

DOCKETED

Docket Number:	84-AFC-04C
Project Title:	Compliance - Application for Certification for the Gilroy Foods Cogeneration Project
TN #:	226208
Document Title:	Gilroy Cogeneration Project Order Approving Removal of Integrated Assessment of Need Condition 3
Description:	Order approving removal of Integrated Assessment of Need Condition of Certification 3 for the Gilroy Cogeneration Project
Filer:	Mary Dyas
Organization:	California Energy Commission
Submitter Role:	Commission Staff
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STATE OF CALIFORNIA

STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

IN THE MATTER OF:

GILROY COGENERATION PROJECT

CALPINE GILROY COGEN, L.P.

Docket No. 84-AFC-04C

**ORDER APPROVING THE REMOVAL OF
INTEGRATED ASSESSMENT OF NEED
CONDITION OF CERTIFICATION 3**

Calpine Gilroy Cogen, L.P. (Calpine), the owner/operator of the Gilroy Cogeneration Project, located in Gilroy, Santa Clara County, has submitted a petition to amend the Energy Commission Decision in order to remove Integrated Assessment of Need Condition 3 (**NEED-3**).

The proposed removal of **NEED-3** will remove the requirement that the facility produce thermal energy for a steam host in addition to electrical energy, which would be consistent with the facility's intended operations in 2019. The project's contract with its thermal host expires at the end of 2018.

The removal of **NEED-3** will not result in any physical changes to the project, will not have a significant effect on the environment and will not affect the project's ability to continue to comply with applicable laws, ordinances, regulations, or standards. No other conditions are affected by this petition, and Calpine does not propose any new language for the affected condition.

STAFF RECOMMENDATION

Staff has reviewed the petition, finds that it complies with the requirements of Title 20, section 1769 (b) of the California Code of Regulations, and recommends approval of Calpine's petition to modify the GCP final decision and remove Condition **NEED-3**.

ENERGY COMMISSION FINDINGS

Based on the entire record, including staff's analysis, the Energy Commission concludes that the proposed modification will not result in any significant impacts to public health and safety, or to the environment. The Energy Commission finds that:

- The petition meets all the filing criteria of Title 20, section 1769 (a), of the California Code of Regulations, concerning post-certification project modifications;
- The removal of **NEED-3** will not change the findings in the Energy Commission's Final Decision, pursuant to Title 20, section 1748, of the California Code of Regulations;
- The project will remain in compliance with all applicable laws, ordinances, regulations, and standards, subject to the provisions of Public Resources Code, section 25525;
- The modification will be beneficial because there would be a decrease in the amount of groundwater used; and
- There has been a substantial change in circumstances since the Energy Commission certification, justifying the proposed change, in that amendments to the Warren-Alquist Act have removed the requirement that the Energy Commission conduct an Integrated Assessment of Need prior to certifying a facility.

CONCLUSION AND ORDER

The California Energy Commission hereby adopts staff's recommendations and approves the changes to the Commission Final Decision for the Gilroy Cogeneration Project. Deleted language is shown in ~~strikethrough~~.

~~NEED CONDITION OF CERTIFICATION 3~~

- ~~1. The facility shall be operated as a gas-fired cogeneration system in accordance with the definition of cogeneration contained in Public Resources Code Section 25134 (a) and (b) and Title 18 CFR 292.205 (a)(1) and (2) (i)(B).~~

~~**Verification.** The Applicant shall file with the CEC within three months following each calendar year an annual report in which monthly average values of the following plant operating parameters will be given:~~

- ~~1. Gas Turbine, MW (gross)~~
- ~~2. Gas Turbine Operating Hours~~
- ~~3. Steam Turbine, MW (gross)~~
- ~~4. Steam Turbine Operating Hours~~
- ~~5. Net Plant Output, MW~~
- ~~6. a. Process Steam Demand, lb/hr.
b. Demand Hours~~
- ~~7. a. Process Steam from Steam Turbine, lbs/hr.
b. Production Hours
c. Process Steam Temperature and Pressure (PSIA) at Plant Boundary~~
- ~~8. a. Process Steam from Auxiliary Boilers, lbs/hr.
b. Auxiliary Boilers' Operating Hours~~

~~This report shall also provide information for each month on any partial or total power production curtailment, including duration of curtailment and reason for curtailment. The report shall be certified by the plant manager.~~

IT IS SO ORDERED.

CERTIFICATION

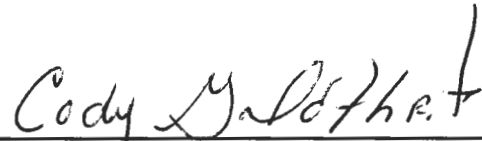
The undersigned Secretariat to the Commission does hereby certify that the foregoing is a full, true, and correct copy of an Order duly and regularly adopted at a meeting of the California Energy Commission held on December 10, 2018.

AYE: Weisenmiller, Douglas, McAllister, Hochschild, Scott

NAY: None

ABSENT: None

ABSTAIN: None



Cody Goldthrite
Secretariat