC).

The 588-megawatt combined-cycle, natural gas power plant (which includes two natural-gas-fired combustion turbine generators and a steam turbine generator) was certified by the CEC on August 6, 2003 and began commercial operation on April 1, 2006. The facility is in the city of Escondido, in San Diego County, California.

DESCRIPTION OF PROPOSED CHANGE

The project owner seeks approval to install two nitrogen concentrator systems (NCS), one on each of the PEC's heat recovery steam generators (HRSGs). The NCS would provide an unlimited source of nitrogen gas, which is required to prevent the introduction of oxygen into the plant drum and piping systems and corrosion of susceptible metal components when the power plant steam drums are in a layup condition. Nitrogen is currently supplied in portable gas cylinders by a local vendor. The petition is available on the CEC's project webpage at <https://www.energy.ca.gov/powerplant/combined-cycle/palomar-energy-project>.

For additional information, the CEC's project webpage for this facility, <https://www.energy.ca.gov/powerplant/combined-cycle/palomar-energy-project>, has a link to the petition accessible through the webpage in the box labeled "Compliance Proceeding." Click on the "Docket Log" option.

CEC STAFF REVIEW AND CONCLUSIONS

Title 20, California Code of Regulations, section 1769 requires a project owner to petition the CEC for approval of any change it proposes to the project design, operation, or performance requirements of a certified facility.

CEC technical staff reviewed the petition for potential environmental effects and consistency with applicable laws, ordinances, regulations, and standards (LORS). Staff has determined the project would continue to comply with applicable LORS, would not result in any significant adverse environmental impacts, and would not require a change to any conditions of certification.

Staff’s conclusions for all technical and environmental areas are summarized in Table 1. The bases for each of staff’s conclusions are provided below the table.

Table 1
Summary of Conclusions for Each Technical Area

Technical Areas Reviewed	CEQA				Conforms with applicable LORS
	Potentially Significant Impact	Less Than Significant Impact with Mitigation (with Revised or New COCs)	Less Than Significant Impact (with or without Existing COCs)	No Impact	
Air Quality			X		X
Biological Resources			X		X
Cultural Resources				X	X
Efficiency				X	
Facility Design					X
Geological and Paleontological Resources				X	X
Hazardous Materials Management			X		X
Land Use				X	X
Noise and Vibration			X		X
Public Health			X		X
Reliability				X	
Socioeconomics				X	
Soil and Water Resources				X	X
Traffic and Transportation				X	X
Transmission Line Safety and Nuisance				X	X
Transmission System Engineering					X
Visual Resources				X	X
Waste Management				X	X
Worker Safety and Fire Protection			X		X

Areas shown in gray are not subject to CEQA consideration or have no applicable LORS the project must comply with.

- **AIR QUALITY**

The construction of the proposed project change would occur in previously disturbed areas. Construction traffic would be minimal. Therefore, staff expects the construction of the proposed project change would result in less-than-significant emissions and impacts to air quality. No new direct emissions sources would be added during the operation of the proposed project change, and there would be no changes to the emissions of any existing sources. The implementation of the existing Air Quality conditions of certification adopted in the Commission Decision (Decision) and amendments thereafter would ensure continued compliance with air quality LORS.

- **BIOLOGICAL RESOURCES**

The proposed project change would entail no trenchwork and would occur in previously disturbed areas within the existing PEC site, impacting no native habitat, and, therefore, there would be no impacts associated with the loss of habitat. Conditions of Certification **BIO-2** (Designated Biologist Selection), **BIO-3** (Designated Biologist Duties), **BIO-4** (Designated Biologist Authority), **BIO-5** (Worker Environmental Awareness Program), and **BIO-8** (Construction Mitigation Management to Avoid Harassment or Harm) in the Decision would ensure any impacts to wildlife that may enter the work area would be less than significant and ensure the proposed project continues to comply with LORS (staff notes that no wildlife aside from avifauna or non-special status rodents, such as field mice, are expected on the site). No impacts to special-status vegetation would occur.

- **CULTURAL RESOURCES**

The proposed project does not involve ground disturbance. All project work would be completed on existing concrete foundations and surfaces. There would be no impacts to cultural resources. There are no cultural resources LORS that apply to this project change.

- **EFFICIENCY**

The proposed project's thermal efficiency would not be impacted as the result of the petition for a post-certification project change.

- **FACILITY DESIGN**

The installation of the HRSG 1&2 NCS at PEC must be in accordance with the 2019 edition of the California Building Code. Implementations of the existing Facility Design conditions of certification adopted in the Decision and construction compliance oversight by the CEC delegate chief building official would ensure this compliance.

- **GEOLOGICAL AND PALEONTOLOGICAL RESOURCES**

The project does not involve ground disturbance. All project work would be completed on existing concrete foundations and surfaces. There would be no impacts to geological and paleontological resources.

- **HAZARDOUS MATERIALS MANAGEMENT**

During the installation of the proposed new NCS, continued compliance with existing Condition of Certification **WORKER SAFETY-1** ensures the project would not have a significant impact on the offsite public or the environment and would continue to comply with all applicable LORS.

- **LAND USE**

The installation of two NCS would be within the existing site adjacent to each HRSG and anchored to existing HRSG foundations. The new equipment would be small (less than 9 feet tall) and not visible to the public. The project change would not constitute a change in land use. For these reasons, the project would remain in compliance with Condition of Certification **LAND-1** regarding conformance with the Escondido Research and Technology Center Specific Plan.

- **NOISE AND VIBRATION**

The construction associated with this petition to amend would be temporary and would occur during daytime hours that are consistent with the local ordinance (Orange County General Plan). Any noise generated during these activities would result in a less-than-significant impact with the implementation of the existing Noise conditions of certification in the Decision.

The installation of the NCS would not increase noise at nearby residents (approximately 1,000 feet away). Furthermore, the project would continue to meet operational noise requirements established in the Decision. Therefore, the project would create a less-than-significant impact due to operational noise.

- **PUBLIC HEALTH**

The construction of the proposed project would occur in previously disturbed areas. Construction traffic would be minimal. Therefore, staff expects the construction of the proposed project would result in less-than-significant emissions and impacts to public health. No new direct emissions sources would be added during the operation of the proposed project, and there would be no changes to emissions of any existing sources. With the implementation of the conditions of certification in the Decision, potential public health impacts associated with the HRSG 1&2 NCS Petition are expected to be less than significant.

- **RELIABILITY**

The installation of the NCS would improve facility reliability. This system would provide a reliable source of nitrogen used for preventing HRSG internal corrosion during shutdown layup conditions.

- **SOCIOECONOMICS**

The installation of two NCS would require a minimal temporary-contract workforce. There are no applicable socioeconomics LORS and Condition of Certification **SOCIO-1** (school fees) in the Decision would not apply as no new covered and enclosed spaces are proposed as part of the project.

- **SOIL AND WATER**

Nitrogen compressors and storage tanks would be installed on existing HRSG concrete pads, no modifications to existing conditions are required for the nitrogen production and storage elements.

- **TRAFFIC AND TRANSPORTATION**

The equipment components of the two NCS are small (less than 9 feet tall) and would be delivered to the work area by a pallet truck and forklift. Equipment installation would not necessitate oversize/overweight trips, encroachment permits, or hazardous materials transportation permits. Adequate existing parking is on-site for the minimal temporary installation contractors. For these reasons, existing Conditions of Certification **TRANS-1** through **TRANS-9** would not apply and the project would comply with LORS.

- **TRANSMISSION LINE SAFETY AND NUISANCE**

The proposed modifications would not change the transmission line safety and nuisance staff analysis or the conditions of certification. The implementation of the existing conditions of certification adopted in the Decision would ensure continued compliance with LORS.

- **TRANSMISSION SYSTEM ENGINEERING**

The proposed modifications would not change the transmission system engineering staff analysis or the conditions of certification. The installation of the HRSG 1&2 NCS at PEC must be in accordance with the 2019 edition of the California Building Code. The implementations of the existing conditions of certification adopted in the Decision and construction compliance oversight by the CEC's delegate chief building official would ensure this compliance.

- **VISUAL RESOURCES**

The installation of two NCS would be within the existing site adjacent to each HRSG and anchored to existing HRSG foundations. The new equipment would be small

(less than 9 feet tall) and not visible to the public. Existing Conditions of Certification **VIS-1** through **VIS-9** would not apply to the project.

- **WASTE MANAGEMENT**

No new waste streams would be created as a result of this project. No significant quantities of solid waste would be generated. The existing waste management plan would be sufficient to address the waste management stream.

- **WORKER SAFETY AND FIRE PROTECTION**

During the installation of the proposed new NCS, continued compliance with existing Condition of Certification **WORKER SAFETY-1** ensures the project would not have a significant impact on worker health and safety and would comply with all applicable LORS.

Environmental Justice

Environmental Justice – Figure 1 shows 2010 census blocks in the six-mile radius of the PEC with a minority population greater than or equal to 50 percent. The population in these census blocks represents an environmental justice (EJ) population based on race and ethnicity as defined in the United States Environmental Protection Agency's *Guidance on Considering Environmental Justice During the Development of Regulatory Actions*. Staff conservatively obtains demographic data within a six-mile radius around a project site based on the parameters for dispersion modeling used in staff's air quality analysis. Air quality impacts are generally the type of project impacts that extend the farthest from a project site. Beyond a six-mile radius, air emissions have either settled out of the air column or mixed with surrounding air to the extent the potential impacts are less than significant. The area of potential impacts would not extend this far from the project site for most other technical areas included in staff's EJ analysis.

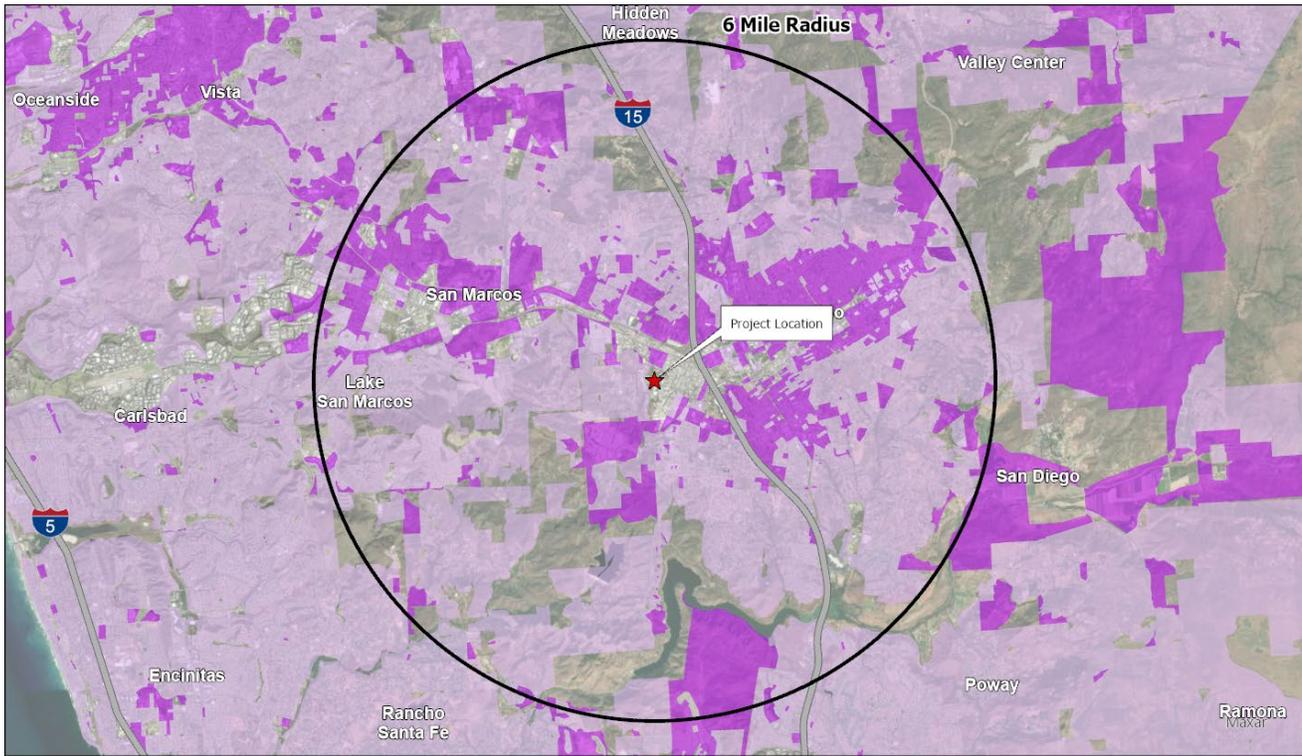
Based on California Department of Education data in the **Environmental Justice – Table 1**, staff concluded that the percentage of those living in the Escondido Union School District (in a six-mile radius of the project site) and enrolled in the free or reduced-price meal program is larger than those in the reference geography, and, thus, are considered an EJ population based on low income, as defined in *Guidance on Considering Environmental Justice During the Development of Regulatory Actions*. **Environmental Justice – Figure 2** shows where the boundaries of the school district are in relation to the six-mile radius around the PEC site.

**Environmental Justice – Table 1
 Low Income Data within the Project Area**

SCHOOL DISTRICTS IN SIX-MILE RADIUS	Enrollment Used for Meals	Free or Reduced-Price Meals	
Escondido Union	17,944	12,598	70.2%
Rancho Santa Fe Elementary	547	25	4.6%
San Marcos Unified	19,894	5,768	29.0%
REFERENCE GEOGRAPHY			
San Diego County	490,068	240,102	49.0%
Source: CDE 2021. California Department of Education, DataQuest, Free or Reduced-Price Meals, District level data for the year 2020-2021, < http://dq.cde.ca.gov/dataquest/ >.			

Environmental Justice Conclusions

The following technical areas consider impacts to EJ populations: Air Quality, Cultural Resources (indigenous people), Hazardous Materials Management, Land Use, Noise and Vibration, Public Health, Socioeconomics, Soil and Water resources, Traffic and Transportation, Transmission Line Safety and Nuisance, Visual Resources, Waste Management, and Worker Safety and Fire Protection. For these technical areas, staff concludes that impacts would be less than significant, and, thus, would be less than significant on the EJ population represented in **Environmental Justice – Figure 1, Figure 2, and Table 1.**



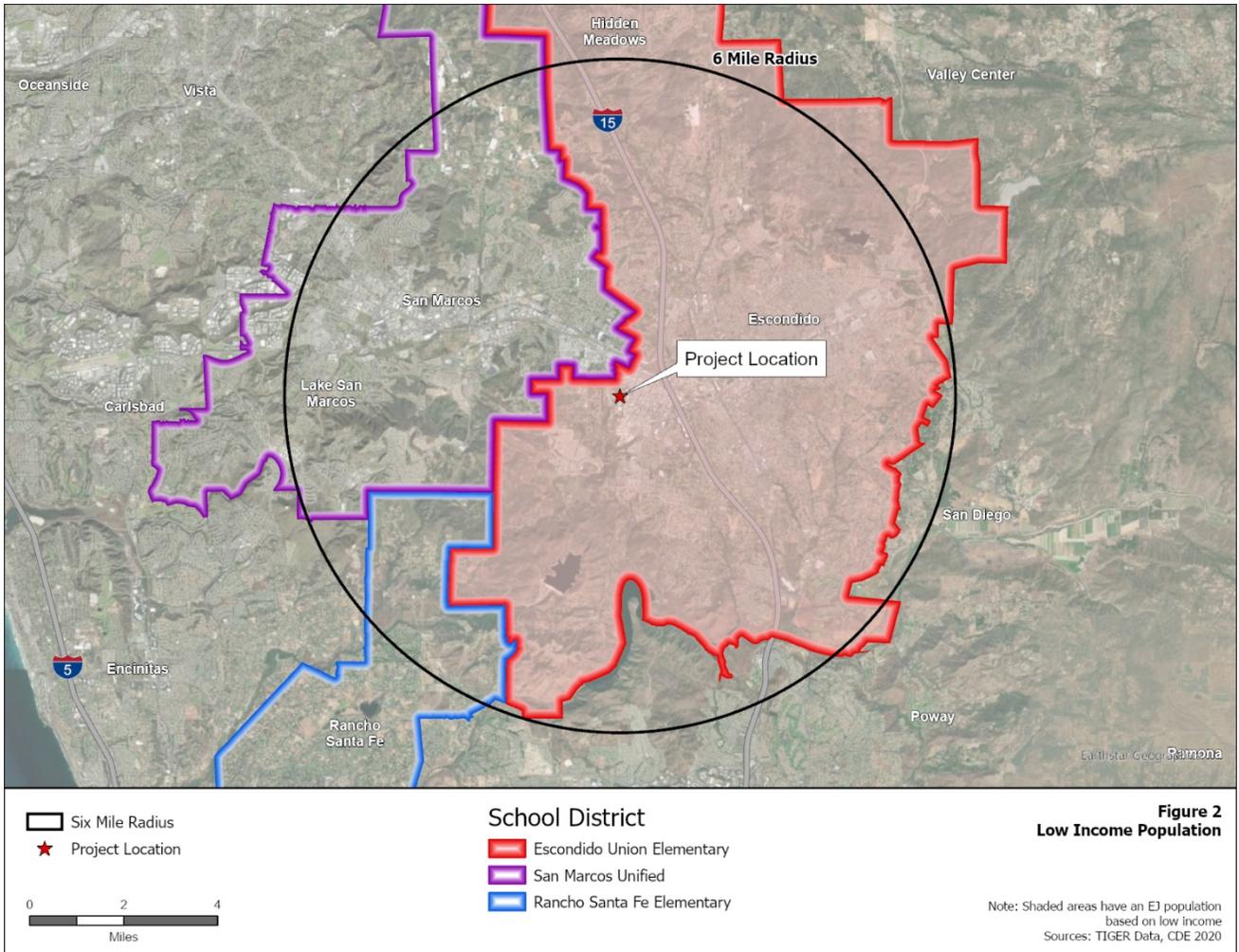
□ Six Mile Radius
★ Project Location

2010 Census
Percent Minority Population by Census Block
0 - 49%
50 - 100%

0 2 4
Miles

Figure 1
Minority Population and
Disadvantaged Communities

Sources: Census 2010 PL 94-171 Data



CEC STAFF DETERMINATION

Pursuant to Title 20, California Code of Regulations, section 1769(a)(3)(A), CEC staff has determined for this petition that approval by the Commissioners at a noticed business meeting or hearing is not required and the proposed changes meet the criteria for approval by staff because:

- i. there is no possibility that the change may have a significant impact on the environment, or the change is exempt from the California Environmental Quality Act;
- ii. the change would not cause the project to fail to comply with any applicable laws, ordinances, regulations, or standards; and
- iii. the change will not require a change to, or deletion of, a condition of certification adopted by the commission in the final decision or subsequent amendments.

Staff also concludes that the proposed changes do not meet the criteria requiring the production of subsequent or supplemental review as specified in Title 14, California Code of Regulations, section 15162(a).

WRITTEN COMMENTS

This Statement of Staff Approval of the proposed project changes has been filed in the docket for this project. Pursuant to section 1769(a)(3)(C), any person may file an objection to staff's determination within 14 days of the filing of this statement on the grounds that the project change does not meet the criteria set forth in sections 1769(a)(3)(A) and (B). Absent any objections as specified in 1769(a)(3)(C), this petition will be approved 14 days after this statement is filed.

Written comments or objections to staff's determination may be submitted using the CEC's e-Commenting feature, as follows: Go to the CEC's project webpage and click on the "Submit e-Comment" link. When your comments are filed, you will receive an email with a link to them.

Written comments or objections may also be mailed to:

California Energy Commission
Docket Unit, MS-4
Docket No. 01-AFC-24C
715 P Street
Sacramento, CA 95814-5512

All comments and materials filed with the Docket Unit will be added to the facility Docket Log and be publicly accessible on the CEC's webpage for the facility.

If you have questions about this statement, please contact Keith Winstead, Compliance Project Manager, Office of Compliance, Monitoring, and Enforcement at (916) 208-3849 776-0609, or via e-mail at Keith.Winstead@energy.ca.gov or Elizabeth.Huber@energy.ca.gov.

For information on public participation, please contact the Public Advisor, at (916) 654-4489 or (800) 822-6228 (toll-free in California) or send your email to publicadvisor@energy.ca.gov.

News media inquiries should be directed to the CEC Media Office at (916) 654-4989, or by email at mediaoffice@energy.ca.gov.

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