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CALIFORNIA ENERGY COMMISSION 1516 NINTH STREET SACRAMENTO, CA 95814-5512 www.energy.ca.gov



NOTICE OF RECEIPT PETITION TO AMEND THE CALIFORNIA ENERGY COMMISSION DECISION FOR SACRAMENTO COGENERATION AUTHORITY – PROCTER & GAMBLE (93-AFC-2C)

On October 30, 2014, the Sacramento Cogeneration Authority (SCA) filed a petition with the California Energy Commission (Energy Commission) requesting to modify the Final Decision for the SCA Procter & Gamble project (SCAPG). The 171 megawatt natural gas-fired, combined-cycle facility was certified by the Energy Commission in its November 1994 Decision and began commercial operation in 1997. The facility is located at 5000 83rd Street in Sacramento, Sacramento County.

SCA operates two General Electric (GE) LM6000 SPRINT combined-cycle gas turbines, Units 1 and 2, which produce electricity and steam at the SCAPG facility. The steam is used to power a steam turbine for additional electricity production, as well as to supply the adjacent Procter & Gamble facility with steam for its production needs. To support its steam production requirements, SCAPG also has an existing Auxiliary Boiler 1A. In addition to the two combined-cycle units, the facility also includes a simple-cycle gas turbine for peak power production.

The 1994 Energy Commission Decision allowed for the addition of a GE LM6000PC simple cycle turbine which began operation in May 2001. In February 2008, a petition to amend was approved allowing the project to replace the two existing GE LM6000PA turbines with GE LM6000PC SPRINT/EFS turbines, and upgrade the existing GE LM6000PC simple cycle turbine to a SPRINT/EFS turbine.

DESCRIPTION OF PROPOSED MODIFICATION

SCA proposes to install a second auxiliary boiler (Boiler 1B) and associated facilities at the SCAPG to provide more operational flexibility during low electrical demand periods. During such periods, this change would allow SCA to shut down both combined-cycle gas turbines when it is not economically beneficial to operate the combustion turbines and rely solely on its two auxiliary boilers to generate and supply steam to the adjacent Procter & Gamble manufacturing facility for its production needs.

In May 2013, the Campbell Soup Supply Company, LLC (Campbell) shut down all steam systems and ceased receipt of steam from its steam supplier, the Sacramento Power Authority. Upon closure of the facility, Sacramento Municipal Utility District purchased three of Campbell's auxiliary boilers, subsequently assigning ownership of one boiler (proposed Boiler 1B) to SCA for use at the SCAPG facility.

SCA's existing steam supply contract with Procter & Gamble requires it to maintain two separate steam generation sources in service at all times. The purpose of the new

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auxiliary boiler and associated facilities is to provide sufficient steam and steam backup capacity for the Procter & Gamble facility processes such that SCA would not have to run at least one of its combined-cycle turbines at all times. This would allow SCAPG to reduce facility-wide emissions because it would be replacing the operation of a 500 million Btu per hour (MMBtu/hr) gas turbine with a 108.7 MMBtu/hr boiler. The net result is that the proposed modifications will not increase the maximum facility-wide emissions on an hourly, daily, quarterly, or annual basis. SCA will install the new Boiler 1B without increasing its currently permitted facility-wide emission limits.

The proposed auxiliary boiler would be natural gas-fired with a maximum rated heat input of approximately 108.7 MMBtu/hr and would use the existing Boiler 1B low-NOx burner together with a new selective catalytic reduction (SCR) system with aqueous ammonia injection to achieve a 5 ppm, @ 3 percent O_2 , emission rate. This 5 ppm NOx level is best available control technology (BACT) for Boiler 1B. SCA will utilize the existing aqueous ammonia storage and supply system at the site to operate this boiler. Ammonia slip will be limited to 20 ppm @ 3 percent O_2 .

The installation of the auxiliary boiler would include the installation of a foundation, disassembly and transport of the boiler approximately 4.8 to 5.4 miles from the Campbell facility, installation and mechanical/electrical tie-in to the existing system, and construction/installation of associated facilities.

ENERGY COMMISSION AMENDMENT REVIEW PROCEDURES

The Energy Commission's webpage for this facility,

<u>http://www.energy.ca.gov/sitingcases/procter_gamble/</u>, has a link to the amendment petition on the right side of the webpage in the box labeled "Compliance Proceeding." Click on the "Documents for this Proceeding (Docket Log)" option.

Energy Commission staff is currently reviewing the petition. The purpose of the Energy Commission's review process is to assess the impacts of this proposal on environmental quality and on public health and safety. The review process includes an evaluation of the consistency of the proposed changes with the Energy Commission's Decision and a determination on whether the facility, as modified, would remain in compliance with applicable laws, ordinances, regulations, and standards (20 Cal. Code of Regs., § 1769). Staff will publish its analysis and recommendation on whether to approve the project modification. After a 30-day public comment period, staff will address any comments received and schedule this item for consideration of the Energy Commission at a regularly scheduled Business Meeting.

This Notice of Receipt has been mailed to the Energy Commission's facility mail list of interested parties and property owners within 1,000 feet of the facility site.

Any person may comment on the petition. To use the Energy Commission's electronic commenting feature, go to the Energy Commission's webpage for this facility, cited above, click on the "Submit e-Comment" link, and follow the instructions in the on-line form. Be sure to include the facility name in your comments. Once submitted, the

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Energy Commission Dockets Unit reviews and approves your comments, and you will receive an e-mail with a link to them.

Written comments may also be mailed or hand-delivered to:

California Energy Commission Dockets Unit, MS-4 Docket No. 93-AFC-2C 1516 Ninth Street Sacramento, CA 95814-5512

All comments and materials filed with and approved by the Dockets Unit will be added to the facility Docket Log and become publicly accessible on the Energy Commission's webpage for the facility.

If you have questions about this Notice, please contact Mary Dyas, Compliance Project Manager, at (916) 651-8891, or by fax to (916) 654-3882, or via e-mail at <u>mary.dyas@energy.ca.gov</u>.

For information on participating in the Energy Commission's review of the petition, call the Public Adviser at (800) 822-6228 (toll-free in California) or send your e-mail to <u>publicadviser@energy.ca.gov</u>. News media inquiries should be directed to the Energy Commission Media Office at (916) 654-4989, or by e-mail to <u>mediaoffice@energy.ca.gov</u>.

Date: <u>Original signed by Christopher J. Marxen</u> CHRISTOPHER J. MARXEN, Manager Compliance Office Siting, Transmission, & Environmental Protection Division

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