

DOCKETED	
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Project Title:	Compliance - Application for Certification for the (ACE) Argus Cogeneration Expansion AFC
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Document Title:	Argus Cogeneration Expansion (ACE) - Notice of Receipt 20180621
Description:	Argus Cogeneration Expansion (ACE) - Notice of Receipt for Petition to Terminate
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Organization:	California Energy Commission
Submitter Role:	Commission Staff
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CALIFORNIA ENERGY COMMISSION

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**NOTICE OF RECEIPT
PETITION TO TERMINATE
ARGUS COGENERATION EXPANSION (ACE) PROJECT (86-AFC-1C)**

On June 19, 2018, the ACE Cogeneration Company, LP (ACC), the owner of the Argus Cogeneration Expansion (ACE) project, filed a petition with the California Energy Commission (Energy Commission) requesting to remove all remaining open conditions related to decommissioning the ACE project and to terminate Energy Commission jurisdiction over the ACE project.

BACKGROUND

The 100-megawatt ACE project was certified by the Energy Commission on January 8, 1988 and began commercial operation in January 1991.

The ACE project was a coal-fired, circulating-fluidized bed power plant located on the northwest side of Searles Lake in Trona, San Bernardino County. The project included the administration building, water tanks, cooling tower, petroleum coke handling and storage facility, and ash landfill. The project and all related structures are located on a 24-acre site leased from Searles Valley Minerals or SVM. The project also included a 64-acre ash landfill on an adjacent parcel owned by ACC. When operating, the power plant supplied electricity to Southern California Edison and steam to SVM's adjacent Argus facility.

On October 2, 2014, the power plant ceased operations and was placed in a long-term outage condition to secure the facility and minimize environmental hazards.

On June 10, 2015, the Energy Commission approved a petition to decommission the power plant, close the ash landfill and adopt additional conditions to ensure demolition and other decommissioning activities would comply with all legal requirements and not result in adverse environmental impacts. The approved plan proposed to demolish several of the structures on the ACE site used exclusively for power generation and retain other structures for future industrial reuse.

In September 2015, New Mill Capital acquired ACC and the ACE Project and initially suspended all decommissioning activities to review options for the facility.

On November 8, 2017, the Energy Commission approved a petition from ACC, to separate the ash landfill from the rest of the ACE project, and to terminate Energy Commission jurisdiction over the ash landfill.

On May 14, 2018, SV Industrial Services purchased ACC from New Mill Capital and is the sole owner of ACC and the ACE Project. SV Industrial Services plans on demolishing some of the structures at the ACE Project, including the boiler and stack, and retaining others, including the turbine-generator building, for industrial reuse per the approved decommissioning plan.

DESCRIPTION OF PROPOSED MODIFICATION

The ACE Cogeneration Company (ACC) requests the California Energy Commission (CEC) to approve a petition to:

- remove all remaining open conditions related to the approved 2015 ACE project decommissioning plan; and
- terminate Energy Commission jurisdiction over the ACE project.

The petition includes a letter from San Bernardino County (SBC) regarding their willingness to assume jurisdiction over the project in its current condition and the reuse of the retained structures, as well as their willingness and ability to oversee demolition of the non-retained structures, and other areas SBC will oversee during demolition.

ENERGY COMMISSION AMENDMENT REVIEW PROCEDURES

The Energy Commission's webpage for this facility, http://www.energy.ca.gov/sitingcases/pre1999_page/index.php?xkm=ajdkha2385duhkasd268dsasjd5598fhajkhs, has a link to the petition to terminate on the right side of the webpage in the box labeled "Compliance Proceeding." Click on the "Documents for this Proceeding (Docket Log)" option.

The Energy Commission reviews and may approve any modification to the project's design, operation or performance as set forth in Title 20 California Code of Regulations section 1769, if any significant environmental impacts are mitigated and the facility will remain in compliance with all applicable laws, ordinances, regulations and standards.

In this case, because the ACE facility is no longer a thermal power plant, will be transitioning to another industrial use, and the petition proposes no physical changes at the ACE facility, the Energy Commission staff will be confirming San Bernardino County's ability to assume jurisdiction over the facility site and whether there are any apparent environmental or health and safety risks that would warrant the Energy Commission to retain jurisdiction.

In addition, if the Energy Commission terminates its jurisdiction, and future demolition and potential construction is under the jurisdiction of San Bernardino County, the open conditions of certification related to demolition under the Energy Commission's 2015 decommissioning plan will also be terminated.

This Notice of Receipt has been mailed to the Energy Commission's facility mail list of interested parties and property owners adjacent to the facility site. It has also been e-mailed to the facility listserv. The listserv is an automated Energy Commission e-mail

system by which information about this facility is e-mailed to parties who have subscribed. To subscribe, go to the Energy Commission's webpage for this facility, cited above, scroll down the right side of the project's webpage to the box labeled "Subscribe," and provide the requested contact information.

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, and accepted by the Energy Commission Dockets Unit, 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. 86-AFC-1C
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 mary.dyas@energy.ca.gov.

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 publicadviser@energy.ca.gov.

News media inquiries should be directed to the Energy Commission Media Office at (916) 654-4989, or by e-mail to mediaoffice@energy.ca.gov.

Date: _____

6/21/18



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