

Sacramento Cogeneration Authority

P.O. Box 15830, Sacramento, CA 95852-1830

DOCKET 93-AFC-2
DATE: MAY 25 1994
REC'D: MAY 25 1994 16/732-5218

Procter & Gamble Cogeneration Project

SCA 94-100

May 25, 1994

Mr. Darrel "H" Woo
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814
Attn: Docket Unit

RESPONSE TO DATA REQUEST WATER RES-3 REGARDING THE RAMIFICATIONS OF THE CITY, COUNTY, SMUD WATER CONTRACT ON THE PROCTER AND GAMBLE COGENERATION PROJECT (DOCKET NO. 93-AFC-2)

Dear Mr. Woo:

Please find attached SCA's response to Data Request Water Resources-3 dated May 11, 1994. As you recall, the City of Sacramento provided a will-serve letter for the project, which is located in the city limits, in June 1993. The contract specified in the data request will not result in any physical or operational changes to the Procter and Gamble cogeneration project as currently described in the AFC. What the contract does provide for the Procter and Gamble project is a lower water rate per acre foot. Please telephone if you have any questions.

With Regards,

Diana Parker
Diana Parker
Environmental Specialist

Attachment

cc: Ron Simms, Walsh
Rich Chapman, B&V

STATE OF CALIFORNIA

**State Resources Conservation
and Development Commission**

In the matter of:)	Docket No. 93-AFC-2
)	
Application for Certification)	PROOF OF SERVICE
of the Sacramento Cogeneration)	(rev. 12/3/93)
Authority's Procter & Gamble)	
Cogeneration Project)	

PROOF OF SERVICE

I, Evangelina B. Parchamento, declare that on May 25, 1994, I deposited copies of the attached Response to Data Request Water RES-3 regarding the ramifications of the City, County, SMUD water contract on the Procter & Gamble Cogeneration Project(Docket No. 93-AFC-2), in the United States mail at Sacramento, California, with first class postage thereon fully prepaid and addressed to the following:

APPLICANT

Ms. Susan Strachan, Manager
Projects Permitting & Licensing
SMUD
Box 15830
Sacramento, CA 95852-1830

Steve Cohn
Senior Attorney
SMUD
P.O. Box 15830
Sacramento, CA 95852-1830

INTERESTED AGENCIES

Richard Johnson
Division Chief
Sacramento Metro AQMD
8411 Jackson Road
Sacramento, CA 95826


Ray Menebroker, Chief Project
Assessment Branch
Stationary Source Division
California Air Resources Board
P. O. Box 2815
Sacramento, CA 95814

Ed Schnabel
Sacramento Metropolitan Water District
5331 Walnut Avenue
Sacramento, CA 95841

CALIFORNIA ENERGY COMMISSION
(Docket Unit - 12 copies required)

Docket Unit, MS-4
1516 Ninth Street
Sacramento, CA 95814

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



Signature

SCA 94-100

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May 25, 1994

bcc: S. Cohn
J. Glaubitz
J. Larsen
L. Maier
S. Strachan
C. Taylor
D. Thorpe
Chron Files
Corp Files

WATER RESOURCES-3

REQUEST: At the April 29, 1994, Campbell Soup Application for Certification (AFC) workshop, a proposed water contract between the City of Sacramento, Sacramento County, and the Sacramento Municipal Utility District was discussed.

Please provide an explanation of this proposed contract. When will the water contract be finalized? Discuss what, if any, ramifications, both physical and operational, the finalized contract will have on the Procter & Gamble Cogeneration Project, beyond those described in the proposed AFC?

RESPONSE

In March 1994, the SMUD Board of Directors, the City of Sacramento, and the Sacramento County Water Agency approved an Agreement in Principle dealing with water delivery, supply, and costs between the three entities.

Under water delivery, the City of Sacramento agreed to provide SMUD up to 5000 acre feet of water per year for its cogeneration projects at Campbell Soup and Procter & Gamble. This water is served using the City's existing appropriative water rights; the City is simply serving SMUD's needs as it would any customer. The purpose of this component of the agreement was to establish a price of \$45 per acre foot for the water to be delivered.

The Sacramento County Water Agency will also pay the City \$60 per acre foot for water delivered to SMUD. In return, SMUD will assign 15,000 acre feet of its Central Valley Project water to the Agency, for its use, which is not related to SMUD's cogeneration projects. This water is part of a contract SMUD has with the United States Bureau of Reclamation and is in excess of SMUD's future water needs. Currently, the Sacramento County Water Agency is relying heavily on groundwater. The purpose of the SMUD water is to lessen the County's reliance on ground water.

Since the water assignment from SMUD to the County is a change in use of the water, an Environmental Impact Report/Statement (EIR/EIS) must be completed. SMUD anticipates that the EIR/EIS will be completed and certified by mid-1995.

Once the EIR/EIS is certified, the agreement between the City and County of Sacramento, and SMUD may be finalized. If the EIR/EIS is not certified, the City's commitment to deliver water to the Campbell Soup and Procter & Gamble cogeneration projects will not change. The only difference is that the rate paid for the delivered water will be higher. In addition, the contract will not result in any physical or operational changes to the Procter and Gamble cogeneration project, beyond those described in the Application for Certification.

County

County pays City \$60/AF for
5,000 AF/YR of City supply to
SMUD Cogen

SMUD assigns 15,000 AF
of USBR Contract to County

SMUD

City

City delivers 5,000 AF/YR to
SMUD Cogen Plants for
\$45/AF SMUD payment