

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512

NOTICE OF RECEIPT
APPLICATION FOR SMALL POWER PLANT EXEMPTION (08-SPPE-1)
RIVERSIDE ENERGY RESOURCE CENTER UNITS 3&4 PROJECT

DOCKET	
08-SPPE-1	
DATE	APR 11 2008
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On March 19, 2008, the City of Riverside filed an application for a Small Power Plant Exemption (SPPE). The City of Riverside is seeking an exemption from the California Energy Commission's licensing requirements. If an exemption is granted, the applicant would need to secure the appropriate licenses and permits for the project from various local, state and federal agencies.

Project Description

The City of Riverside, Riverside Public Utilities (RPU) proposes to build, own, and operate two simple cycle units at its Riverside Energy Resource Center (RERC) within the City of Riverside, California. The proposed gas-fired peaking project has a nominal generation capacity of approximately 95 megawatts (MW). The proposed project is an expansion of an existing 96 MW peaking facility exempted by the Energy Commission in 2004, which began operation in June 2006. The two new units, RERC Units 3&4, would be located adjacent to the first two units. RERC Units 3&4 would supply internal peaking needs of the City of Riverside primarily during summer peak electrical demands.

The proposed project site is owned by the City of Riverside and is located adjacent to and on the east side of the Riverside Regional Water Quality Control Plant (RRWQCP) in a light industrial/manufacturing area. RERC Units 3&4 would be located immediately north of Units 1&2 and would occupy approximately 2.2 acres of the 16 acre RERC site. The remaining rough graded, undeveloped portion of the RERC site would be used for construction laydown (approximately 5 disturbed acres in total).

The RERC Units 3&4 project would consist of two LM6000 PC SPRINT NxGen combustion turbine generators with Emission Control Modules (ECMs), the addition of two more bays to the existing RERC switchyard, the addition of two demineralized water storage tanks to the existing make-up water system, a new Dispatch and Scheduling Building for RPU, and a water laboratory. Fin-fan coolers would be used for lube oil cooling instead of relying on the existing cooling tower.

Natural gas fuel would be supplied to RERC Units 3&4 through the existing Southern California Gas metering station on the site property.

The primary source of raw water for the RERC Units 3&4 would be reclaimed water supplied by the RRWQCP. Potable water would not be used for plant process water needs during normal plant operations. RERC Units 3&4 would have the capability to use potable water as a backup for process needs in an emergency situation. In addition, the plant would recycle all process wastewater. The stormwater management system for RERC Units 3&4 would be integrated with the existing RERC stormwater management system which collects and routes stormwater to an on-site detention basin using a peripheral channel.

The proposed project would interconnect to the City of Riverside's 69 kilovolt (kV) sub-transmission system at the existing RERC Switchyard. The switchyard would be

expanded to add two more bays for connection of the two new generators. No new transmission facilities would be needed as part of the project.

If approved, project construction would require a peak of about 100 workers, with commencement anticipated in the fourth quarter of 2008. Commercial operation of the first of the two new units is anticipated in the summer of 2009. Completion of the second unit would follow as soon as possible after the first unit is available for dispatch. The total project costs are estimated at \$110 million.

Energy Commission's Facility Exemption Process

The Energy Commission is responsible for reviewing, and ultimately approving or denying, all thermal electric power plants, 50 MW and greater, proposed for construction in California. The Energy Commission's SPPE process allows projects between 50 and 100 MW to proceed with local approval rather than requiring an Energy Commission license. An exemption from this licensing process is available if the Energy Commission finds that the project would not create a significant adverse impact on the environment or energy resources. The Energy Commission is the lead agency under the California Environmental Quality Act (CEQA) responsible for preparing an Initial Study. If warranted, the Commission will prepare a Mitigated Negative Declaration that examines public health and safety, and environmental impacts of the proposed project including all related facilities such as electric transmission lines, natural gas and water pipelines.

Public Participation

Over the next few months, the Energy Commission will conduct a number of public workshops and hearings to determine whether the exemption request should be approved and under what, if any, set of conditions. These workshops provide the public and local, state and federal agencies the opportunity to ask questions and provide input about the proposed project. The Energy Commission will issue notices for these workshops and hearings 10 days prior to the meeting.

If you would like information on how to participate in the Energy Commission's review process for the proposed project, please contact the Energy Commission's 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 Felicia Miller, the Energy Commission's Project Manager at (916) 654-4640 or by e-mail to fmiller@energy.state.ca.us. The status of the project, copies of notices, the SPPE application and other relevant documents will be placed on the Energy Commission's web site at http://www.energy.ca.gov/sitingcases/riverside_expansion.

This notice of receipt has been mailed to all parties that have requested to be placed on the mailing list during pre-filing and to property owners located within 1,000 feet of the project site or 500 feet of any of linear facilities. By being on the mailing list, you will receive notices of all project-related activities, such as workshops and hearings, and notice when documents related to the project's review are available. You can also subscribe to receive e-mail notification of all notices at <http://www.energy.ca.gov/html/listservers.html>. If you are not currently receiving notices and request to be added to the mailing list, or want your name removed from the mailing

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list, please contact Christina Flores, Project Secretary, at (916) 654-5076 or by email at cflores@energy.state.ca.us.

A copy of the SPPE application document is available for public inspection in the following locations:

Riverside Main Library
3581 Mission Inn Avenue
Riverside, CA 92501

Arlington Branch Library
9556 Magnolia Avenue
Riverside, CA 92503

Copies are also available at the Energy Commission's Library in Sacramento, the California State Library in Sacramento, and at public libraries in Eureka, Fresno, Los Angeles, San Diego, and San Francisco. In addition, copies have been distributed to those public agencies that would retain jurisdiction if an exemption is granted by the Energy Commission.

DATE: 4/11/08



EILEEN ALLEN, Manager
Energy Facilities Siting & Compliance Office

Mailed to the Riverside Energy Resource Center Units 3&4 Project mailing lists.

Please send me a copy (paper or CD) of the Riverside Energy Resource Center Units 3&4 Project Application for Small Power Plant Exemption (SPPE).

Name:

Address:

City/State/Zip:

FOLD HERE

California Energy Commission
Attention: Christina Flores
1516 Ninth Street, MS-15
Sacramento, CA 95814-5512

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