

DOCKETED

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State of California
State Energy Resources Conservation and
Development Commission
715 P Street, Sacramento, CA 95814
1-800-822-6228 – www.energy.ca.gov

IN THE MATTER OF:

PECHO ENERGY STORAGE CENTER

Docket No. 21-AFC-01

IN THE MATTER OF:

GEM ENERGY STORAGE CENTER

Docket No. 21-AFC-02

**NOTICE OF JOINT COMMITTEE CONFERENCE
(CLOSED SESSION)**

PLEASE TAKE NOTICE that the California Energy Commission (CEC)¹ Committees designated to conduct proceedings on the respective applications for certification for the Pecho Energy Storage Center (Pecho Application)² and the Gem Energy Storage Center (Gem Application),³ collectively referred to as “Applications,” hereby schedule a Joint Committee Conference (Closed Session) on the Applications as follows:

MONDAY, APRIL 25, 2022
2:00 p.m. – 4:00 p.m.

¹ The CEC is formally known as the “State Energy Resources Conservation and Development Commission.” (Pub. Resources Code, § 25200.)

² The CEC appointed a Committee consisting of Andrew McAllister, Commissioner and Presiding Member, and Kourtney Vaccaro, Commissioner and Associate Member, to preside over the Pecho Application on March 24, 2022 (TN 242448). All filed documents related to this proceeding are available via the “Docket Log (21-AFC-01)” link on the [Pecho proceeding's web page](https://www.energy.ca.gov/powerplant/caes/pecho-energy-storage-center) at <https://www.energy.ca.gov/powerplant/caes/pecho-energy-storage-center>.

³ The CEC appointed a Committee consisting of Kourtney Vaccaro, Commissioner and Presiding Member, and Andrew McAllister, Commissioner and Associate Member, to preside over the Gem Application on March 24, 2022 (TN 242449). All filed documents related to this proceeding are available via the “Docket Log (21-AFC-02)” link on the [Gem proceeding's web page](https://www.energy.ca.gov/powerplant/caes/gem-energy-storage-center) at <https://www.energy.ca.gov/powerplant/caes/gem-energy-storage-center>.

In-person at:

Warren-Alquist State Energy Building
Rosenfeld Hearing Room (Hearing Room A)
1516 Ninth Street
Sacramento, California 95814
(Wheelchair accessible)

Remote Option via Zoom™

<https://zoom.us/>, webinar ID: **972 5519 8702** and passcode: **PGAFC@0425**

Please note that the CEC aims to begin promptly at the start time and the end time is an estimate. The Joint Committee Conference may end sooner or later than the time indicated depending on various factors.

PURPOSE OF THE JOINT COMMITTEE CONFERENCE (CLOSED SESSION)

The Committees will conduct the Joint Committee Conference for the primary purpose of deliberating in closed session on the issues presented by the Applications, including whether the proposed facilities qualify for exemption from the CEC's notice of intention process as described below, and any then-pending motions or other requests that are ready for consideration. The Committees will convene the open meeting, allow the parties an opportunity to ask questions or make comments, take public comment, and adjourn to the non-public closed session. The meeting will reopen to the public at the conclusion of the closed session to enable the Committees to announce any required reportable action and to adjourn the meeting. No oral argument will be taken, but the parties will be given an opportunity to address the Committees.

BACKGROUND AND DESCRIPTION OF PROPOSED PROJECTS

Pecho Application⁴

On November 23, 2021, Pecho LD Energy Storage, LLC (Pecho LLC) filed an Application for Certification (AFC) with the CEC to construct and operate the Pecho Energy Storage Center (Pecho) to be located in unincorporated San Luis Obispo County with the mailing address of 2284 Adobe Road, Morro Bay, California 93442.⁵ The site is currently leased for agricultural operations and is designated prime

⁴ The information in this section is taken from the Application documents, TN 240712-1, TN 240712-2, and 240712-19 unless otherwise indicated.

⁵ TN 240712-19, p. 5-6-10.

agricultural land located in an agricultural zone within the coastal zone of San Luis Obispo County. The site is under a Williamson Act Contract.⁶

Pecho would be a nominal 400-megawatt (MW) energy storage center, deploying Hydrostor Inc. (Hydrostor) Advanced Compressed Air Energy Storage (A-CAES) technology. Hydrostor's A-CAES technology would provide low-cost, long-duration, fossil fuel and greenhouse gas emissions-free energy storage, providing generation capacity and ancillary grid services with up to a 50-year facility life. Pecho will be designed to charge at up to 400 MW for up to 14 hours and deliver up to 3,200 MWh over an 8-hour period when discharging at nameplate capacity.

Pecho would require, among other things, construction of: four all-electric air compressor trains and four 100-MW air-driven power turbine generators housed inside a 100-foot-tall by 65-foot-wide by 1,075-foot-long main Turbine Hall and compressor building; a purpose-built underground compressed air storage cavern approximately 2,000 feet deep; a sealed air conduit to facilitate injection, storage, and release of compressed air for power generation; an aboveground 27-acre water reservoir; auxiliary facilities; onsite 230-kiloVolt (kV) substation; and a 3.4-mile electrical interconnection to the Pacific Gas and Electric Company's existing Morro Bay Switching Station.

Gem Application⁷

On December 1, 2021, GEM A-CAES LLC (Gem LLC) filed an AFC with the CEC to construct and operate the Gem Energy Storage Center (Gem) in unincorporated Kern County on two parcels with the mailing address of 8684 Sweetser Road, Rosamond, California, 93560. The site is currently undeveloped desert land in an area zoned Estate and within the Willow Springs Specific Plan area of Kern County.

Gem would be a nominal 500-MW energy storage center, which would deploy Hydrostor's A-CAES technology as discussed regarding Pecho above. Gem would charge at up to 500 MW for up to 14 hours and deliver up to 4,000 MWh over an 8-hour period when discharging at nameplate capacity.

Gem would require, among other things, construction of: five all-electric air compressor trains and five 100-MW air-driven power turbine generators housed inside a 100-foot tall

⁶ "The Williamson Act is intended to conserve agricultural land by having local government establish and regulate agricultural preserves and execute land conservation contracts with landowners restricting the owners' uses. [Citations.]` In return for accepting restrictions on the land, the landowner is "guaranteed a relatively stable tax base, founded on the value of the land for open space use only and unaffected by its development potential." ' ' (*Cleveland National Forest Foundation v. County of San Diego* (2019) 37 Cal.App.5th 1021, 1030-1031.)

⁷ The information in this section is taken from the Application documents, TN 240751-2, 240751-12 and 240770.

by 65-foot-wide by 1,365-foot-long main Turbine Hall and compressor building; a purpose-built underground compressed air storage cavern approximately 2,000 feet deep; a sealed air conduit to facilitate injection, storage, and release of compressed air for power generation; an aboveground 31-acre water reservoir; auxiliary facilities; onsite 230-kV substation; and 10.9-mile interconnection to the Southern California Edison Whirlwind Substation or 3.5-mile interconnection to the future Los Angeles Department of Water and Power Rosamond Substation.

Issue Regarding Exemption from the CEC's Notice of Intention Process and Related Qualification as an AFC

Executive Director's December 22, 2021 Recommendations

On December 22, 2021 for Pecho and December 30, 2021 for Gem, the CEC's Executive Director filed recommendations to the CEC Commissioners on the adequacy of the data submitted by the Applicants to support each AFC (Executive Director's Recommendations).⁸ Among other things, the Executive Director's Recommendations stated that the law requires a power plant project to proceed through the CEC's Notice of Intention (NOI) process⁹ before qualifying for the CEC's AFC process, unless the project is exempt from the NOI process.¹⁰ The Executive Director's Recommendations stated that, in these proceedings, more investigation is needed to determine whether the either or both of the Applications might be exempt from the NOI process under Public Resources Code Section 25540.6; specifically whether they are thermal power plants that are only technologically or economically feasible to site at or near the energy source.¹¹ The Executive Director's Recommendations stated that, until CEC Staff (Staff) reaches a definitive conclusion about an exemption, Staff will treat the Applications as appropriately filed as AFCs.¹²

Orders Adopted during the January 26, 2022 Business Meeting

On January 26, 2022, the CEC adopted orders in the Pecho and Gem proceedings both stating, among other things:

To address this threshold question of whether the filing qualifies for an exemption from the NOI process, the CEC hereby directs the applicant to file into the proceeding's docket, information supporting an exemption from the NOI process by February 9, 2022, and directs staff to file a response to

⁸ TN 241075 (Pecho); TN 241097 (Gem). The relevant parts of these documents are substantially similar, so this notice refers only to the Pecho TN.

⁹ See Pub. Resources Code, § 25502.

¹⁰ TN 241075, p. 2 (Pecho).

¹¹ TN 241075, p. 2 (Pecho).

¹² TN 241075, p. 2 (Pecho).

the applicant's information in the form of an executive director's recommendation no later than February 23, 2022.¹³

The Applicants and Staff (collectively, "Parties") timely filed responsive documents.¹⁴ On March 8, 2022, Applicants filed a joint reply to Staff's response.¹⁵

NOTICE OF CLOSED SESSION DELIBERATIONS

At any time during the Joint Committee Conference, the Committees may adjourn to a closed session in accordance with California Government Code section 11126, subdivision (c)(3), which allows a state body, including a delegated committee, to hold a closed session to deliberate on a decision to be reached in a proceeding the state body was required by law to conduct.

AGENCY AND PUBLIC PARTICIPATION

Local, state, and federal agencies, tribal governments, and members of the public are welcome to attend and offer oral comments at the Joint Committee Conference. It is not necessary to be an Intervenor to participate in the public process.

Comments may be submitted electronically for Pecho at the [21-AFC-01 docket page](https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=21-AFC-01) found at <https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=21-AFC-01>, and for Gem at the [21-AFC-02 docket page](https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=21-AFC-02) found at <https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=21-AFC-02>.

Otherwise, written comments may be submitted for posting on either proceeding docket by emailing them to docket@energy.ca.gov.

The Public Advisor may, upon the request of public participants who may be absent from the CEC's place of business or during the hearing when a matter of interest to them is being considered, neutrally and publicly relate those participants' points to the CEC on behalf of members of the public. If you are interested in this service, please email concise comments, specifying your main points, before the start of the Joint Committee Conference to the Public Advisor at publicadvisor@energy.ca.gov. Comments submitted after the Joint Committee Conference starts will be filed in the Pecho Energy Storage Center docket or the Gem Energy Storage Center docket or both, as appropriate. The CEC will work diligently to accommodate all requests.

¹³ TN 241290, p. 2 (Pecho); TN 241291 (Gem).

¹⁴ Staff filed documents in both proceedings: TN 241502 (Pecho); TN 241503 (Gem). Applicants filed documents in both proceedings: TN 241935 (Pecho); TN 241936 (Gem)

¹⁵ TN 242223 (Pecho); TN 242224 (Gem).

For all comments, please include the docket number and proceeding name “**Docket No. 21-AFC-01, Pecho Energy Storage Center**” or “**Docket No. 21-AFC-02, Gem Energy Storage Center**” in the subject line and on the cover page.

Please note: Your written and oral comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the viewable public record. Additionally, this information may become available via search engines such as Google and Bing.

REMOTE ATTENDANCE

You may participate in this meeting through the online meeting service, Zoom. Any presentations will appear on your computer screen and you may listen to audio via your computer or telephone. Please be aware that the meeting may be recorded.

[Learn about joining a Zoom meeting](https://support.zoom.us/hc/en-us/articles/201362193-Joining-a-Meeting) at <https://support.zoom.us/hc/en-us/articles/201362193-Joining-a-Meeting>. You may [download Zoom software](https://zoom.us/download) at <https://zoom.us/download>.

Zoom technical support is available at (888) 799-9666, ext. 2 and you may visit [Zoom's help center](https://support.zoom.us/hc/) at <https://support.zoom.us/hc/>. Or you may email the CEC's Public Advisor's Office to seek help at publicadvisor@energy.ca.gov, or by phone at (916) 957-7910.

Via Computer: Participants may join noticed events by clicking on the links below. You may also [access Zoom](https://join.zoom.us) at <https://join.zoom.us> and enter the unique Webinar ID and password for the event (listed below). To comment, use Zoom's “raise hand” feature and unmute. If interpreting services are provided for the conference, in order to listen to and participate in the conference in that language, click on the icon at the bottom right that lists that language.

Click to join April 25, 2022, 2:00 p.m. [Joint Committee Conference](https://energy.zoom.us/j/97255198702?pwd=ZFBqUGoxbE9vM3ArK0JHZmVOZW1vQT09) (Closed Session) (<https://energy.zoom.us/j/97255198702?pwd=ZFBqUGoxbE9vM3ArK0JHZmVOZW1vQT09>) or scan (use the camera on your mobile device and hold it over the QR code) the following Quick Response (QR) code:



Webinar ID: **972 5519 8702**

Password: **PGAFC@0425**

Via Telephone (No Visual Presentation): Call Zoom at (877) 853-5257 (toll free), (888) 475-4499 (toll free), or (213) 338-8477. When prompted, input the unique Webinar

ID (listed above). To comment or ask a question over the telephone, dial *9 to “raise your hand” and *6 to mute/unmute your phone line.

Via Mobile Device: Access to Zoom meetings is available from your mobile device. To download the app, [visit the Zoom Download Center](https://zoom.us/download) at <https://zoom.us/download> or scan the following QR code:



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We greatly appreciate your cooperation in reducing noise on the audio connection by muting your line when you are not speaking. Mute your line rather than placing your phone on hold. Using Zoom, you may mute yourself by right clicking on the mute icon. If you are solely using a telephone connection, press “*6” once to mute and again to unmute.

PUBLIC ADVISOR AND OTHER CEC CONTACTS

The CEC’s Public Advisor provides the public with assistance in participating in CEC proceedings. For information on participation or to request interpreting services or reasonable accommodations, please contact the Public Advisor at publicadvisor@energy.ca.gov, or by phone at (916) 957-7910. Requests for interpreting services, reasonable accommodations, and other modifications should be made as soon as possible and at least five days in advance. The CEC will work diligently to meet all requests based on the availability of the service or resource needed.

Direct questions of a procedural nature related to the Pecho Application to Ralph Lee, Hearing Officer, at ralph.lee@energy.ca.gov or (916) 776-3408, or Susan Cochran, Hearing Officer, at susan.cochran@energy.ca.gov or (916) 891-8078. Direct questions of a procedural nature related to the Gem Application to Reneé Webster-Hawkins at renee.webster-hawkins@energy.ca.gov, or at (916) 237-2507, or Susan Cochran, Hearing Officer, at susan.cochran@energy.ca.gov or (916) 891-8078.

Direct technical subject inquiries concerning the Pecho Application to Lisa Worrall, Project Manager, at lisa.worrall@energy.ca.gov or (916) 661-8367.

Direct technical subject inquiries concerning the Gem Application to Leonidas (Lon) Payne, Project Manager, at leonidas.payne@energy.ca.gov or (916) 651-0966.

Direct media inquiries to mediaoffice@energy.ca.gov or (916) 654-4989.

AVAILABILITY OF DOCUMENTS

Information regarding the status of the Pecho Application, as well as notices and other relevant documents, are available on the [Pecho Energy Storage Center web page](https://www.energy.ca.gov/powerplant/caes/pecho-energy-storage-center) at <https://www.energy.ca.gov/powerplant/caes/pecho-energy-storage-center> or scan (use the camera on your mobile device and hold it over the QR code) the following QR code:



Information regarding the status of the Gem Application, as well as notices and other relevant documents, are available on the [Gem Energy Storage Center web page](https://www.energy.ca.gov/powerplant/caes/gem-energy-storage-center) at <https://www.energy.ca.gov/powerplant/caes/gem-energy-storage-center> or scan the following QR code:



IT IS SO ORDERED.

Dated: April 12, 2022

Dated: April 14, 2022

APPROVED BY:

APPROVED BY:

Andrew McAllister
Commissioner and Presiding Member
Pecho Energy Storage Center Committee,
and Associate Member for the
Gem Energy Storage Center Committee

Kourtney Vaccaro
Commissioner and Presiding Member
Gem Energy Storage Center Committee,
and Associate Member for the
Pecho Energy Storage Center Committee

Mailed to list number(s): 7543 (Pecho) & 7544 (Gem)

AGENDA
Joint Committee Conference
April 25, 2022, 2:00 p.m. – 4:00 p.m.
PECHO ENERGY STORAGE CENTER (21-AFC-01)
GEM ENERGY STORAGE CENTER (21-AFC-02)

Please note that the CEC aims to begin promptly at the start time and the end time is an estimate based on the agenda proposed. The event may end sooner or later than the time indicated depending on various factors.

Meeting Agenda

1. Call to Order
2. Party Questions or Comments to the Committees
3. Public Comment

Members of the public and other interested persons and entities may speak up to three minutes on a matter appearing on this agenda

4. Committee Conference/Closed Session Committee closed session consideration of the following items:

Pecho Application and Gem Application and deliberation on matters for decision by the Committees such as the issues presented by the Applications including their potential qualification for exemption from the CEC's notice of intention process, and any then-pending motions or other requests that are ready for consideration.

The Committees will adjourn to closed session in accordance with Government Code, section 11126, subdivision (c)(3), which allows a state body, including a delegated committee, to hold a closed session to deliberate on a decision to be reached in a proceeding the state body was required by law to conduct. The Committees may adjourn to a closed session at any point during the meeting and may conduct multiple closed sessions as necessary.

5. Adjourn