

Memorandum

Date: June 18, 2007
Telephone: (916) 653-0062

To: Jackalyne Pfannenstiel, Presiding Member
John L Geesman, Associate Member

From: California Energy Commission
1516 Ninth Street
Sacramento, CA 95814-5512


Jack W. Caswell, Project Manager

Subject: **WALNUT CREEK ENERGY PARK ENERGY COMMISSION STAFF ERRATA TO
THE FINAL STAFF ASSESSMENT (05-AFC-2)**

Walnut Creek Energy, LLC (Applicant) proposed minor changes to the Final Staff Assessment (FSA) to the Walnut Creek Energy Park (WCEP) project in a Prehearing Conference Statement filed on May 11, 2007 and at the Prehearing Conference held on May 15, 2007. Changes were suggested in the areas of; Air Quality, Land Use, and Visual Resources. Staff agrees with the proposed changes with one exception to the Air Quality Proposed Condition of Certification **AQ-15**. Additionally, staff suggests additional changes to the Project Description and modifications to Condition of Certification AQ-SC7 reflecting a correction of VOC emission offset requirements from the South Coast Air Quality Management District. Staff respectfully submits the following errata to the WCEP FSA.

Attachments
cc: Proof of Service List

DOCKET	
05-AFC-2	
DATE	JUN 18 2007
RECD.	JUN 18 2007

PROOF OF SERVICE (REVISED 6/6/07 FILED WITH)

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**WALNUT CREEK ENERGY PARK
ERRATA TO THE FINAL STAFF ASSESSMENT**

(05-AFC-2)

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SUMMARY OF AMENDED SECTIONS

This table indicates the page and technical section where language corrections and suggested changes to the WCEP FSA occur:

Subject Area	Final Staff Assessment Page Number
Project Description	3-2
Air Quality	4.1-69, 4.1-74
Land Use	4.5-9, 4.5-10
Visual Resources	4.12-18

Note: The selected text in this document is intended to replace the corresponding information in the FSA or advise the Committee on suggested language that could be adopted for certain subject areas in the Presiding Members Proposed Decision. The new text is underlined with old text in ~~strikethrough~~.

Technical Area: Project Description

Author: Jack Caswell

Date: June 15, 2007

Final Staff Assessment Page number: 2-3

Section Heading: Power Plant Equipment and Linear Facilities

Project Description:

This section is modified by correcting a typographical error. In the first paragraph last two sentences the text reads; **Project Description-3**, it should read, ***Project Description 4***, where the text reads, **Project Description-4**, it should read, ***Project Description 5***.

Technical Section: Air Quality

Author: Joe Loyer

Date: June 15, 2007

Final Staff Assessment Page Numbers: 4.1-69, 4.1-74

Section Heading: Proposed Conditions of Certification AQ-SC7 and AQ-7

Background:

The applicant has requested several changes to Condition of Certification **AQ-15** regarding the operation and maintenance of the diesel firewater pump. However, this condition is an amalgam of the South Coast Air Quality District Conditions (C1.3, D12.5, D12.6, B61.1, E193.2, and K67.2) and cannot be modified unless the District also modifies their conditions. District representatives indicate, and staff agrees, that there may be serious ramifications for the applicant as a result of the proposed modifications. In particular, reducing the operation time limit from 200 hours to 50 hours may result in the firewater pump not being available in times of emergency. For these reasons, staff cannot recommend the modifications proposed by the applicant for Condition of Certification **AQ-15**.

The South Coast Air Quality Management District recently revised their calculations regarding the VOC project emissions and required offsets. The required offsets for VOC (including the 1.2 NSR offset factor) have been amended from 225 to 220 lbs/day. This correction requires staff to amend Condition of Certification AQ-SC7 (CEC 2007b).

Staff inadvertently required the frequency for the identified source testing in Condition of Certification **AQ-7** to be annual, when the South Coast Air Quality Management District Permit to Operate has a frequency of testing set at every three years. This is a recent change in policy for the SCAQMD for which staff has only just been made aware. Therefore, staff agrees to change **AQ-7** to reflect the current SCAQMD approach. The change to the Proposed Conditions of Certification does not alter staff's conclusions that, with the proposed conditions of certification, as amended, the project will comply with all applicable laws, ordinances, regulations, and standards (LORS) and will not result in any unmitigated significant adverse impacts.

Proposed Conditions of Certification:

AQ-SC7 The project owner shall provide emission reduction credits to offset turbine exhaust and emergency equipment NO_x, VOC, SO_x, PM₁₀ and PM_{2.5} emissions in the form and amount required by the District. Reclaim Trading Credits (RTCs) shall be provided for NO_x as is necessary to demonstrate compliance with Condition of Certification **AQ-16**.

Emission reduction credits (ERCs) or SCAQMD Priority Reserve Credits (PRCs) shall be provided for SO_x (45 lb/day) and PM₁₀ (463 lb/day). ERCs only shall be provided for VOC (~~225~~ 220 lb/day, includes an offset ratio of 1.2)....

AQ-7 The project owner shall conduct an initial source test for NO_x, CO, SO_x, VOC, NH₃ and PM₁₀ and a annually periodic source test every three years thereafter

for NO_x, CO₁ and NH₃ and annually thereafter for SO_x, VOC and PM₁₀ of each gas turbine exhaust stack in accordance with the following requirements: ...

Reference:

CEC 2007b – California Energy Commission/J. Loyer (tn: 40855). Record of Conversation between Joe Loyer and Ken Coats from SCAQMD Re: Volatile Organic Compounds calculations and offset requirements. 06/06/2007. Rec'd 06/07/2007.

Technical Area: Land Use
Author: Amanda Stennick
Date: June 15, 2007

Final Staff Assessment Page Number: 4.5-9, 4.5-10
Section Heading: Proposed Condition of Certification LAND-1

Background:

This section is corrected by changing a typographical error that identified the incorrect building that would require a loading door. The change to the Proposed Condition of Certification does not alter staff's conclusions that, with the proposed conditions of certification, as amended, the project will comply with LORS and will not result in any unmitigated significant adverse impacts.

Proposed Conditions of Certification:

LAND -1

6. The ~~Control/Admin/Switchgear~~ Warehouse/Maintenance building shall be provided with a minimum of one loading door. The required truck loading door shall be designed with sufficient size to permit truck trailer loading and unloading through the loading door.

Technical Area: Visual Resources

Author: David Flores

Date: June 15, 2007

Final Staff Assessment Page Number: 4.12-18

Section Heading: Proposed Conditions of Certification **VIS-4**

Background:

This section is corrected by striking out language staff added to **VIS-4** in the last paragraph of the condition verification. This language was an attempt to resolve concerns the applicant expressed in the Preliminary Staff Assessment (PSA) workshop on what actually constituted a valid visual plume complaint that would trigger operations monitoring requirements. However, the applicant has stated that the original PSA Condition of Certification **VIS-4** verification text is agreeable with the other changes made to the body of the condition, so further changes to **VIS-4** verification are no longer requested or desired. Therefore, staff is striking the added FSA **VIS-4** verification text. Change to the Proposed Condition of Certification does not alter staff's conclusions that, with the proposed conditions of certification, as amended, the project will comply with LORS and will not result in any unmitigated significant adverse impacts.

Proposed Conditions of Certification:

VIS-4 The project owner shall ensure that the cooling tower is designed and operated as certified.

The cooling tower shall be designed and operated so that that the exhaust air flow rate per heat rejection rate (1) will not be less than 5.6 kilograms per second per megawatt when the ambient conditions are 20 degrees F and 60 percent relative humidity, (2) will not be less than 8.0 kilograms per second per megawatt when the ambient conditions are 59 degrees F and 60 percent relative humidity, and (3) will not be less than 8.9 kilograms per second per megawatt when the ambient conditions are 95 degrees F and 60 percent relative humidity. The project owner shall provide a cooling tower fogging frequency curve from the cooling tower manufacturer for this project's final cooling tower design.

At least 90 days prior to ordering the cooling towers, the project owner shall provide to the CPM for review the final design specifications of the cooling tower to confirm that design mass flow rates for the cooling tower cells meet these requirements. The project owner shall not order the cooling tower until notified by the CPM that this design requirement has been satisfied.

The project owner shall provide written documentation in each Annual Compliance Report to demonstrate that the cooling towers have consistently been operated within the above-specified design parameters, except as necessary to prevent damage to the cooling tower. If determined to be necessary to ensure operational compliance, based on legitimate complaints received or other physical evidence of potential non-compliant operation, the project owner shall monitor the cooling tower operating parameters in a manner and for a period as specified by the CPM. For each period that the cooling

tower operation monitoring is required, the project owner shall provide to the CPM the cooling tower operating data within 30 days of the end of the monitoring period. The project owner shall include with this operating data an analysis of compliance and shall provide proposed remedial actions if compliance cannot be demonstrated.

~~The CPM will determine potential non-compliant operation through a comparison of the ambient conditions during the period(s) of complaint and the expected plume occurrence based on the manufacturer's plume fogging frequency curve, which will be provided by the project owner as a requirement of this condition. Additionally, if photographic evidence of extremely large plumes (plume length or height greater than 1,000 feet) is provided for ambient conditions that are close to the fogging/no fogging line of the fogging frequency curve, potential non-compliant operation can be determined by comparing the actual plume dimensions with dispersion modeling analysis predicted worst case plume dimensions for the ambient conditions occurring during the period(s) of compliant operation.~~

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION
OF THE STATE OF CALIFORNIA

APPLICATION FOR CERTIFICATION
FOR THE WALNUT CREEK ENERGY PARK
(WCEP)

DOCKET No. 05-AFC-2

(Revised 6/6/07)

INSTRUCTIONS: All parties shall either (1) send an original signed document plus 12 copies or (2) mail one original signed copy AND e-mail the document to the address for the Docket as shown below, AND (3) all parties shall also send a printed or electronic copy of the document, which includes a proof of service declaration to each of the individuals on the proof of service list shown below:

CALIFORNIA ENERGY COMMISSION

Attn: Docket No. 05-AFC-2
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DECLARATION OF SERVICE

I, Renaë Maher, declare that on June 18, 2007, I deposited copies of the attached CEC Staff Errata to the Final Staff Assessment in the United States mail at Sacramento with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

OR

Transmission via electronic mail was consistent with the requirements of the California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the Proof of Service list above.

I declare under penalty of perjury that the foregoing is true and correct.



Renaë Maher]