

## DOCKETED

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<b>Project Title:</b>	Palmdale Energy Project (Formerly Palmdale Hybrid Power Plant) - Compliance
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# Memorandum

**Date:** January 15, 2016  
**Telephone:** (916) 654-4611  
**File:** 08-AFC-9C

**To:** **Commissioner Karen Douglas J.D.**, Palmdale Energy Project Amendment Presiding Member  
**Commissioner Janea A. Scott J.D.**, Palmdale Energy Project Amendment Associate Member  
**Kenneth Celli**, Hearing Officer

**From:** **California Energy Commission - Eric Veerkamp**, Compliance Project Manager  
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**Subject:** **Palmdale Energy Project (PEP) Amendment (08-AFC-9C)**  
**STATUS UPDATE No. 2 (January, 2016)**

## Data Requests/Responses

A response to staff's Waste Management Data Request (Set 2, No. 64) docketed on November 25, 2015, requesting an update to the Phase I Environmental Site Assessment, was received on December 10, 2015. On December 11, 2015, in response to staff's Data Request Set No. 1 number 7, the Project Owner docketed a notice of availability of air quality modeling data files. The files themselves were too large to docket, but are available to any interested party. On January 14, 2016, the Project Owner docketed a supplemental response to Data Request 32, an Off-site Ammonia Consequence Analysis.

After reviewing the responses to Data Request Set No. 1, staff indicated that they have a third set of data requests seeking more information on air quality modeling related to the emergency generator engine which was docketed on January 15, 2016.

## Data Response Workshop

A data response workshop was conducted on December 17, 2015; the following issues were discussed:

- Air Quality and Greenhouse Gasses
- Cultural Resources
- Hazardous Materials
- Public Health
- Socioeconomics
- Soil and Water
- Transmission System Engineering
- Worker Safety.

Intervenor city of Lancaster was unable to attend the workshop due to a conflict, and it was decided that a second data response workshop would be scheduled after the

PDOC is issued, tentatively planned for the week of February 15, 2016. Chris Anderson with the Antelope Valley Air Quality Management District (AVAQMD) was in attendance to discuss Air Quality. An audio recording of the workshop was docketed on January 4, 2016, as well as a workshop agenda.

### **Staff Issues/Other items**

#### **Air Quality**

Staff is continuing the air quality analysis based on the information provided in the Petition to Amend (PTA), the Revised PTA, and the data responses to date. At the December 17, 2015 Data Response Workshop, the following items were identified as still outstanding, discussed, and agreed upon by the project owner to be provided:

- The list of potential emission reduction credit (ERC) holders Palmdale Energy LLC is currently negotiating with. This list was referenced in the response to Data Request 19. The response stated it would be submitted under confidential cover.
- The Paving Emission Reduction Credits Protocol referenced in Response to Data Request 21. Palmdale Energy LLC stated that they expect it to be approved by the AVAQMD in January 2016. The Project Owner said they would provide this document to Energy Commission staff. Staff could use a draft copy to begin to review the proposed methodology and its potential efficacy in order to discuss this area in the PSA.
- Additional information on offsetting SO<sub>2</sub> emissions with either PM<sub>10</sub> ERC's generated from road paving, ERCs from the Antelope Valley Air Quality Management District (AVAQMD) registry, or ERCs from neighboring districts, in order to discuss this in the Preliminary Staff Assessment.

Staff was told verbally on January 12, 2016 that the AVAQMD's Preliminary Determination of Compliance (PDOC) is in the final review stages. The PSA will not be published until 30 days after staff receives the PDOC. Staff remains concerned that even when both the PDOC is filed and reviewed in light of the petitioner's incomplete data responses, there will be unresolved issues relating to the ERC's, among other issues, that would make the PSA inconclusive in the area of air quality.

#### **Cultural Resources**

As of this status update, a response to the Cultural Resources data request (Set 1, No. 31) to conduct a records search at the South Central Coastal Information Center of the California Historical Resources Information System has still not been docketed.

### **Soil and Water Resources**

A response from The Los Angeles County Waterworks District (District) to staff's requests for a Water Supply Assessment (WSA) for potable water is still outstanding. As of January 11, 2016, the District is checking on status.

The project owner indicated in the December 17, 2015 Data Response Workshop that the following documents would be provided by January 15, 2016. As of this status update, the following documents are still outstanding.

- A city of Palmdale will-serve letter for the recycled water;
- A city of Palmdale response to staff's request for a (WSA) for recycled water;
- A will-serve letter from the District for potable water supply; and
- An LA Sanitation Districts will-serve letter for PEP industrial wastewater disposal.

### **Transmission System Engineering**

The California Independent System Operator (ISO) on-line tracking system anticipates that their required interconnection study related to the increase in output associated with the PEP will not be completed until approximately mid-January 2016. This study still has not been received. Staff will need 30 days after receiving the study to complete their PSA; the current status of this is unchanged.

### **Schedule**

A second data response workshop is being planned for the week of February 15, 2016. Staff is working to publish a complete PSA 30 days after the interconnection study and PDOC are docketed.

cc: Docket (08-AFC-9C)  
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