

DOCKETED	
Docket Number:	21-AFC-01
Project Title:	Pecho Energy Storage Center
TN #:	241446
Document Title:	LIBRARY NOTICE OF RECEIPT OF AN APPLICATION FOR CERTIFICATON FOR THE PECHO ENERGY STORAGE CENTER
Description:	Mailed Feb. 4, 2022
Filer:	Lisa Worrall
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	2/7/2022 2:49:27 PM
Docketed Date:	2/7/2022



TO: LIBRARIAN

**NOTICE OF RECEIPT OF AN APPLICATION FOR CERTIFICATION FOR THE
PECHO ENERGY STORAGE CENTER (21-AFC-01)**

On November 23, 2021, the California Energy Commission (CEC) received an Application for Certification (AFC) from Pecho LD Energy Storage, LLC, to construct and operate an advanced compressed air energy storage facility in San Luis Obispo County, just over one mile east of the City of Morro Bay. The CEC has exclusive authority to certify (license) all thermal power plants (50 megawatts and greater) and related facilities (e.g., electric transmission line) proposed for construction and operation in California. California Code of Regulations, title 20, section 1713 (b), requires the CEC to send a summary of the application and a description of the CEC's procedures for an AFC proceeding, to public libraries in communities near the proposed site, including the main branch of a public library in each county in which a facility is proposed to be located. The enclosed Notice of Receipt (NOR) fulfills this regulatory requirement.

The NOR includes the web address where interested persons can access the AFC and subscribe to the project list serve. The list serve is an automated CEC system that sends out email notifications when documents and notices are posted to the project's docket.

Please make the enclosed NOR available for those who may wish to be informed about the project. To increase accessibility of this notice, we ask, if possible, that you post it in a location of best visibility to visitors.

Thank you for your cooperation. If you have any questions, please contact Lisa Worrall, CEC Project Manager, at (916) 661-8367, or by email at Lisa.Worrall@energy.ca.gov.

Sincerely,

Eric Knight
Siting & Environmental Office Manager
Siting, Transmission and Environmental
Protection Division

Date: February 2, 2022

Enclosure: Notice of Receipt



NOTICE OF RECEIPT

APPLICATION FOR CERTIFICATION

PECHO ENERGY STORAGE CENTER (21-AFC-01)

On November 23, 2021, Pecho LD Energy Storage, LLC, (applicant), a joint venture of Hydrostor, Inc. and Meridiam Infrastructure Partners, filed an Application for Certification (AFC) with the California Energy Commission (CEC) to construct and operate an advanced compressed air energy storage facility at 2284 Adobe Road in unincorporated San Luis Obispo County, just over one mile east of the City of Morro Bay. The energy storage facility would provide electricity via a new 3.4-mile transmission line (Preferred Route) to an existing substation located at the Pacific Gas and Electric Company (PG&E) Morro Bay Power Plant. The approximately 80-acre energy storage facility would be located on a 303-acre parcel zoned as Agriculture (AG) and currently planted in row crops, and the Preferred Route for the new electric transmission line would be located on land zoned as AG. Land uses surrounding the proposed facility include agricultural with allowances for supporting single family residences, and land uses around the substation include a residential subdivision, light industrial, and a mix of commercial uses. The area of the energy storage facility and transmission line is within the coastal zone designated by the California Coastal Act.

Project Description

The Pecho Energy Storage Center (PESC or project) would be a nominal 400-megawatt (MW), 3,200 MW-hour (MWh), advanced compressed air energy storage (A-CAES) facility capable of flexibly charging and discharging daily. PESC would compress air into a purpose-built underground cavern, using electricity from the grid, most likely off-peak, excess, or surplus electricity. The heat from the air compression process would be captured and stored in an aboveground thermal storage system. The compressed air would then be stored in the cavern under the pressure of a hydrostatic head created by an onsite, aboveground water reservoir. When electricity is needed by the grid, the compressed air would be released using the assistance of the hydrostatic head pressure, heated using the stored thermal energy, and directed through aboveground turbine-generators to produce electricity. PESC would provide fossil fuel-free and greenhouse gas emissions-free electricity.

PESC's major equipment includes: four all-electric air compressor trains, four 100-MW air-driven power turbine generators, heat exchangers, thermal heat storage, an underground compressed air storage cavern, an aboveground water

reservoir, auxiliary facilities, and a 3.4-mile electrical interconnection to the existing Morro Bay Switching Station.

If approved, the applicant anticipates it would begin the 54-month construction of PESC in the 2nd quarter of 2023, startup and testing in the 3rd quarter of 2027, and commercial operation in the 4th quarter of 2027.

A copy of the AFC as well as other project information, can be found on the CEC's webpage for this project at <https://www.energy.ca.gov/powerplant/caes/pecho-energy-storage-center>

CEC Jurisdiction and AFC Process

The CEC has exclusive authority to certify, or license, all thermal power plants of 50 MW and greater and related facilities (e.g., electric transmission line) proposed for construction and operation in California. The issuance of a certificate by the CEC is in lieu of any local or state permit and federal permit to the extent permitted by federal law. The CEC's facility licensing process carefully examines the public health and safety, environmental impacts, and engineering aspects of proposed power plants and all related facilities. The CEC's licensing process has been certified by the Secretary of the Natural Resources Agency as a "certified program" under the California Environmental Quality Act (CEQA) (Public Resources Code, sec. 21000 et. seq; Cal. Code Regs., tit. 14, § 15251(j)). As a certified program, the CEC produces several environmental and decision documents rather than an Environmental Impact Report.

The first step in the AFC process is for the CEC to determine whether the application contains all the information required by California Code of Regulations, title 20, division 2, chapter 5, article 6, Appendix B. The CEC staff has completed its initial review of the AFC and recommended at the CEC's January 26, 2022, Business Meeting, that the AFC is incomplete, the CEC should adopt the list of deficiencies identified in the executive director's recommendation,¹ and the CEC should not accept the AFC as complete until the additional information specified in the recommendation is provided. The CEC adopted staff's recommendation and deemed the AFC incomplete. The CEC also directed the applicant to file information supporting an exemption from the CEC's Notice of Intention (NOI) process by February 9, 2022; directed staff to file a response to this information filing in the form of an executive director's

¹ TN 241075,
<https://efiling.energy.ca.gov/GetDocument.aspx?tn=241075&DocumentContentId=74906>

recommendation by February 23, 2022; and assigned a committee² to oversee the PESC filing and any other proceedings arising from it. Public Resources Code section 25540.6(a) identifies which types of thermal power plants are exempted from the otherwise required 12-month NOI process and, thus, may proceed directly to the AFC process. After a review of the executive director's recommendation regarding an exemption from the NOI process, and prior to any action on the matter by the CEC, the committee may hold a hearing on the matter or issue its own recommendation.

If the CEC determines the facility qualifies for an exemption from the NOI process and once the CEC finds the AFC complete, the 12-month clock to reach a decision on the AFC as required under Public Resources Code section 25540.6 will begin. At that time, CEC staff will begin the discovery phase of the proceeding, and a detailed examination of the application will commence.

The CEC staff will prepare and publish both a Preliminary Staff Assessment (PSA) and a Final Staff Assessment (FSA). After allowing for a public comment period of at least 30 days on the PSA and holding public workshop(s), the CEC staff will prepare and publish the FSA, which will serve as the CEC staff's formal testimony in evidentiary hearings to be held by the committee. The committee will consider the testimony presented by the CEC staff, applicant, and any formal intervenors, as well as comments from interested agencies and the public, prior to publishing its proposed decision. The CEC will consider the committee's proposed decision and issue the final decision at a business meeting. The CEC will issue notices for workshops and hearings at least 10 days prior to each workshop and hearing.

As part of the review process, the CEC staff works closely with local, state, and federal agencies to ensure that all laws, ordinances, regulations, and standards applicable to the proposed project are considered in the CEC's final decision.

Public Participation

The CEC welcomes public participation in the AFC review process. To stay informed about this project and receive notice of upcoming meetings and workshops, please subscribe to the project list serve. The list serve is an automated CEC system that sends out email notifications when documents and notices are posted to the project's docket. To subscribe, go to the CEC's webpage for this project, at <https://www.energy.ca.gov/powerplant/caes/pecho->

² The Pecho Energy Storage Center Committee is Commissioner Karen Douglas (Presiding) and Commissioner Andrew McAllister (Associate)

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Pecho Energy Storage Center
21-AFC-01

[energy-storage-center](#), scroll down the right side of the webpage to the box labeled "Subscribe," and provide the requested contact information.

Any person may comment on the AFC application. The CEC encourages the use of its electronic commenting system. To use the CEC's electronic commenting feature, go to the CEC's webpage for this project, as cited above; click on the "Submit e-Comment" link on the right side of the webpage; and follow the instructions in the online form. Be sure to include the project name in your comments.

Written and oral comments, attachments, and associated contact information (for example, address, phone number, email address) become part of the viewable public record. This information may also become available via any internet search engine.

Written comments may also be mailed to:

California Energy Commission
Docket Unit, MS-4
Docket No. **21-AFC-01**
715 P Street
Sacramento, CA 95814-5512

For questions about this notice or the project, please contact Lisa Worrall, Project Manager, at (916) 661-8367, or by email at Lisa.Worrall@energy.ca.gov.

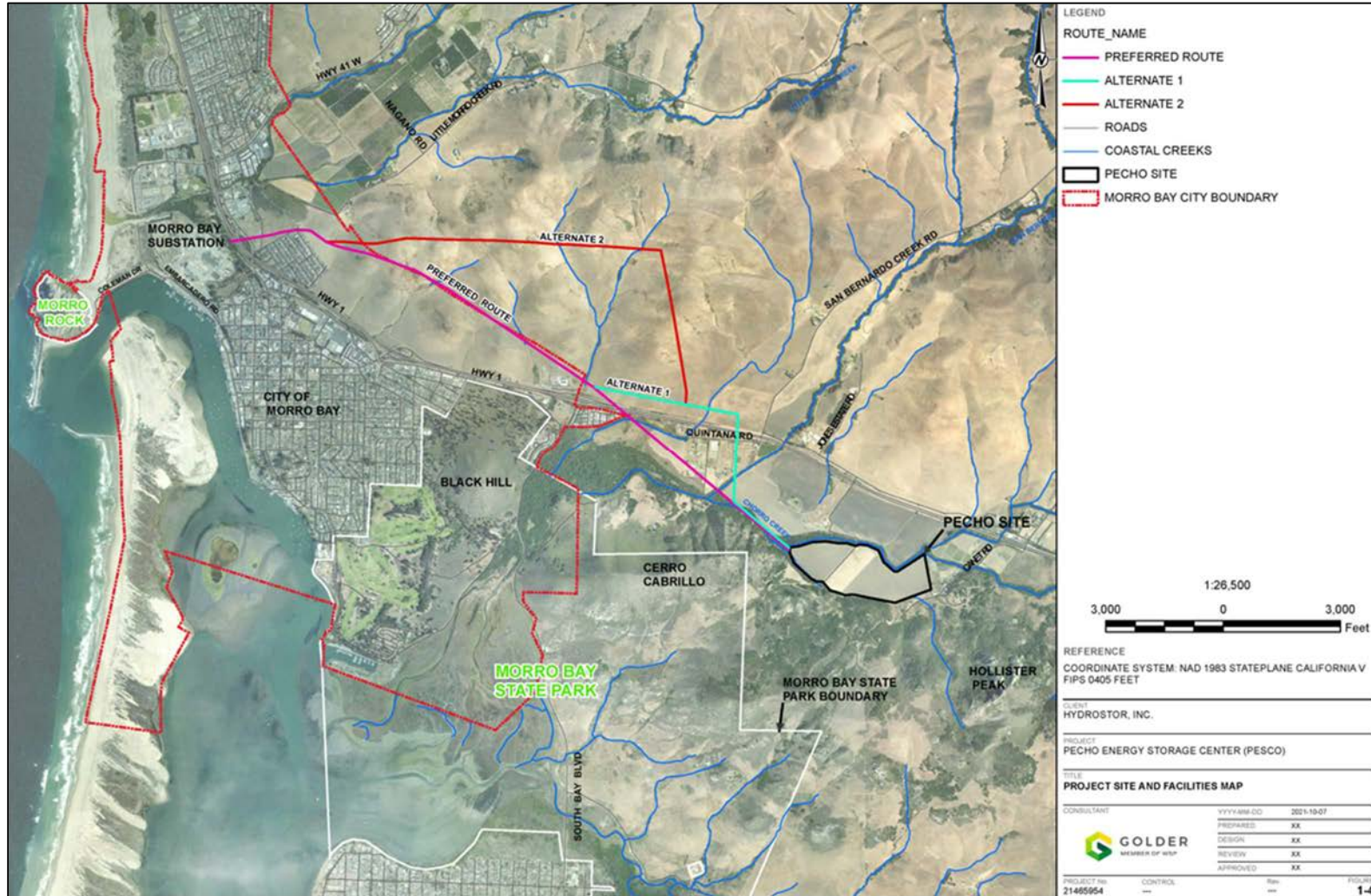
The CEC Public Advisor's Office is available to provide information on, and assistance with, public participation in CEC proceedings. The Public Advisor's Office can be reached at (916) 654-4489 or toll free in California at (800) 822-6228 and can also be contacted by email at publicadvisor@energy.ca.gov.

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

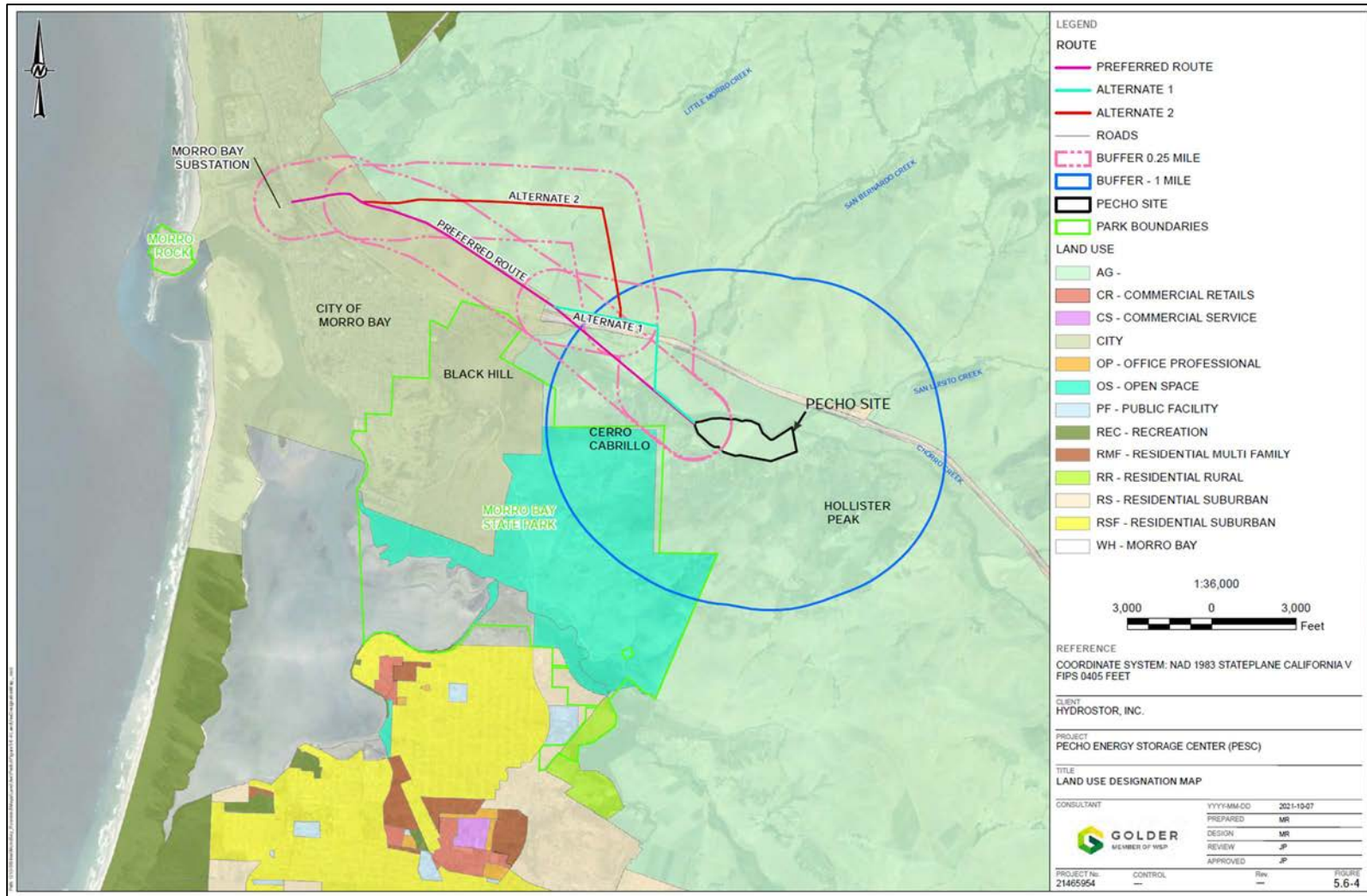
Attachments (from the application):
Project Site and Facilities Map (Figure 1-4)
Land Use Designation Map (Figure 5.6-4)
Site Plan (Figure 2-1)

cc: Mail List: 7543
Pecho List Serve
Siting Division General List Serve

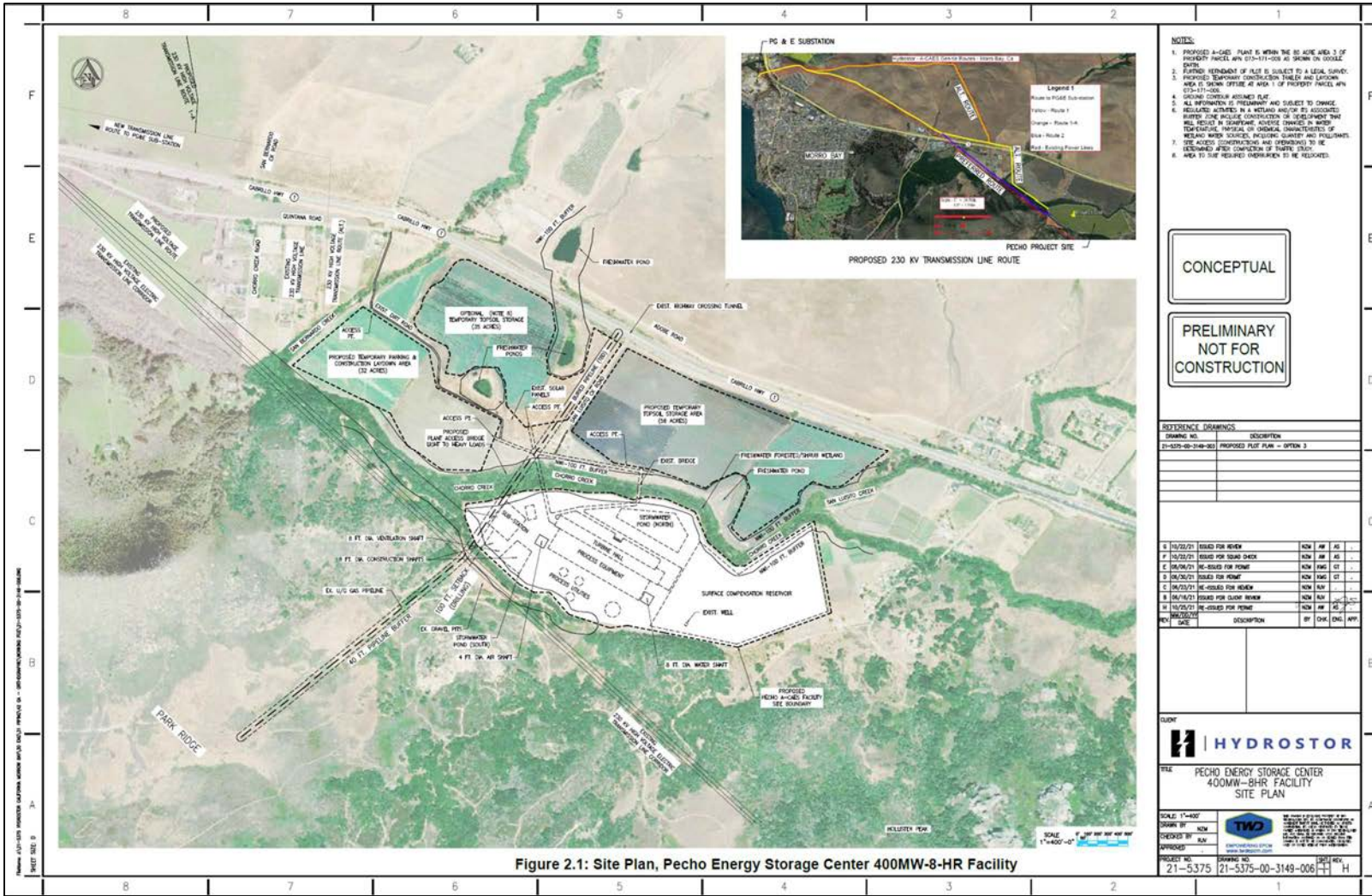
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- NOTES:**
1. PROPOSED A-CHEF PLANT IS WITHIN THE 80 ACRE AREA 3 OF PROPERTY PARCEL #21-037-000 AS SHOWN ON CONCEPT DRAWING.
 2. EXISTING REMAINS OF PLAN IS SUBJECT TO A LEGAL SURVEY.
 3. PROPOSED TEMPORARY CONSTRUCTION TRAILS AND LAYDOWN AREAS IN SETBACK STRIPS AT AREA 1 OF PROPERTY PARCEL #21-037-000.
 4. CONCEPTUAL CONSTRUCTION PLANS.
 5. ALL INFORMATION IS PRELIMINARY AND SUBJECT TO CHANGE.
 6. RELOCATED UTILITIES IN A VERTICAL ALIGNMENT BY ASSOCIATED SUBMITTAL ENGINEER CONSULTANTS OR DEVELOPMENT SHALL BE RELOCATED BY DEVELOPER. ENGINEERING CONSULTANTS SHALL BE RESPONSIBLE FOR OBTAINING NECESSARY PERMITS AND REGULATORY AGENCIES APPROVALS. THE EXISTING UTILITY CONSTRUCTION AND OPERATIONS TO BE DETERMINED AFTER COMPLETION OF UTILITY STUDY.
 7. AREA 100 TO BE RELOCATED TO BE RELOCATED.
 8. AREA 100 TO BE RELOCATED TO BE RELOCATED.

CONCEPTUAL

**PRELIMINARY
NOT FOR
CONSTRUCTION**

REFERENCE DRAWINGS

DRAWING NO.	DESCRIPTION
21-5375-00-3149-001	PROPOSED PLANT PLAN - OPTION 3

NO.	DATE	ISSUED FOR REVIEW	BY	CHK	ENG	APP.
1	11/22/21	ISSUED FOR REVIEW	NCH	AP	AS	
2	12/03/21	ISSUED FOR ISSUED CHECK	NCH	AP	AS	
3	06/06/22	REVISED FOR PERMITS	NCH	ENG	OT	
4	06/20/22	ISSUED FOR PERMITS	NCH	ENG	OT	
5	06/23/21	REVISED FOR REVIEW	NCH	AP	AS	
6	06/16/21	ISSUED FOR REVIEW	NCH	AP	AS	
7	12/23/21	REVISED FOR PERMITS	NCH	AP	AS	

CLIENT



FILE
**PECHO ENERGY STORAGE CENTER
400MW-8HR FACILITY
SITE PLAN**

SCALE	DRAWN BY	PROPOSED TO RUN	APPROVED	PROJECT NO.	DRAWING NO.	DATE	DATE REV.
SCALE: 1"=400'	NCH			21-5375	21-5375-00-3149-006	11/22/21	H