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April 21, 2005

Lance Shaw
Compliance Project Manager
02-AFC-4C
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

**RE: PETITION FOR AMENDMENT: 02-AFC-4C WALNUT ENERGY
CENTER AUTHORITY WALNUT ENERGY CENTER - CONDITION OF
CERTIFICATION HAZ-5**

Dear Mr. Shaw:

Condition of Certification HAZ-5 for the Walnut Energy Center (WEC) requires that flammable materials not be stored within 100 feet of the project's sulfuric acid tanks. Consistent with recent siting cases in which the required distance is 50 feet, the Walnut Energy Center Authority (WECA) requests that the distance criteria set forth in HAZ-5 be modified.

The WEC project has two sulfuric acid tanks. One is located in the cooling tower chemical feed building, and the other is located at the water treatment building. The water treatment building tank was added during detailed design and approved by the California Energy Commission Staff post-certification.

Before discussing the relative locations of these two sulfuric acid tanks, it is important to note that the WEC project's diesel fuel tank is not an "open air" storage tank. Instead, the diesel fuel tank is located in the fire pump house building. The fire pump house building is a non-flammable building and is equipped with a fire suppression system. Moreover, the diesel is also stored in a double-walled tank to provide further protection against puncture or spills.

In addition to these protective systems for the storage of diesel fuel, the two sulfuric acid tanks are located at appropriate distances from the diesel storage tank. The cooling tower chemical feed building sulfuric acid tank is located eighty-five feet from the diesel fuel tank. There is also a 250,000 gallon fire water tank between the diesel fuel tank and this first sulfuric acid tank. Similarly, the second sulfuric acid tank for the zero liquid discharge system is located 102 feet

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from the diesel fuel tank. There are no other tanks, drums, or piping containing any combustible or flammable materials located within 100 feet from the sulfuric acid tanks.

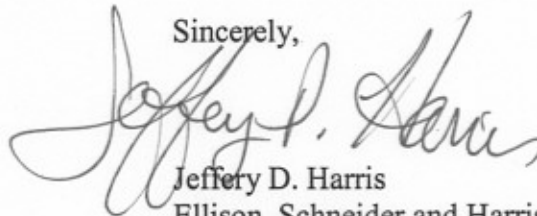
It is the WECA's understanding that the Staff typically requires a distance of 50 feet based on related Uniform Fire Code sections and Staff's professional judgment. Moreover, the Staff in recent siting cases has determined that a 50 foot distance is sufficient. Therefore, WECA requests that the condition be amended to conform with the Commission's other recent siting cases on this issue.

The proposed revisions to HAZ-5 are attached hereto. In addition to the changes to reflect the distance criteria of 50 feet, WECA is also suggesting minor, editorial changes to the condition (replacing the singular, "tank", with the plural, "tanks").

The Amendment is consistent with the requirements of Section 1769 of the California Energy Commission regulations. The information presented herein provides a complete description of the proposed modifications, including the new language for the affected Condition HAZ-5, as required by Section 1769(a)(1)(A). The Amendment also includes a discussion of the necessity of the proposed changes, per Section 1769(a)(1)(B). The Amendment is based on information that was not known during the time of the certification, and it does not undermine the assumptions, rationale, findings, or other bases for the final decision, per Sections 1769(a)(1)(C) and 1769(a)(1)(D). As discussed above, the modification of the HAZ-5 condition language does not have the potential to create any significant impacts on the environment and makes the project consistent with all applicable LORS, per Sections 1769(a)(1)(E) and 1769(a)(1)(F). The proposed amendment will not adversely affect the public, per Section 1769(a)(1)(G). In addition the proposed modification will have no adverse effects on nearby property owners, per Section 1769(a)(1)(H) and 1769(a)(1)(I).

Should you have questions, please do not hesitate to contact Susan Strachan at 530-757-7038 or me at 916-447-2166.

Sincerely,



Jeffery D. Harris
Ellison, Schneider and Harris L.L.P.

Attachment

HAZ-5 The project owner shall ensure that no flammable material is stored within 50 ~~100~~ feet of the sulfuric acid tanks.

Verification: At least sixty (60) days prior to receipt of sulfuric acid on-site, the project owner shall provide copies of the facility design drawings showing the location of the sulfuric acid storage tanks and the location of any tanks, drums, or piping containing any combustible or flammable material.