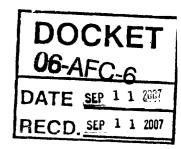
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Preliminary Staff Assessment

EASTSHORE ENERGY CENTER

Application For Certification (06-AFC-6) City of Hayward





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STATE OF CALIFORNIA ~ THE RESOURCES AGENCY

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CALIFORNIA ENERGY COMMISSION 1516 NINTH STREET SACRAMENTO, CA 95814-5512 www.energy.ca.gov

PRELIMINARY STAFF ASSESSMENT FOR THE EASTSHORE ENERGY CENTER APPLICATION FOR CERTIFICATION (06-AFC-6)

NOTICE OF AVAILABILITY

This notice is to inform you of the availability of the Preliminary Staff Assessment (PSA) for the Eastshore Energy Center (Eastshore) Application for Certification (06-AFC-6). The PSA was published on August 17, 2007. The PSA contains the California Energy Commission staff's initial engineering and environmental evaluation of the Eastshore project.

The PSA finds that:

- The project would result in significant adverse indirect and cumulative impacts on Land Use and Traffic and Transportation by interfering with or unduly restricting the existing and future uses of the Hayward Executive Airport and the surrounding airspace.
- The project does not conform to the purpose or requirements of several city of Hayward laws, ordinances, regulations and standards, or with the purpose of the city of Hayward Airport Approach Zoning Regulations (HMC(c), §10-6.00).

Agencies and members of the public are encouraged to participate in the PSA review process. Written comments are appreciated by September 17, 2007. You may also present your views at the PSA workshop that will be held September 6, 2007 at the Hayward City Hall and noticed separately.

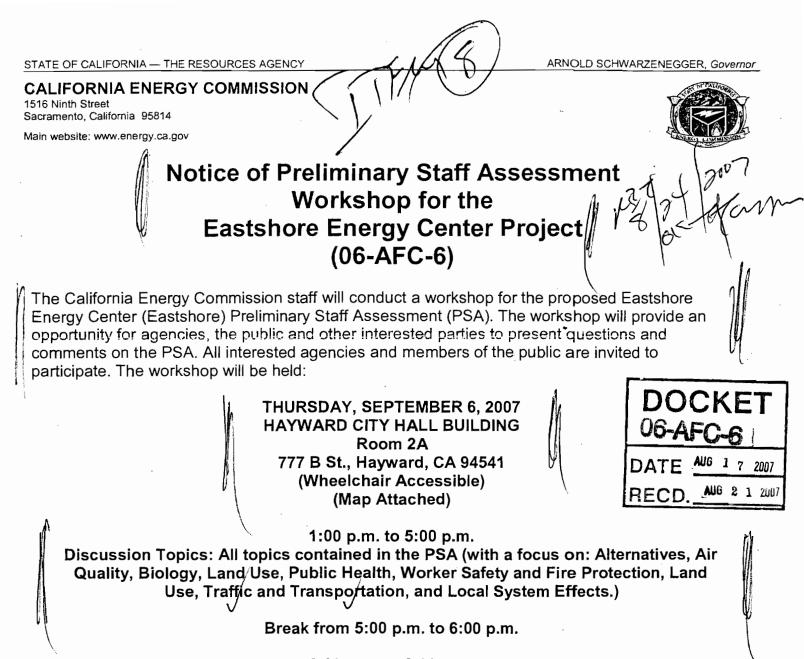
The PSA is available for review at the following local libraries: the Hayward Public Library; and the Alameda County Library - Fremont Main Library. The PSA is also available on the Internet (see below). However, if you would like a paper copy or CD of the PSA, please fill out the enclosed form and return it to California Energy Commission, Attention: Dora Gomez, Siting Project Secretary, or contact Dora Gomez at (916) 653-1608, or by e-mail at (dgomez@energy.state.ca.us).

If you desire information on how to participate in the Energy Commission's review of the project, please contact the Energy Commission Public Adviser's Office, at (916) 654-4489 or toll free in California at (800) 822-6228. Technical or project schedule questions should be directed to Bill Pfanner, Energy Commission Project Manager, at (916) 654-4206 or at (<u>bpfanner@energy.state.ca.us</u>). The status of the project, an electronic copy of the Application for Certification, the PSA, copies of notices, and other relevant documents are also available on the Energy Commission's web site at **www.energy.ca.gov/siting cases/eastshore/index.html**.

Notice of Availability Page 2 September 2005

If you need reasonable accommodation in terms of assistance, please contact Lourdes Quiroz of the Administrative Services Division at (916) 654-5146, or e-mail Lourdes at <u>lquiroz@energy.state.ca.us</u>. News media inquiries should be directed to Assistant Executive Director, Claudia Chandler, at (916) 654-4989.

Sincerely, 8/2-8/07 Date Siting and Compliance Office Manager 318 Enclosure Mailed to list: 7071, 7072, 7073 IEX. D'45 NY PRAENER O'KSKIZK, SESIEN SANGZA VOIZ A MA 1, For Nolize



6:00 p.m. to 9:00 p.m.

Discussion Topics: Summaries of all topics discussed in the afternoon session with staff available for questions.

Purpose:

California Energy Commission staff recently filed its PSA on the Eastshore Application for Certification (AFC). The purpose of this PSA workshop is to receive comments on staff's analysis from the applicant, public, intervenors in the proceeding, and local, state and federal agencies. Environmental and engineering related topics and any outstanding issues will be discussed. Discussions will include all topics contained in the PSA with a focus on: Alternatives, Air Quality, Biology, Land Use, Public Health, Worker Safety and Fire Protection, Land Use, Traffic and Transportation, and Local System Effects. Comments will be used to revise the PSA and complete the Final Staff Assessment which will become staff's testimony in evidentiary hearings. Public comments on the PSA are welcome and encouraged to be submitted in writing by September 17, 2007, to Bill Pfanner, Project Manager, at the address on this letterhead.

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Background:

On September 22, 2006, Eastshore Energy, LLC (owner) filed an AFC for the Eastshore project. The AFC seeks approval from the California Energy Commission to construct and operate a nominal 115.5 megawatt (MW) power plant consisting of 14 natural gas-fired reciprocating engine-generator units each rated at 8.4 MW. Eastshore is designed as an intermediate/peaking load facility which has been proposed to serve load demands of the cities of Hayward, Fremont, and San Leandro in the southern East Bay area and also the load demands of the City of San Mateo in the San Francisco Peninsula due to its unique location and the existing transmission network.

The Energy Commission staff has conducted an independent review of the AFC and prepared the PSA which is similar to a Draft Environmental Impact Report. At this time, staff believes that as currently proposed, including the applicant's and the staff's proposed mitigation measures and the staff's proposed conditions of certification, the Eastshore project will not comply with all applicable laws, ordinances, regulations, and standards (LORS), and that significant adverse indirect and cumulative impacts have the potential to occur in the areas of Land Use and Traffic and Transportation.

Public Participation:

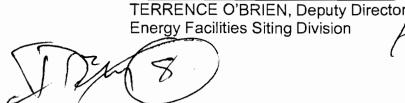
The Energy Commission's Public Adviser's Office provides the public with assistance in participating in Energy Commission activities. If you want information on how to participate in the project review, please contact the Public Adviser's Office at (916) 654-4489 or toll free at (800) 822-6228, by FAX at (916) 654-4493, or by e-mail at pao@energy.state.ca.us. If you have a disability and require assistance to participate, please contact Lou Quiroz at (916) 654-5146 at least five days in advance of the workshop.

Questions:

The PSA and general information on the proposed power plant are available on the Energy Commission's website at <u>http://www.energy.ca.gov/sitingcases/eastshore</u>. Copies of the PSA // have been sent to the Hayward Public Library and the Alameda County Library - Fremont Main Library. However, if you would like a paper copy or CD of the PSA, please contact Dora Gomez, Siting Project Secretary, at (916) 653-1608, or by e-mail at <u>dgomez@energy.state.ca.us</u>.

Inquiries about the project schedule or PSA should be directed to Bill Pfanner, Energy Commission Project Manager, at (916) 654-4206, or by email at <u>bpfanner@energy.state.ca.us</u>. News media inquiries should be directed to Claudia Chandler, Assistant Executive Director, at (916) 654-4989, or e-mail at <u>mediaoffice@energy.state.ca.us</u>.

Proof of Service List Mail Lists:



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plant are a start air system, an instrument/service air system, two 60 percent redundant main stepup transformers, two 100 percent redundant auxiliary/station service transformers, clean and dirty lube oil storage tanks, a raw water tank, a waste water holding tank, and two 19 percent (by weight) aqueous ammonia tanks, along with associated support equipment.

Air emissions from each generator set will be treated by a selective catalytic reduction (SCR) system (one per engine) for reduction of oxides of nitrogen (NOx) emissions, and an oxidation catalyst for reduction of carbon monoxide (CO) and precursor organic compound (POC) emissions. Project Description Figure 2 shows the general arrangement of the proposed Eastshore facility. Project Description Figures 3 and 4 provide architectural elevations of the proposed Eastshore project.

Eastshore would be connected to PG&E's electrical system at the utility's existing Eastshore substation, which is located approximately 1.1 miles south of the proposed Eastshore site. This connection will require a new overhead single circuit 115- kV line that will run near an existing PG&E 12-kV distribution right-of-way. The connection may also require widening the existing right-of-way and replacing 10 to 12 transmission poles with structures designed to accommodate both the 12-kV and 115-kV transmission lines.

Natural gas would be supplied to the proposed Eastshore project via a 200-foot pipeline connection to PG&E's Pipeline 153, which is on the opposite side of Clawiter Road from the proposed project. PG&E will interconnect the proposed Eastshore site by installing a 4.5-inch diameter pipeline via an underground bore originating at the proposed Eastshore site, boring under Clawiter Road and the existing Union Pacific Railroad right-of-way, and connecting to PG&E's existing gas line.

Eastshore would use approximately 1.6 acre-feet of potable water per year for engine cooling, other power plant processes, site landscape irrigation, and potable and sanitary uses. A closed-loop engine cooling system would both reduce the requirement for water and result in the consumption of approximately one gallon per minute during plant operation. The city of Hayward would supply potable water for the proposed Eastshore project through an existing connection immediately adjacent to the proposed site, under a contract with the city of San Francisco's Public Utilities Commission.

Sanitary wastewater would be discharged to Hayward's city sewer system via an existing on-site sewer connection. Process wastewater would be tested for potential contamination, and, under normal conditions, would also be discharged to the sanitary sewer line. If the wastewater composition is determined to exceed allowable discharge limits, it would be transported off site for treatment and disposal.

The Eastshore project will include fourteen (14) stacks, each approximately 70 feet tall and four feet in diameter. The stacks would be constructed in two clusters of seven stacks each, extending a total of approximately 425 feet in a linear array. Each stack would produce a high velocity thermal plume, with the potential for each seven-stack array to merge into a single plume. The project also includes two radiator exhausts, approximately 20 feet in height. These also produce individual high velocity thermal plumes, but the plumes would not merge.

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications for construction and operation of thermal electric power plants, 50 MW and