

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512



**STATE OF CALIFORNIA
ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION**

In the Matter of:)	
WALNUT ENERGY CENTER)	Docket No. 02-AFC-4C
)	
WALNUT ENERGY CENTER)	Order No. 05-0727-02
AUTHORITY)	ORDER APPROVING an AMENDMENT
)	Petition to Modify BRIDGE AND BACKUP
)	WATER SUPPLY

Walnut Energy Center Authority (WECA), the owner/operator of the Walnut Energy Center (WEC) Project, has petitioned to modify the number and locations of the bridge and backup plant water supply wells and changes the definition of the “bridge period”, as follows:

- Allow additional wells, as needed, to be drilled to supply project “bridge water” and backup water without increasing the amount of water used. It is still limited to 2 million gallons per day (mgd) or 1800 acre feet per year (afy) in this proposed amendment.
- Modify the definition of the “bridge period.” The “bridge period”, as currently defined, is that period of time between the commencement of commercial operation of the WEC and either December 31, 2006, or when recycled water from the City of Turlock’s wastewater treatment plant is available to supply reclaimed water, whichever occurs first. Staff also proposes, after consultation and agreement by the applicant, to replace “commencement of commercial operation” with “start of commissioning operations.”
- Develop wells on the 69-acre parcel on which the WEC project is located, rather than being limited to the 18-acre WEC project site.
- Preserve the option of locating two wells on the South Washington Road site. This is the 1.8-acre location of Turlock Irrigation District’s (TID) South Washington Road equipment storage area, located immediately adjacent to its Walnut Peaker Plant and substation. Wells will not be drilled in both locations, the 69-acre parcel and the South Washington Road site.

The affected Condition of Certification, Soils & Water-5, was previously modified by the Energy Commission on January 19, 2005. At that time, WECA was given permission to replace potable water from the City of Turlock as its bridge and backup water supply, with lower quality ground water from two wells drilled into the upper aquifer. WECA believed that each well would be capable of supplying the total plant water needs. When the first well was drilled on the WEC Project site, it proved to be capable of only supplying 50 percent of the plant’s needs.

STAFF RECOMMENDATION

The Energy Commission staff reviewed the petition and found that it complies with the requirements of Title 20, Section 1769(a) of the California Code of Regulations and recommends approval of WECA’s petition to modify the WEC Project and amend the related Condition of

Certification-Soils & Water-5. Soils and Water Resources is the only technical area impacted by this petition.

COMMISSION FINDINGS

Based on staff's analysis, the Energy Commission concludes that the proposed changes will not result in any significant impact to public health and safety, or 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 modification will not change the findings in the Energy Commission's Final Decision pursuant to Title 20, section 1755;
- 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 change will be beneficial to the project owner by allowing flexibility in the number of wells that can be drilled to supply bridge and backup water and it provides the owner with a larger area on which to drill.
- There has been a substantial change in circumstances because the first well drilled on the project site was not capable of supplying adequate water supply.

CONCLUSION AND ORDER

The California Energy Commission hereby adopts Staff's recommendations and approves the following changes to the WEC Project Decision. New language is shown as **bold** and underlined and deleted language is shown in ~~strikeout~~:

REVISION TO CONDITION OF CERTIFICATION

(Deleted text is in ~~strike through~~, new text is **bold double-underlined**):

SOILS & WATER-5: The project's water use shall be limited as described below. For purposes of this condition, the bridge period is defined as that period of time between the ~~commencement of commercial operation~~ **start of commissioning operations** of the WEC and the earlier of December 31, 2006 or when recycled water from the City of Turlock's wastewater treatment plant (WWTP) is available to the WEC.

Water for construction purposes shall consist of groundwater provided from the existing TID well at the Walnut substation. Potable water may also be used for construction for the purpose of hydrostatic testing and flushing of equipment, pipes and tanks; provided however, the project owner shall minimize the use of potable water for this purpose to the maximum extent feasible.

During the bridge period, water used for cooling and steam cycle make-up shall consist of poor quality groundwater from the upper aquifer supplied from either one ~~of two~~ **or more** groundwater wells located on ~~either~~ the **69-acre parcel that includes the 18-acre** WEC project

site (the “69-acre Acre Parcel”) or the two 100 percent wells located on the TID equipment storage area on South Washington Road (the “South Washington” site). ~~Only one of the two groundwater wells may be operated at any time (with the other well serving as a 100 percent redundant backup).~~ **Total combined Ggroundwater** production from **all of** the wells **on both the 69 Acre Parcel and the South Washington site** shall not exceed two million gallons per day or 1,800 afy.

Water for operational and landscaping purposes used after the bridge period shall consist of recycled water from the City of Turlock WWTP and shall not exceed 1,800 afy. Water for domestic needs after the bridge period shall consist of potable water provided by the City of Turlock and shall not exceed 3 afy. Groundwater from the wells to be located either on the ~~WEC project site~~ **69-Acre Parcel** or the South Washington site may also be used for back-up to the recycled water supply in the event of a short-term disruption in service and shall not exceed 51 afy. Groundwater from the wells to be located either on the ~~WEC project site~~ **69-Acre Parcel** or the South Washington site may also be used in the event that recycled water is not available to the project subject to the provisions of SOILS&WATER-6. Alternative water use shall be calculated using a 5-year rolling average.

Verification: The project owner shall notify the Commission no later than May 31, 2006, and in monthly compliance reports thereafter, as to the status of recycled water production by the City of Turlock’s WWTP until the WEC is using tertiary treated, recycled water for its non-potable operational and landscaping requirements. This notice shall include information on the issues related to recycled water production, DHS approval for recycled water service and the expected availability of recycled water supplies to WEC. After recycled water service is provided to WEC, the project owner shall report water use to the Commission as required by SOILS&WATER-7. Annual average water use shall be calculated using a 5-year rolling average of actual water use starting with the first year of operation. In the event of an interruption or reduction in recycled water service that requires the use of groundwater from the wells to be located ~~either~~ on the ~~WEC project site~~ **69-Acre Parcel** or the South Washington site, the project owner shall notify the CPM, in writing, within 24 hours.

IT IS SO ORDERED.

Date: July 27, 2005

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ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

JACKALYNE PFANNENSTIEL
Vice Chair