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01-EP-7

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September 30, 2008

Mr. Ron Yasny
Compliance Project Manager
California Energy Commission
1516 Ninth Street, MS-2000
Sacramento, CA 95814-5512

Re: Petition for Amendment to Hanford Energy Park Peaker Project (01-EP-07)

Dear Mr. Yasny:

GWF Energy LLC (GWF), as project owner, petitions the California Energy Commission (CEC) to amend the license for the Hanford Energy Peaker Plant (HEPP) [01-EP-7, issued April 26, 2001]. GWF is proposing to modify the existing HEPP nominal 95-megawatt (MW) simple-cycle power plant, by converting the facility into a combined-cycle power plant with a nominal 25 MW (net) of additional generating capacity. The modifications to the facility will be referred to as GWF Hanford Combined-Cycle Power Plant (GWF Hanford), and will have a new nominal generating capacity of 120 MW net.

This petition is being submitted to modify the HEPP to a combined cycle facility by removing the two existing oxidation catalyst and SCR systems, adding two new once through steam generators (OTSGs) including a new oxidation catalyst system and SCR system within each OTSG for emission control, adding one new 25 MW net steam turbine generator, and adding one new air cooled condenser for heat rejection.

A major advantage of the proposed conversion is the enhancement in electric generation efficiency created by the conversion, an approximate 24 percent increase in fuel efficiency, and a substantial reduction in emissions per MW-hr generated. In addition, GWF Hanford will retain the capability and option to operate in a simple-cycle configuration. When operated in simple-cycle mode, the OTSG will not generate steam but the SCR and oxidation catalyst will continue to operate. The reason for retaining the option to operate in simple-cycle configuration is to preserve the plant's current 10-minute start capability to provide the Cal-ISO with rapid response peak generation resources.

The CEC Siting Regulations require a discussion of the necessity for the proposed revision to the HEPP project and whether the modification is based on information known by the petitioner during the certification proceeding (Title 20, CCR, Sections 1769 [a][1][B], and [C]). These proposed changes are based on information that became known to the petitioner after the HEPP was certified. These changes will allow GWF to respond to market demand for additional