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| Project Title: | Reliability Reserve Incentive Programs |
| TN #: | 262280 |
| Document Title: | Northern California Power Agency |
| Description: | Resolution for agreement DBA-24-005 with Northern California Power Agency |
| Filer: | Pamela Doughman |
| Organization: | California Energy Commission |
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STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

Northern California Power Agency

WHEREAS, the Lodi Energy Center (LEC, or facility) is a 296-megawatt, natural gas fired combined-cycle facility in Lodi, California certified by the State Energy Resources Conservation and Development Commission California (CEC) in April 2010, and it began commercial operation in November 2013;

WHEREAS, the CEC's certification of the facility was pursuant to the CEC's regulatory program certified (CRP) by the Secretary of the Natural Resources Agency under section Public Resources Code section 21080.5 and California Code of Regulations, title 14, section 15251(j);

WHEREAS, the CEC is considering proposed agreement DBA-24-005 with Northern California Power Agency (NCPA) for a \$7,043,128 grant under the Distributed Energy Backup Assets Program (DEBA) to fund the purchase, installation, and reported performance of upgrades to LEC to improve the efficiency and aerodynamic performance of the facility. The efficiency upgrades will increase the hot-weather power plant output rating by approximately 15 MW, and NCPA will make the incremental capacity available from the facility during extreme events on a day-ahead and real-time basis to the host California Balancing Authority for a term of five years from the commercial online date of the upgraded facility;

WHEREAS, on June 11, 2024, NCPA submitted to the CEC a petition to amend the CEC's April 2010 Final Decision to certify the LEC, in order to install and operate the facility consistent with the efficiency upgrades and other requirements of the proposed DEBA funding under GFO-23-401;

WHEREAS, on July 25, 2024, NCPA filed a supplemental Title V Minor Modification pursuant to San Joaquin Valley Air Pollution Control District (SJVAPCD) Rule 2520 in order to install and operate the facility consistent with the requirements of the proposed DEBA funding;

WHEREAS, SJVAPCD approved the proposed changes to LEC's Title V Permit and issued its Final Determination of Compliance on January 29, 2025;

WHEREAS, the CEC staff reviewed the petition to amend, together with the amended operating permit issued by the SJVAPCD, for potential environmental effects and consistency with applicable laws, ordinances, regulations, and standards pursuant to California Code of Regulations, title 20, section 1769; and concluded that with the

addition of new or amended conditions of certification (COCs), the effect on the environment would be less than significant;

WHEREAS, the CEC staff assessment of the petition to amend -- which included staff's environmental analysis prepared under the CEC's CRP and the specific new and amended COCs recommended for the facility -- was posted to the facility's Docket No. 08-AFC-10C on February 12, 2025, for a 30-day public comment period;

WHEREAS, based on the CEC staff assessment and public comments, on March 17, 2025, the CEC found that the proposed new and modified COCs for the facility will not result in any significant impacts to public health and safety, or to the environment. The CEC adopted further findings required under the CEC's CRP including:

- The petition to amend meets all the filing criteria of California Code of Regulations, title 20, section 1769(a), concerning post-certification project modifications.
- The new and modified COCs will not change the findings in the CEC's Final Decision, pursuant to California Code of Regulations, title 20, section 1748.
- The project will remain in compliance with all applicable laws, ordinances, regulations, and standards, subject to the provisions of Public Resources Code section 25525.
- Any environmental impacts will be less than significant with the addition of new or amended conditions of certification: **(AQ-25, AQ-29, AQ-30, AQ-32, AQ-33, AQ-46, AQ-47, AQ-104, AQ-105, AQ-106, AQ-107, AQ-108 and AQ-109)**.
- The proposed new or modified AQ COCs do not meet any of the criteria requiring the preparation of subsequent or supplement review pursuant to Public Resources Code section 21166 or California Code of Regulations, title 14, sections 15162 and 15163;

WHEREAS, on March 17, 2025, the CEC also approved the petition to amend and the new and modified COCs;

WHEREAS, because the staff assessment prepared for the CEC's approval of the petition to amend was prepared under the CEC's certified regulatory program and fully considered the potential environmental impacts of the installation and operational requirements of DEBA award, the CEC review the record on the petition to amend and make similar findings for the approval of the DEBA award itself, as well as a determination that approving the DEBA award does not meet the criteria requiring the production of subsequent or supplemental review as specified in California Code of Regulations, title 14, section 15162(a);

WHEREAS, the CEC has reviewed and considered the staff assessment for the LEC petition to amend and the CEC's findings made thereupon; and

WHEREAS, prior to acting on the agreement DBA-24-005, the CEC desires to make certain findings pursuant to CEQA Guidelines Section 15162(a) regarding the proposed DEBA award.

NOW, THEREFORE, BE IT RESOLVED, that the CEC has considered the application of CEQA to the proposed DEBA award to NCPA and makes the following findings and determinations:

- The DEBA award will not have a significant effect on the environment.
- The DEBA award does not meet the criteria for requiring the production of subsequent or supplemental environmental review as specified in California code of Regulations, title 14, section 15162(a).
- Mitigation measures were not made a condition of the approval of the DEBA award.
- A mitigation reporting or monitoring program was not adopted for the DEBA award.
- A Statement of Overriding Considerations was not adopted for the DEBA award.
- These findings were made pursuant to the provisions of CEQA.

FURTHER RESOLVED, that the Energy Commission approves DBA-24-005; and

FURTHER RESOLVED, that this document authorizes the Executive Director or his or her designee to execute the same on behalf of the CEC.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the CEC held on March 17, 2025.

AYE: Hochschild, Gunda, McAllister, Gallardo, Skinner

NAY: NONE

ABSENT: NONE

ABSTAIN: NONE

Dated: March 18, 2025

SIGNED BY:

Kristine Banaag
Secretariat