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High Desert Power Project

(97-AFC-1C)

Amendment Petition for Alternative Water Supplies to Address Drought-Related Reliability Impacts

Submitted by

High Desert Power Trust

With support from
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1.0 INTRODUCTION

1.1 Overview of Amendment

High Desert Power Trust, the owner of the High Desert Power Project ("HDPP" or the "project"), files this Amendment Petition for Alternative Water Supplies to Address Drought-Related Reliability Impacts (this "Amendment"). HDPP is an 830 megawatt ("MW") combined-cycle power plant located in the City of Victorville in San Bernardino County. The project was certified by the California Energy Commission ("CEC" or the "Commission") on May 3, 2000, and commenced commercial operations in April 2003.

HDPP is authorized to use two sources of water for operations: (1) State Water Project ("SWP") water obtained by the project owner consistent with the provisions of the Mojave Water Agency's ("MWA") Ordinance 9, which may be used directly or treated and then banked (i.e., injected) into an underground aquifer for later use, and (2) recycled wastewater produced by the Victor Valley Water Reclamation Authority ("VVWRA") or by the City of Victorville Water District's Industrial Wastewater Treatment Plant (the "City IWWTP").

Due to prolonged drought conditions, SWP water, which is the sole supply for groundwater banking, will not be available in sufficient quantities to support project operations or banking. Recycled water from VVWRA and the City IWWTP has been available only on an intermittent basis. HDPP is currently not authorized to use water from any other source for operations or groundwater banking.

Accordingly, HDPP files this Amendment to authorize HDPP to use alternative water supplies to prevent curtailment and possible complete shutdown of HDPP due to drought-related water reliability impacts. Specifically, this Amendment seeks revisions to certain Conditions of Certification for two purposes.

First, because recycled water is HDPP's preferred supply (provided that recycled water can be supplied in sufficient quantity and sufficient quality to serve project operations), HDPP requests the authority to discharge backwash streams from the project's aquifer banking water treatment system to the City IWWTP to increase the supply and improve the quality of recycled water available to HDPP. Sending these backwash streams to the City IWWTP will benefit the City by providing wastewater streams of lower dissolved solids content to be recycled, which will serve as a diluent to the wastewater streams of higher dissolved solids content currently entering the City IWWTP. These backwash streams also create a new supply of water that can be recycled back to HDPP for reuse. Discharging the backwash streams to the City IWWTP will allow HDPP's water and Zero Liquid Discharge ("ZLD") systems to operate more efficiently.

To be clear: HDPP is committed to using as much recycled water of appropriate quality as can be made available and treated by the project's equipment. To date, recycled water supply has been subject to frequent interruption, and the quality has required blending with either: (i) banked groundwater (which is the best blending water for recycled water produced to date), or (ii) blending with SWP water obtained from MWA

(which is a second-best option for blending with recycled water) for use in project operations.

Discharge of the backwash streams to the City IWWTP will also benefit groundwater banking by HDPP. Currently, HDPP can bank SWP water only when HDPP is running and generating electricity because the ZLD system requires thermal input (heat) to operate and process the backwash streams. By discharging the low volume backwash streams to the City IWWTP, operating the ZLD system will not be necessary in order to allow HDPP to treat and bank SWP water, further allowing HDPP to bank water when the project is not generating electricity. This provides a significant positive benefit to the groundwater basin. The only new infrastructure required for such discharges will be a pipeline system of approximately 1,340 feet to connect the project to the existing City of Victorville sewer system. The discharge pipeline will connect with the City of Victorville's existing sewer pipeline located approximately 140 feet south of the HDPP site boundary, and connect with water treatment equipment in the northwest corner of the plant property approximately 1,200 feet north of the site boundary. (*See*, Figure 1, attached hereto.) Either an above-ground or below-ground pipeline will pass through areas that have been paved or laid with gravel on HDPP property. Areas offsite consist of previously graded, unvegetated landscape dirt located on Southern California Logistics Airport property. Equipment associated with the discharge pipeline system will potentially include isolation valves, analytical equipment, pumps, and metering devices. The discharged backwash streams will flow by gravity to the City IWWTP.

Second, HDPP requests the authority to obtain water rights consistent with the "Judgment After Trial" dated January, 1996, in *City of Barstow, et al. v. City of Adelanto, et al.* as administered by MWA (the "Judgment"). The Judgment allows any party, including HDPP, to intervene to become a Party to the Judgment and (i) acquire and use existing water rights adjudicated under the Judgment, or (ii) pay applicable Replacement Water Assessments (collectively, "Adjudicated Water Rights"). Significantly, the alternative supplies will use existing water supply infrastructure to serve HDPP, and thus no new infrastructure or construction would be required.

1.2 Summary of Environmental Impacts

Section 1769(a)(1)(E) of the Commission's Siting Regulations requires that an analysis be conducted to address any potential impacts the proposed revisions may have on the environment and proposed measures to mitigate potentially significant adverse impacts. Section 1769(a)(1)(F) requires a discussion of the impact of the proposed revisions on HDPP's ability to comply with applicable laws, ordinances, regulations, and standards ("LORS"). Section 3.0 of this document discusses the potential impacts of the Amendment on the environment, as well as a discussion of the consistency of the requested change with LORS. Section 3.0 concludes that there will be no significant adverse environmental impacts associated with this Amendment and that the project, as amended, will comply with applicable LORS.

1.3 Consistency of Amendment with License

Section 1769(a)(1)(D) of the Commission's Siting Regulations requires a discussion of the Amendment's consistency with applicable LORS and whether the modification being sought is based on new information that changes or undermines the assumptions, rationale, findings, or other bases of the final decision. If the project is no longer consistent with the license, an explanation of why the modification should be permitted must be provided. The changes proposed herein are consistent with the project's CEC license and relevant LORS. As discussed in more detail in Sections 2.0 and 3.0 below, these proposed changes do not undermine any basis for the CEC's licensing decision.

2.0 DESCRIPTION OF PROJECT AMENDMENT

Consistent with Sections 1769(a)(1)(A) and (B) of the Commission's Siting Regulations, this section includes a complete description of the proposed project modification as well as the necessity for the Amendment.

The HDPP certification, as amended, authorizes the use of two sources of water for operations: (1) State Water Project ("SWP") water obtained by the project owner consistent with the provisions of the Mojave Water Agency's ("MWA") Ordinance 9, which may be used directly or treated and then banked underground by injection for later use, and (2) recycled wastewater from the Victor Valley Water Reclamation Authority ("VVWRA") and the City of Victorville Water District's Industrial Wastewater Treatment Plant (the "City IWWTP").

Due to prolonged drought conditions, SWP water, which is the sole supply for required groundwater banking, will not be available in sufficient quantities to support project operations or banking for the remainder of 2014 and likely beyond. Recycled water from VVWRA and City IWWTP has been available only on an intermittent basis. HDPP is currently not authorized to use water from any other source for operations or groundwater banking. The Amendment proposes two changes to ensure adequate water supplies are available to HDPP.

First, because recycled water is HDPP's preferred supply (provided that recycled water can be supplied in sufficient quantity and sufficient quality to serve project operations), HDPP requests the authority to discharge backwash streams from the project's aquifer banking water treatment system to the City IWWTP to increase the supply and improve the quality of recycled water available to HDPP. Sending these backwash streams to the City IWWTP will benefit the City by providing wastewater streams of lower dissolved solids content to be recycled, which will serve as a diluent to the wastewater streams of higher dissolved solids content currently entering the City IWWTP. These backwash streams also create a new supply of water that can be recycled back to HDPP for reuse. Discharging the backwash streams to the City IWWTP will allow HDPP's water and Zero Liquid Discharge ("ZLD") systems to operate more efficiently

Discharge of the backwash streams to the City IWWTP will also benefit groundwater banking by HDPP. Currently, HDPP can bank SWP water only when HDPP is running and generating electricity because the ZLD system requires thermal input (heat) to operate and process the backwash streams. By discharging the low volume backwash streams to the City IWWTP, operating the ZLD system will not be necessary in order to allow HDPP to treat and bank SWP water, further allowing HDPP to bank water when the project is not generating electricity. This provides a significant positive benefit to the groundwater basin. The only new infrastructure required for such discharges will be a pipeline system of approximately 1,340 feet to connect the project to the existing City of Victorville sewer system. The discharge pipeline will connect with the City of Victorville's existing sewer pipeline located approximately 140 feet south of the HDPP site boundary, and connect with equipment in the northwest corner of the plant property

approximately 1,200 feet north of the site boundary. (*See*, Figure 1) Either an above-ground or below-ground pipeline will pass through areas that have been paved or laid with gravel on HDPP property. Areas offsite consist of previously graded, unvegetated landscape dirt located on Southern California Logistics Airport property. Equipment associated with the discharge pipeline system will potentially include isolation valves, analytical equipment, pumps, and metering devices. The discharged backwash streams will flow by gravity to the City IWWTP.

Second, the Amendment provides HDPP with alternative water supplies to avoid curtailment or complete shutdown. HDPP would have the authority to obtain existing Adjudicated Water Rights consistent with the Judgment as administered by MWA. Significantly, the alternative supplies will use existing water supply infrastructure to serve HDPP, and thus no new infrastructure or construction would be required.

2.1 Necessity of Proposed Amendment

Sections 1769(a)(1)(B) and (C) of the CEC Siting Regulations require a discussion of the necessity for the proposed modifications and whether the modifications are based on information known by the petitioner during the certification proceeding.

The proposed modifications are necessary to prevent HDPP from being curtailed and perhaps completely shut down due to drought-related water shortages. The need for additional water supplies is driven by the current extreme drought. The drought is the third consecutive year of below-normal precipitation in California and severely diminishes the amount of SWP water available to serve HDPP. To the extent the drought continues into 2015 and beyond, it is expected the amount of SWP water available will continue to be severely diminished.

The California Department of Water Resources ("DWR") administers the SWP. DWR's allocation of SWP water to contractors, including MWA, was reduced from five percent (5%) to zero percent (0%) on January 31, 2014 due to extreme water shortage. On April 18, 2014, DWR increased the allocation to contractors back to five percent (5%). Nonetheless, MWA has told HDPP that it does not expect to deliver SWP water to HDPP for the remainder of 2014, which illuminates the lack of reliability of SWP water.

At the time of the original certification, HDPP was allowed to use only SWP water and was expressly prohibited from using recycled water. Of its own volition, HDPP petitioned and successfully obtained an amendment to the original certification to allow for the use of recycled water. However, since that amendment was approved, the supply of recycled water available to HDPP has been intermittent on a day-to-day basis, has been unavailable for long periods of time, or has not met the quality requirements of the recycled water supply contract. These conditions are currently inhibiting HDPP's reliance on recycled water as a reliable source of water for the facility.

Moreover, because the quantity and quality of both SWP water and recycled water available to HDPP vary significantly, this Amendment is necessary to provide HDPP with the flexibility to utilize different water sources as available, whether individually or

combined, as needed to ensure reliable and efficient operation of HDPP. As explained further below, each water source in and of itself is not reliable to solely support HDPP operations because of the variability in quantity and quality of each source.

SWP water is the most variable of all the water sources in terms of quantity and quality. As stated above, the availability of SWP water in sufficient quantities is highly tenuous due to the prolonged drought conditions and the recently implemented pumping restrictions to protect the Delta smelt. No SWP water deliveries to HDPP are expected to be made for the remainder of 2014. SWP water quality also varies seasonally, with the SWP water having higher conductivity and other impairments during certain runoff events and periodically during the irrigation season. The highly variable SWP water quality can (i) lower the facility water treatment system's efficiency, (ii) require more frequent water treatment system equipment maintenance, (iii) cause plant operational derates or curtailments, and (iv) prohibit groundwater banking when the dissolved solids content exceeds certain threshold concentrations.

Recycled water is the second most variable of the water sources available to HDPP. Historically, HDPP has had difficulty obtaining sufficient quantities of recycled water to reliably serve the facility. In addition, recycled water typically contains high levels of total dissolved solids ("TDS") and high concentrations of silica. These constituents impact the performance of the HDPP water treatment system (for example, by clogging the microfilter system) to the detriment of the overall efficiency and operation of the HDPP. The drought has forced HDPP to accept recycled water that does not meet the water quality limits specified in the recycled water supply contract. HDPP has learned through its operating experience that the "out of spec" recycled water must be blended with high quality banked groundwater in order to be used by the facility.

Banked groundwater is the least variable source in terms of quantity and quality. Because the quality of banked groundwater is the most consistent, HDPP is able to more accurately forecast the effects of using banked groundwater on project operations. Banked groundwater is also the most predictable source to blend with recycled water or SWP water to maintain water chemistry that allows HDPP's water treatment system to operate most efficiently.

As explained in more detail in Section 3.2.15 below, HDPP's use of groundwater from the Mojave Basin will not adversely affect groundwater resources because MWA administers the Judgment to maintain both the annual and long-term basin safe yield. The Judgment adjudicated the water rights to the basin and affirmed a physical solution to appoint a Watermaster to balance withdrawals (pumping) and recharge to maintain the safe yield of the basin. MWA is responsible for, among other things, annual monitoring and reporting on basin conditions, management of basin safe yield through enforcement of pumping limits, and importation of surface water from the SWP to replace pumped groundwater. The Judgment has significantly reduced historic groundwater pumping and has established a mechanism to ensure that future groundwater production is maintained within the safe yield. The Judgment encourages efficient use of water by allowing for the transfer of groundwater production rights from one user to another. Adjudicated Water

Rights can be transferred on an annual basis or permanently at any location within the subbasin upon notice to MWA and compliance with applicable terms and conditions. Allowing HDPP to acquire alternative water supplies consistent with the Judgment will avoid curtailment or complete shutdown due to water supply interruptions or water quality deviations from SWP or recycled water supplies.

Discharge of HDPP's backwash streams from its aquifer banking water treatment systems to the City of Victorville municipal sewer system will create a new supply of water that can be recycled back to HDPP for reuse. Discharging the backwash streams to the City IWWTP will allow HDPP's water and ZLD systems to operate more effectively, increasing HDPP's overall efficiency.

It is unknown how the drought will affect the availability of recycled water statewide. It is also unknown whether 2014 will mark the end of the current drought cycle or whether it will be another year in a multi-year drought cycle. In either event, it is logical to assume that reduced water usage though conservation and efficiency measures will result in lower inflows to wastewater treatment plants, likely reducing the available supply of water to be recycled.

The current record drought, its impacts on the availability of SWP water, along with other biological regulatory restrictions that have reduced SWP water pumping and delivery, and the intermittent nature of recycled water service to date were not known at the time of the original certification.

3.0 ENVIRONMENTAL ANALYSIS OF THE AMENDMENT

This section examines whether obtaining Adjudicated Water Rights consistent with the Judgment administered by MWA and the discharge of backwash streams from the aquifer banking water treatment system to the City IWWTP may result in additional environmental impacts. An environmental analysis for this Amendment is included below.

3.1 Alternative Water Supplies and Banking Unused Adjudicated Water Rights

Obtaining Adjudicated Water Rights consistent with the Judgment administered by MWA will not require new infrastructure or construction of any kind. The alternative supplies to be obtained will use existing water supply infrastructure to serve HDPP. Accordingly, obtaining Adjudicated Water Rights is not a "Project" as defined by CEQA because it is neither "an activity [with] the potential to cause direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." (California Public Resources Code § 21065.)

With respect to LORS compliance, any such additional supplies will be obtained pursuant to the Judgment. Therefore, the Amendment will comply with all LORS.

3.2 Discharge to the City IWWTP

HDPP proposes to discharge backwash from the project's aquifer banking water treatment system to the City IWWTP. Sending these backwash streams to the City IWWTP will benefit the City by providing wastewater streams of lower dissolved solids content to be recycled which will serve as a diluent to the wastewater streams of higher dissolved solids content currently entering the City IWWTP. These backwash streams also create a new supply of water that can be recycled back to HDPP for reuse. Discharging the backwash streams to the City IWWTP will allow HDPP's water and ZLD systems to operate more effectively, increasing HDPP's overall efficiency.

Discharge of the backwash streams to the City IWWTP will also benefit groundwater banking by HDPP. Currently, HDPP can only bank SWP water when HDPP is running and generating electricity because the ZLD system requires thermal input (heat) to operate and process the backwash streams. By discharging the low volume backwash streams to the City IWWTP, operating the ZLD system will not be necessary in order to allow HDPP to treat and bank SWP water, further allowing HDPP to bank water when the project is not generating electricity, which is also a significant positive benefit to the groundwater basin.

The only new infrastructure required for such discharges will be a pipeline system of approximately 1,340 feet to connect the project to the existing City of Victorville sewer system. The discharge pipeline will connect with the City of Victorville's existing sewer pipeline located approximately 140 feet south of the HDPP site boundary, and connect with equipment in the northwest corner of the plant property approximately 1,200 feet north of the site boundary. (*See*, Figure 1.) Either an above-ground or below-ground

pipeline will pass through areas that have been paved or laid with gravel while on HDPP property. Areas offsite consist of previously graded, unvegetated landscape dirt located on Southern California Logistics Airport property. Equipment associated with the discharge pipeline system will potentially include isolation valves, analytical equipment, pumps, and metering devices. The discharged backwash streams will flow by gravity to the City IWWTP.

The short pipeline needed to allow HDPP to connect to the existing City of Victorville sewer system is precisely the sort of activity that is exempt from CEQA. Specifically, Section 15304 of the CEQA Guidelines, "Minor Alterations To Land," provides a "Categorical Exemption" to CEQA that states as follows:

> Class 4 consists of minor public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees except for forestry or agricultural purposes. Examples include, but are not limited to:
> * * *
> (f) Minor trenching and backfilling where the surface is restored.

The pipeline will involve minor trenching and backfilling where the surface is restored and thus qualifies for this CEQA Exemption.

In addition to this applicable Categorical Exemption from CEQA, there is also an applicable "Statutory Exemption" from CEQA for such an underground pipe. Section 15282(k) of the CEQA Guidelines, under the title of "Other Statutory Exemptions," includes a Statutory Exemption for "The installation of new pipeline or maintenance, repair, restoration, removal, or demolition of an existing pipeline as set forth in Section 21080.21 of the Public Resources Code, as long as the project does not exceed one mile in length."

In addition to the Categorical and Statutory Exemptions, the CEQA Public Resources Code section cited, Section 21080.21, subdivision (a) provides as follows:

> This division [CEQA] does not apply to any project of less than one mile in length within a public street or highway or any other public right-of-way for the installation of a new pipeline or the maintenance, repair, restoration, reconditioning, relocation, replacement, removal, or demolition of an existing pipeline.

As the authorities above definitively demonstrate, the short pipeline system required to connect to the existing City of Victorville sewer system is exempt by the express provisions of the CEQA statute, Categorical Exemption, and Statutory Exemption.

Therefore, the Commission can appropriately cite to the statute and the Categorical and Statutory Exemptions to fulfill CEQA's mandates. Nevertheless, given the need for expedited consideration of this Amendment, additional environmental information is provided below for completeness and timely consideration of this Amendment.

3.2.1 Air Quality

The installation of a short pipeline system, which will include approximately 1,340 feet of piping, will involve the use of some equipment for a very limited time period. These potential emissions are temporary and negligible, especially if the approximately 1,200 feet within the project site boundaries is above-ground piping, so much so that no permits or approvals are required from the Air District. Standard fugitive dust control BMPs will be implemented, most likely watering as required to suppress dust. The potential impacts will be less than significant.

3.2.2 Biological Resources

The only new infrastructure required for discharges will be a pipeline system of approximately 1,340 feet to connect the project to the existing City of Victorville sewer system. The discharge pipeline will connect with the City of Victorville's existing sewer pipeline located approximately 140 feet south of HDPP's site boundary, and connect with equipment in the northwest corner of the plant property approximately 1,200 feet north of the site boundary. (*See,* Figure 1.) Either an above-ground or below-ground pipeline will pass through areas that have been paved or laid with gravel while on HDPP property. Areas offsite consist of previously graded, unvegetated landscape dirt located on Southern California Logistics Airport property. Equipment associated with the discharge pipeline system will potentially include isolation valves, analytical equipment, pumps, and metering devices

There is no critical habitat or other habitat value within this area. In addition, HDPP will adhere to the requirements of the Biological Resources Mitigation Implementation and Monitoring Plan ("BRMIMP") in performing the work on the discharge water line. The potential impacts will be less than significant.

3.2.3 Cultural Resources

The soil that is on the site has been highly disturbed and previously developed. The site is completely stabilized with gravel and pavement and no further development or ground disturbance is needed for the proposed pipeline. Therefore, the pipeline will not result in any cultural resource impacts.

3.2.4 Geologic Hazards and Resources

The minor trenching and backfilling for the pipeline will not result in geologic impacts. The minor trenching does not have the ability to affect any geological resources.

3.2.5 Hazardous Materials Management

The proposed construction area will not be used for the temporary storage of hazardous materials. Construction crews will use industry standard BMPs to prevent issues related to hazardous materials handling. The potential impacts will be less than significant.

3.2.6 Land Use

HDPP is located within an industrial zoned area. The surrounding uses are also industrial. No impacts to land use will occur from the requested modifications.

3.2.7 Noise

The construction of the pipeline will result in temporary and minor noise impacts, mainly resulting from the use of equipment loading or offloading materials. Any noise impacts resulting from construction of the pipeline will be short-term and less than significant.

3.2.8 Paleontological Resources

The soil that is on the site has been highly disturbed and previously developed. The site is completely stabilized with gravel. The pipeline will not result in any impacts to paleontological resources.

3.2.9 Public Health

The installation of the pipeline will have no Air Quality impacts and no other impacts that are a threat to public health. No acutely hazardous materials will be stored onsite during the very brief construction period.

3.2.10 Socioeconomics

The installation of the pipeline will have minor, positive economic benefits, providing employment for the contractor and staff selected to perform the construction. Some materials may be acquired locally, but the positive economic benefits associated with such short-term work are difficult to ascertain, yet positive. There will be no significant socioeconomic impacts associated with the pipeline.

3.2.11 Soils & Agriculture

The site and the pipeline routing are all within industrial lands. No agricultural activities occur on or near this location, and thus the pipeline will not result in any impacts to agricultural and soil resources. The entire site is zoned industrial and currently paved and graveled. No special activities are required for use or subsequently to return it in its current condition once use of the installation is completed. Storm water BMPs and fugitive dust control, consistent with those already in place will be used as needed. Therefore, the activities proposed in this Amendment will not create a significant adverse impact to agricultural or soil resources.

3.2.12 Traffic & Transportation

The short-term temporary work will result in a few additional truck and vehicle trips for the work crews. The roads in the vicinity all operate at adequate levels of service (LOS). There is no possibility that these few vehicle trips could significantly affect local or regional traffic patterns in this industrially zoned area. The activities proposed in this Amendment will not create a significant adverse impact to traffic and transportation resources.

3.2.13 Visual Resources

Upon completion of the installation of the pipeline, there will be no visual impacts associated with the operation of the pipeline. Construction related impacts will be temporary and less than significant from a visual perspective. The construction activities will be consistent with other activities in this industrial zone area. The impacts will be less than significant.

3.2.14 Waste Management

The installation of the pipeline will result in small amounts of construction related waste. The contractor will be responsible for the proper disposal of any waste generated. The potential impacts will be less than significant.

3.2.15 Water Resources

During construction, the site will be monitored for compliance with the General National Pollutant Discharge Elimination System Permit ("NPDES") for Storm Water Associated with Construction Activity and the Stormwater Pollution Prevention Plan ("SWPPP"). The site is relatively level with stabilized, compacted gravel or paved surfaces. The Amendment will have beneficial water resources impacts. Sending the backwash streams to the City IWWTP will benefit the City by providing wastewater streams of lower dissolved solids content to be recycled which will serve as a diluent to the wastewater streams of higher dissolved solids content currently entering the City IWWTP. These backwash streams also create a new supply of water that can be recycled back to HDPP for reuse. Discharging the backwash streams to the City IWWTP will allow HDPP's water and ZLD systems to operate more effectively, increasing HDPP's overall efficiency.

Discharge of the backwash streams to the City IWWTP will also benefit groundwater banking by HDPP. Currently, HDPP can only bank SWP water when HDPP is running and generating electricity because the ZLD system requires thermal input (heat) to operate and process the backwash streams. By discharging the low volume backwash streams to the City IWWTP, operating the ZLD system will not be necessary in order to allow HDPP to treat and bank SWP water, further allowing HDPP to bank water when the project is not generating electricity. This is also a significant positive benefit to the groundwater basin. The only new infrastructure required for such discharges will be a pipeline system of approximately 1,340 feet to connect the project to the existing City of Victorville sewer system. The discharge pipeline will connect with the City of Victorville's existing sewer pipeline located approximately 140 feet south of HDPP's site

boundary, and connect with equipment in the northwest corner of the plant property approximately 1,200 feet north of the site boundary. (*See*, Figure 1.) Either an above-ground or below-ground pipeline will pass through areas that have been paved or laid with gravel while on HDPP property. Areas offsite consist of previously graded, unvegetated landscape dirt located on Southern California Logistics Airport property. Equipment associated with the discharge pipeline system will potentially include isolation valves, analytical equipment, pumps, and metering devices. The discharged backwash streams will flow by gravity to the City IWWTP.

HDPP use of groundwater from the Mojave Basin will not adversely affect groundwater resources because MWA administers the Judgment[1] to maintain both the annual and long-term basin safe yield. The Judgment adjudicated the water rights to the basin and affirmed a physical solution to appoint a Watermaster to balance withdrawals (pumping) and recharge to maintain the safe yield of the basin. The Judgment was substantially affirmed by the California Supreme Court in August 2000, shortly after HDPP was licensed by the Commission. (*City of Barstow v. Mojave Water Agency* (2000) 23 Cal.4th 1224.) The Superior Court of Riverside County maintains continuing jurisdiction over the Judgment.

MWA serves as Watermaster of the Mojave River stream system and groundwater basin ("basin") on the appointment of the Court. (Judgment, ¶¶ 4(nn); 23(c)); MWA responsibilities include, among other things, annual monitoring and reporting on basin conditions, management of basin safe yield through enforcement of pumping limits, and importation of surface water from the SWP to replace pumped groundwater. (*See*, generally, Judgment, ¶¶ 24-29.)

The Judgment has significantly reduced historic groundwater pumping and has established a mechanism to ensure that future groundwater production is maintained within the safe yield. The Judgment mitigates the effects of groundwater withdrawal by the following primary methods:

- Assigning each adjudicated water right a "Base Annual Production," or "BAP," in acre-feet per water year (October 1 through September 30) (Judgment, ¶ 4(g));
- Establishing a "Free Production Allowance" (FPA), which is the percentage of the BAP that can be pumped within the water year without payment of a pumping charge (¶ 4(k));
- Allowing a right holder to delay, or carry over, a FPA to a subsequent water year ("Carry Over") (¶ 4(i));
- Imposing an obligation to pay for "replacement water" for any water pumped in excess of the FPA ("Replacement Water Assessments"), which is used by MWA to acquire SWP water to recharge the basin (¶¶ 4(dd), 24(g) 4(ee), 25(b), 27, 28);

[1] The Judgment is available at http://www.mojavewater.org/files/Judgment.pdf.

- Directing MWA to maintain the basin in safe yield by recommending annual adjustments to the FPA and by importing SWP water to replace pumped water in excess of the native safe yield (¶¶ 9(a), 24(g), 24(o), 27);
- Authorizing MWA to recommend adjustments to the Replacement Water Assessments for each subbasin each year (¶¶ 9(b), 27(b)).

MWA has recommended, and the court has approved, FPAs tailored to the specific water uses and hydrologic conditions of each subbasin. In the Alto subbasin where HDPP is located, the FPA is currently set at 60% for industrial water use and 80% for agricultural use in recognition of differences in return flows from different types of water uses.

The Replacement Water Assessment provision of the Judgment and MWA's SWP contract has allowed MWA to build a substantial water supply surplus in the basin. MWA uses the Replacement Water Assessments to acquire surplus SWP water available in above normal years for percolation into the basin. MWA has banked about 80,000 acre-feet of surplus water in the basin, which provides a buffer for drought water years like 2014 when SWP water is not available. Note that MWA recharges raw SWP water by percolation and does not believe that treatment and injection required by the Commission for HDPP is necessary.

The Judgment encourages efficient use of water by allowing for the transfer of groundwater production rights from one user to another. Water rights can be transferred on an annual basis or permanently within each subbasin at any location within the subbasin upon notice to MWA and compliance with applicable terms and conditions. (¶ 24(n), 24(r), 34; Ex. F, ¶ 2.) The transfer of groundwater production rights will also be subject to a BAP adjustment (reduction) by MWA to not cause an increased consumptive use of water. (¶ 24(q), Ex. F, ¶ 2.) The consumptive use adjustment for industrial use is determined by MWA on a case-by-case basis. The effect of the consumptive use adjustment is to permanently retire some portion of the BAP, thus reducing the total amount of groundwater production that is not subject to Replacement Water Assessments.

The Judgment allows any person or entity within the basin, including HDPP, to intervene to become a Party to the Judgment by executing a stipulation with MWA. (¶ 40.) Once a Party, HDPP can acquire existing BAP and FPA groundwater production rights adjudicated under the Judgment or HDPP can pay applicable Replacement Water Assessments without acquiring existing groundwater production rights.

3.2.16 Worker Safety & Health

Construction work will be performed by a licensed contractor in compliance with all applicable health and safety rules, including those implemented by OSHA. Moreover, Air Quality and Public Health impacts are avoided by the temporary construction activities. The pipeline system will not cause any significant Worker Safety or Health issues.

3.2.17 Cumulative Impacts

Section 15355 of the CEQA Guidelines defines "cumulative impacts" as "two or more individual effects which, when considered together, are considerable or which compound or increase other environmental impacts." Subsection b of Section 15355 states, in part, that "The cumulative impact *from several projects* is the change in the environment which results from *the incremental impact of the project when added to other closely related past, present, and reasonably foreseeable probable future projects*." (Emphasis added.) Thus, cumulative impacts under CEQA involve the potential interrelationships of two or more projects, not the impacts from a single project. Specifically, under Section 15130 of the CEQA Guidelines, an EIR is required to discuss cumulative impacts when the project's incremental effect is "cumulatively considerable." Section 15065(a)(3) then defines "cumulatively considerable" as meaning "that the incremental effects of an individual project are significant when viewed in connection with the effects of *other* closely related past projects, the effects of *other* current projects and the effects of probable *future* projects." (Emphasis added.)

The impacts from the installation of the pipeline are temporary. Potential cumulative impacts from construction and operation of the pipeline will not occur. The pipeline's effects are exempt from CEQA, both in Statutory and Categorical Exemptions, as well as Public Resources Code provisions. The temporary activities will not result in impacts in combination with other closely related past, present, and reasonably foreseeable future projects. No cumulative impacts will result.

3.2.18 Laws, Ordinances, Regulations, Standards

The construction and operation of the pipeline will be in compliance with all applicable LORS, and the Amendment will not alter the assumptions or conclusions made in the CEC's Final Decision for HDPP, as amended. HDPP will continue to be consistent with all applicable LORS.

4.0 PROPOSED MODIFICATIONS TO THE CONDITIONS OF CERTIFICATION

Consistent with the requirements of Section 1769(a)(1)(A) of the Commission's Siting Regulations, potential modifications to the project's Conditions of Certification were evaluated. As set forth in Attachment A, minor language changes are proposed to the following Conditions: Soil&Water-1 and Soil&Water-7.

5.0 POTENTIAL EFFECTS ON THE PUBLIC

Consistent with Section 1769(a)(1)(G) of the Commission's Siting Regulations this section discusses whether the Amendment will have potential effects on the public. The proposed project modifications contained in this Amendment are short-term in nature, will have no significant impacts on the environment, and will be in compliance with all applicable LORS and Conditions of Certification. Accordingly, there will be no adverse impacts on the public associated with this Amendment.

6.0 LIST OF PROPERTY OWNERS

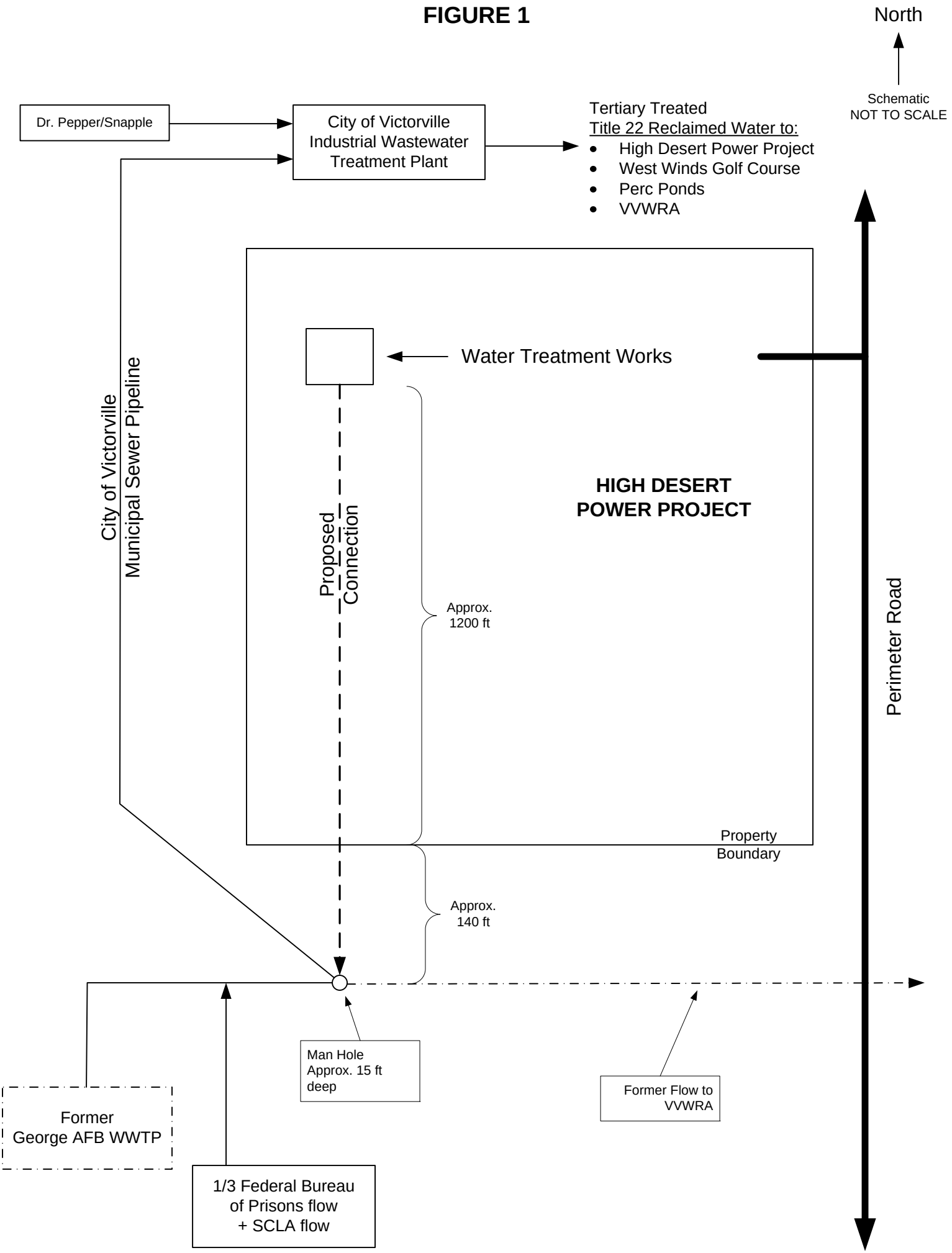
Section 1769(a)(1)(H) of the Commission's Siting Regulations requires a list of the property owners potentially affected by the proposed modifications. All property within one mile of HDPP is part of the Southern California Logistics Airport ("SCLA") property, the former George Air Force Base. Current tenants of the SCLA property are listed in Attachment B.

7.0 POTENTIAL EFFECTS ON PROPERTY OWNERS

Consistent with Section 1769(a)(1)(I) of the Commission's Siting Regulations this section addresses potential effects of the proposed Amendment on nearby property owners, the public, and parties in the application proceeding. Due to the short-term nature of the modification proposed by this Amendment, there will not be any significant impacts to nearby property owners and the public. Nearby businesses will not be impacted.

FIGURE 1
LOCATION OF PROPOSED PIPELINE SYSTEM

FIGURE 1


North
Schematic
NOT TO SCALE
Dr. Pepper/Snapple
City of Victorville
Industrial Wastewater
Treatment Plant
Tertiary Treated
Title 22 Reclaimed Water to:
High Desert Power Project
West Winds Golf Course
Perc Ponds
VVWRA
Water Treatment Works
City of Victorville
Municipal Sewer Pipeline
Proposed
Connection
HIGH DESERT
POWER PROJECT
Approx.
1200 ft
Perimeter Road
Property
Boundary
Approx.
140 ft
Man Hole
Approx. 15 ft
deep
Former Flow to
VVWRA
Former
George AFB WWTP
1/3 Federal Bureau
of Prisons flow
+ SCLA flow

ATTACHMENT A

REVISIONS TO CONDITIONS OF CERTIFICATION SOIL&WATER-1 AND SOIL&WATER-7

SOIL&WATER-1 Water used for project operation (except for domestic purposes) shall be State Water Project (SWP) water obtained by the project owner consistent with the provisions of the Mojave Water Agency's (MWA) Ordinance 9 ~~and/or~~, appropriately treated recycled waste water, and/or an alternative water supply obtained consistent with the "Judgment After Trial" dated January, 1996, in City of Barstow, et al. v. City of Adelanto, et al. (Riverside County Superior Court Case No. 208568) as administered by MWA (the "Judgment") (collectively, "Adjudicated Water Rights").

a. Whenever recycled waste water of quality sufficient for project operations is available to be purchased from the City of Victorville, the project owner shall use direct delivery of such water for project operations.

~~a. Whenever SWP water is available to be purchased from the city of Victorville, or recycled waste water is available, the project owner shall use direct delivery of such water for project operation.~~

b. Whenever the quantity or quality of recycled waste water is not sufficient to support project operations, the project may supplement recycled water supplies with SWP water, banked SWP water, and/or Adjudicated Water Rights.

~~b. Whenever water is not available to be purchased from the city of Victorville, the project owner may use SWP water banked in the four HDPP wells as long as the amount of water used does not exceed the amount of water determined to be available to the project pursuant to **SOIL&WATER-5.**~~

c. ~~If there is no SWP water available to be purchased from the city of Victorville, and there is no reclaimed water available, and there is no banked water available to the project, as determined pursuant to **SOIL&WATER-5**, no groundwater shall be pumped, and the project shall not operate~~. At the project owner's discretion, dry cooling may be used instead, if an amendment to the Commission's decision allowing dry cooling is approved.

d. The project's water supply facilities shall be appropriately sized to meet project needs. The project shall make maximum use of recycled waste water for power plant cooling given current equipment capabilities and permit conditions.

f. The project owner shall continue with the feasibility study evaluating the use of 100 percent recycled water for evaporative cooling purposes and other industrial uses. The feasibility study shall be completed by the project owner and submitted to the CPM.

[No changes to Verification]

SOIL&WATER-7 The project owner shall retain ownership and operational control of the water treatment facility. The project may also discharge waste water streams from the project's water treatment systems to the City of Victorville municipal sewer system.

Verification: Should the project owner choose to transfer ownership or operational control of the water treatment facility, it must apply for an amendment to the Energy Commission Decision, and include an evaluation of any environmental effects associated with the transfer of ownership or operational control to another entity. The project owner shall provide a copy of the discharge permit or permits issued by the City of Victorville to the CEC CPM within thirty (30) days of its receipt by the project owner.

ATTACHMENT B

LIST OF PROPERTY OWNERS

COMPANIES CURRENTLY LOCATED AT SOUTHERN CALIFORNIA LOGISTICS AIRPORT

2014

BOEING (RAMS) ..... 760-530-2219 18368 Readiness St. Victorville, CA 92394 Aircraft Repair	LEADING EDGE ..... 760-426-1651 AVIATION SERVICES 13516 Phantom Victorville, CA 92394 Aircraft Painting Facility
BOEING CAPITAL ..... 760-246-9666 18368 Readiness St. Victorville, CA 92394 Aircraft Financing	MILLION AIR ..... 760-246-7794 18590 Readiness St. Victorville, CA 92394 FBO (Flight Based Operation)
DR. PEPPER SNAPPLE GROUP www.drpeppersnapplegroup.com/careers	NEWELL-RUBERMAID ..... 760-246-2720 17182 Nevada Ave. Victorville, CA 92394 Warehouse Distribution
GENERAL ELECTRIC ..... 760-530-5200 18000 Phantom Victorville, CA 92394 Aircraft Repair	SOUTHERN CALIFORNIA ..... 760-530-2400 AVIATION (SCA) 18438 Readiness St. Victorville, CA 92394 Aircraft Parts/Inventory
HIGH DESERT ..... 760-530-2300 CONSTELLATION POWER PLANT 19000 Perimeter Rd. Victorville, CA 92394 Power Plant	PLASTIPAK PACKAGING, INC. www.plastipak.com
STOODY ..... 760-530-0765 18475 Finance St. Victorville, CA 92394 Welding Supply Wholesale House	PTL ELECTRIC ..... 760-403-4004 18499 Phantom West, Ste 8 Victorville, CA 92394 Electric Repair
FEDERAL PRISON EMPLOYMENT Federal Bureau of Prisons 3289 Air Expressway Victorville, CA 92394 www.bop.gov (link to BOP hires)	PRATT & WHITNEY ..... 760-530-2400 18260 Phantom West Victorville, CA 92394 Engine Storage & Parts Distribution
EMPLOYMENT ..... 760-552-6550 DEVELOPMENT DEPARTMENT (EDD) Victorville Office And SAN BERNARDINO COUNTY JOBS & EMPLOYMENT SERVICES	PACIFIC AEROSPACE ..... 760-530-1767 RESOURCES & TECHNOLOGIES (PART) 18384 Readiness St. Victorville, CA 92394 Aircraft
CITY OF VICTORVILLE ..... 760-261-1508 24-HOUR JOB LINE (Recorded information) www.ci.victorville.ca.us	ARM AND HAMMER (Church & Dwight) www.churchdwight.com click on work with us tab to apply