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STATE OF CALIFORNIA — NATURAL RESOURCES AGENCY

Gavin Newsom, Governor

CALIFORNIA ENERGY COMMISSION

715 P Street Sacramento, California 95814

energy.ca.gov

CEC-70 (Revised 07/22)

IN THE MATTER OF:

Willow Rock Energy Storage Center



Docket No. 21-AFC-02

ORDER SUSPENDING THE APPLICATION FOR CERTIFICATION PROCEEDING AND FURTHER ORDERS

INTRODUCTION

On July 12, 2023, California Energy Commission (CEC) staff (Staff) filed a motion under California Code of Regulations, title 20, section 1211.5,¹ requesting the Committee² grant an order suspending the Application for Certification (AFC) proceeding for the Willow Rock Energy Storage Center (Willow Rock).³ For the reasons stated herein, the motion is **GRANTED**, the proceeding is **SUSPENDED**, and the scheduling order managing this proceeding is **REVISED**.

BACKGROUND

On December 1, 2021, GEM A-CAES LLC (Applicant) filed an AFC with the CEC seeking to construct and operate the Gem Energy Storage Center.⁴ On August 5, 2022, Applicant changed the name of the project to the Willow Rock Energy Storage Center (Willow Rock).⁵ Willow Rock is proposed as a nominal 500-megawatt (MW) energy storage center, deploying Hydrostor Inc., Advanced Compressed Air Energy Storage technology. Willow Rock is proposed to charge at up to 500 MW for up to 14 hours and deliver up to 4,000 MW-hours (MWhs) of electricity over an 8-hour period.

¹ All subsequent citations are to title 20 of the California Code of Regulations unless otherwise specified.

² On March 10, 2023, the CEC amended its assignment of a committee to this proceeding to consist of Andrew McAllister, Commissioner and Presiding Member, and Noemí Gallardo, Commissioner and Associate Member, to preside over any proceedings arising from the Application. (TN 249087.)

³ TN 251029. Information about this proceeding, including a link to the electronic docket, may be found on the CEC's web page at https://www.energy.ca.gov/powerplant/caes/willow-rock-energy-storage-center. Documents related to this proceeding may be found in the online docket at https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=21-

⁴ The Application consists of various documents filed in the online docket beginning with TN 240751-1.

⁵ TN 244331.

Willow Rock would be located on two adjoining parcels totaling 71 acres in an unincorporated area of Kern County with the mailing address of 8684 Sweetser Road, Rosamond, California, 93560.

On June 8, 2022, the CEC determined that Willow Rock is exempt from the Notice of Intention process under Public Resources Code section 25540.6(a)(3), and it issued an order directing Staff to process the application as an AFC.⁶ On July 13, 2022, the CEC adopted the Executive Director's recommendation determining that the AFC was complete, initiating the 12-month timeline for the CEC to reach a final decision on the AFC pursuant to Public Resources Code section 25540.6., unless the Applicant agrees to a later time for the issuance of a decision.⁷

On August 26, 2022, the Committee adopted a scheduling order for the prehearing phase of the AFC to facilitate the parties' exchange of data and other information and the submission of monthly status reports, prior to the conduct of evidentiary hearings.⁸ On September 9, 2022, the CEC granted a petition to intervene from California Unions for Reliable Energy (Intervenor).⁹ Since then, the parties have submitted and responded to numerous data requests and have notified the Committee of adjustments to the timelines for production of data and other information.

The requirements for carrying out this proceeding are set forth in the regulations of the CEC guiding the conduct of proceedings. ¹⁰ Additional requirements are adopted pursuant to the Presiding Member's authority to regulate the conduct of proceedings. ¹¹

CURRENT STATUS

On June 21, 2023, the Applicant's status report stated that efforts to optimize the proposed Willow Rock project were ongoing. Applicant was actively considering alternative surface facility configurations, cavern engineering options given the site geotechnical results, and alternate sites that may better support the cavern design. Alternative sites included adjacent and offsite properties in the area with potentially more favorable geologic conditions.¹²

Thereupon, Staff filed the motion to suspend the proceedings, so that Staff can cease filing monthly status reports and data requests, and pause its analysis of the AFC as originally submitted, while Applicant completes its exploration of alternative sites, offsite properties, surface facility configurations and cavern engineering options. Staff requests that Applicant be directed to submit a supplemental AFC that contains all necessary information for the updated project before the

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⁶ TN 243543.

⁷ TN 244093.

⁸ TN 245754.

⁹ TN 245943

¹⁰ See California Code of Regulations, title 20, division 2, chapter 2, articles 2 & 3 (commencing with sections 1200 and 1210, respectively.)

¹¹ TN 243235; see § 1203.

¹² TN 250707.

suspension is lifted. Staff suggests that Applicant continue to file monthly status reports to apprise the Committee, the Parties, and the public of the status of the project.¹³

In response, Applicant concedes that a suspension is warranted. Applicant accepts the request that it continue to file monthly status reports, and seeks clear instructions regarding the Parties' responsibilities going forward.¹⁴

Intervenor did not formally respond to the motion. But in its monthly status report filed July 26, 2023, Intervenor expressed support for Staff's motion. ¹⁵

ORDERS

Finding that there is no objection to Staff's motion from the parties and for good cause as described in Staff's motion, the motion to suspend the AFC proceeding is **GRANTED**. Additionally, the scheduling order is hereby **REVISED** as follows:

- 1. All Parties are relieved of filing monthly status reports until further order by the Committee, except that Applicant shall continue to file monthly status reports on the 26th of each month to apprise the Committee, parties, and public of information that would allow the Committee to determine whether the Application is progressing satisfactorily, as well as bring other relevant matters to the Committee's attention.
- 2. All other deadlines set in the Committee's August 26, 2022 Scheduling Order are stayed. The Parties shall refrain from submitting any further data requests, and all Parties are relieved of the requirement to respond to any outstanding data requests.
- 3. Applicant may file a single supplemental AFC when it is prepared to update the project description and all required elements of the application reflecting any and all project modifications to satisfy the information requirements for an application as detailed in Appendix B to Article 6 of Title 20 in the California Code of Regulations. Along with all amended sections of the application and related appendices, Applicant shall submit a cover letter attesting to the completeness of the supplemental AFC.
- 4. Upon receipt of Applicant's attestation, Staff shall review the supplemental AFC for completeness. Within 30 days of Applicant's attestation, the Executive Director shall either verify the completeness of the supplemental AFC or docket Staff's report indicating the deficiencies in the filing.

¹³ TN 251029.

¹⁴ IN 251186

¹⁵ TN 251174

5. Upon the Executive Director's verification, the Committee will file a subsequent revised Scheduling Order or other appropriate orders.

AVAILABILITY OF DOCUMENTS

Information about the Application, as well as notices and other relevant documents pertaining to this proceeding, may be viewed on the <u>Willow Rock Energy Storage Center webpage</u> at: https://www.energy.ca.gov/powerplant/caes/willow-rock-energy-storage-center or scan (use the camera on your mobile device and hold it over the QR code) the following QR code:



AUTOMATED EMAIL NOTIFICATIONS

Any person may subscribe to receive an automated email when a document is filed in the proceeding. Parties who are on the Proof of Service List will receive these automated emails and do not need to additionally subscribe for the proceeding. The proceeding's web page listed above provides a box to subscribe for automated email notifications, or <a href="mailto:manage-automated-emailto:manage-a



QUESTIONS

Parties and members of the public may contact Hearing Officers, Renee Webster-Hawkins at Renee.Webster-Hawkins@energy.ca.gov at (916) 237-2507 or Ralph Lee at Ralph.Lee@energy.ca.gov for clarifications about this order or general procedural questions.

The CECs Office of the Public Advisor provides assistance to members of the public participating in CEC proceedings. For information on how to participate in this proceeding, please contact the Office of the Public Advisor at PublicAdvisor@energy.ca.gov, or (916) 957-7910.

Direct technical subject inquiries concerning the AFC to Project Manager, Leonidas Payne at leonidas.payne@energy.ca.gov or (916) 838-2124.

Direct media inquiries to mediaoffice@energy.ca.gov or (916) 654-4989.

IT IS SO ORDERED.

Dated: August 9, 2023

APPROVED BY:

Andrew McAllister Commissioner and Presiding Member Willow Rock Energy Storage Center AFC Committee

Mailed to: List Number: 7544