

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT

COMMISSION OF THE STATE OF CALIFORNIA 1516 NINTH STREET, SACRAMENTO, CA 95814 1-800-822-6228 – www.energy.ca.gov

DOCKET
08-AFC-9
DATE NOV 0 3 2008
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APPLICATION FOR CERTIFICATION
For the PALMDALE HYBRID
POWER PROJECT

Docket No. 08-AFC-9

NOTICE OF INFORMATIONAL HEARING AND PUBLIC SITE VISIT

On August 4, 2008, the City of Palmdale (Applicant) submitted an Application for Certification (AFC) to construct and operate the Palmdale Hybrid Power Project (PHPP), a hybrid natural gas-fired combined cycle and solar thermal generator, located northwest of the Los Angeles/Palmdale Regional Airport in the City of Palmdale, Los Angeles County. The California Energy Commission has exclusive jurisdiction to license this project and is considering the proposal under a twelvementh review process established by Public Resources Code section 25540.6.

PLEASE TAKE NOTICE that the Energy Commission has designated a Committee of two commissioners to conduct proceedings on the Application. The Committee has scheduled a public Site Visit and Informational Hearing to discuss the proposed project as follows:

Thursday, December 4, 2008

Site Visit begins (bus leaves) at 2:45 p.m. Public Informational Hearing begins at 4:00 p.m.

Palmdale City Hall
City Council Chambers
38300 Sierra Highway, Suite B
Palmdale, California 93550
(Map Attached)

Prior to the Informational Hearing, members of the public are invited to join the Committee on a tour of the proposed site. The Applicant will provide transportation to and from the site. For reservations, contact the Energy Commission Public Adviser's Office at (916) 654-4489 or 1-800-822-6228, or you may email the office at: **[publicadviser@energy.state.ca.us]**. Please make your reservation on or before 4 p.m. on Monday, December 1, 2008, so that we can assure you a space.

Background

The power plant licensing process, which incorporates requirements equivalent to the California Environmental Quality Act (CEQA), considers all relevant engineering and environmental aspects of the proposed project. It provides a public forum allowing the Applicant, Commission staff, governmental agencies, adjacent landowners, and members of the general public to consider the advantages and disadvantages of the project, and to propose changes, mitigation measures, and alternatives as necessary.

On October 8, 2008, the Energy Commission began review of the project. During the review period, Energy Commission staff will determine whether the proposed project complies with all applicable laws related to public health and safety, environmental impacts, and engineering requirements. During the preparation of its analysis, Staff may hold one or more public workshops. After Staff's analysis is complete, the Committee will hold evidentiary hearing(s) and prepare a proposed decision, based solely upon the evidence of record, recommending whether or not to approve the proposed project. The proposed decision will then be considered by the full Energy Commission.

Project Description

The PHPP consists of a hybrid of natural gas-fired combined-cycle generating equipment integrated with solar thermal generating equipment to be developed on an approximately 327-acre site. The combined-cycle equipment utilizes two natural gas-fired combustion turbine generators (CTG), two heat recovery steam generators (HRSG), and one steam turbine generator (STG). The solar thermal equipment utilizes arrays of parabolic collectors to heat a high-temperature working fluid. The hot working fluid is used to boil water to generate steam. The combined-cycle equipment is integrated thermally with the solar equipment at the HRSG and both utilize the single STG. The project will have a nominal electrical output of 617 MW.

The project site address is 950 East Avenue M, and is part of an approximately 600-acre site owned by the city of Palmdale, bounded on the west by vacant land and the Sierra Highway, on the north by East Avenue M, on the east by East 15th Street, and on the south by Avenue M-12. The project will permanently occupy 250 acres for the solar field, 26 acres for the power block, and 51 acres for the access road, setbacks and drainage facilities. A temporary construction laydown area of 50-acres lies immediately to the west.

If approved, commercial operation of the project is planned for the summer of 2013. The solar thermal input will provide approximately 10 percent of the peak power generated by the project during the daily periods of highest energy demand.

The project will be fueled with natural gas delivered via a new 8.7-mile natural gas pipeline designed and constructed by the Southern California Gas Company in existing street rights-of-way within the City of Palmdale. The facility will feed power to the power grid through Southern California Edison's (SCE's) existing Vincent

Substation via 35.6 miles of 230-kV overhead transmission line, routed to avoid affecting aviation operations of the adjacent Los Angeles/Palmdale Regional Airport and Air Force Plant 42. Segment 1 of the line, consisting of new steel poles and conductor, would run approximately 23.7 miles through new and existing rights-of-way (ROWs) beginning at the northeastern boundary of the project site and extending generally eastward and then generally southward to a pole in the vicinity of SCE's Pearblossom Substation. Segment 2 of the line extends from this point westward to the Vincent Substation, and would consist of new steel poles and a double circuit of conductors within an existing SCE ROW.

The project will consume a maximum of about 3,150 acre-feet/year of water for power plant processes, primarily condensing steam and cooling CTG inlet air, using reclaimed water supplied by the Palmdale Water Reclamation Plant (PWRP) via a new 7.4-mile, 14-inch pipeline. Potable water will be supplied by Los Angeles County Waterworks District No. 40 via a new 1.0-mile pipeline. Process wastewater will be treated using a zero liquid discharge system, separating water for reuse from brine solids that are processed into solids for landfill disposal. Sanitary wastewater will be sent to the Los Angeles County Sanitation District's sewer system.

Air emissions from the combustion of natural gas in the CTGs and HRSG duct burners will be controlled using best available control technology including dry low-NOx combustors, selective catalytic reduction systems, and oxidation catalysts. The project will be required to comply with the rules and regulations of the Antelope Valley Air Quality Management District.

The engineering and environmental details of the proposed project are contained in the AFC. Copies of the AFC are available at the local public agencies that are involved in the review process and at the following libraries: the Palmdale City Library; Lancaster Public Library; Sylmar Branch Library; California City Branch Library; Wanda Kirk (Rosamond) Branch Library; Beale Memorial Library; Victorville Branch Library; San Bernardino County Library; and the Barstow Branch Library.

Copies of the AFC are also available at the Energy Commission's Library in Sacramento, and the California State Library in Sacramento.

Purpose of the Informational Hearing

This Informational Hearing provides an opportunity for members of the community in the project vicinity to obtain information and offer comments and concerns about the proposed project. The Applicant will explain plans for developing the project and the related facilities and Energy Commission staff will explain the administrative licensing process and Staff's role in reviewing the Application.

Proposed Schedule and Issue Identification Report

To assist the parties and public in understanding the process, Staff shall file a proposed schedule for project review. Staff shall also file an Issue Identification

Report summarizing the major issues it has identified regarding the project. Staff's report shall indicate whether Applicant's data responses have been timely and what additional information is necessary to resolve issues of concern. The proposed schedule and Staff's report shall be filed no later than <u>noon on November 25, 2008</u>. The Applicant shall file its response, if any, no later than <u>noon on December 2, 2008</u>.

Public Adviser and Public Participation

The Energy Commission Public Adviser, Elena Miller, is available to assist the public in participating in the application review process. For those individuals who require general information on how to participate, please contact the Public Adviser's Office at (916) 654-4489 or 1-800-822-6228 or e-mail: [publicadviser@energy.state.ca.us].

If you have a disability and need assistance to participate in this event, contact Lourdes Quiroz at 916-654-5146 or e-mail: [lquiroz@energy.state.ca.us].

Contact Information

Questions of a legal or procedural nature should be directed to Paul Kramer, the Hearing Officer, at (916) 654-5103 or e-mail: [pkramer@energy.state.ca.us].

Technical questions concerning the project should be addressed to John Kessler, the Staff Project Manager, at (916) 654-4679, or e-mail: [jkessler@energy.state.ca.us].

Media inquiries should be directed to the Office of Media and Public Communications at 1-916-654-4989 or e-mail: [mediaoffice@energy.state.ca.us].

Information concerning the status of the project, as well as notices and other relevant documents, may be viewed on the Energy Commission's Internet web page at: [www.energy.ca.gov/sitingcases/palmdale/]. You can also subscribe to receive email notification of all notices at [www.energy.ca.gov/listservers].

Dated November 3, 2008, at Sacramento, California.

JACKALYNE PFANNENSTIEL

Chairman and Presiding Member

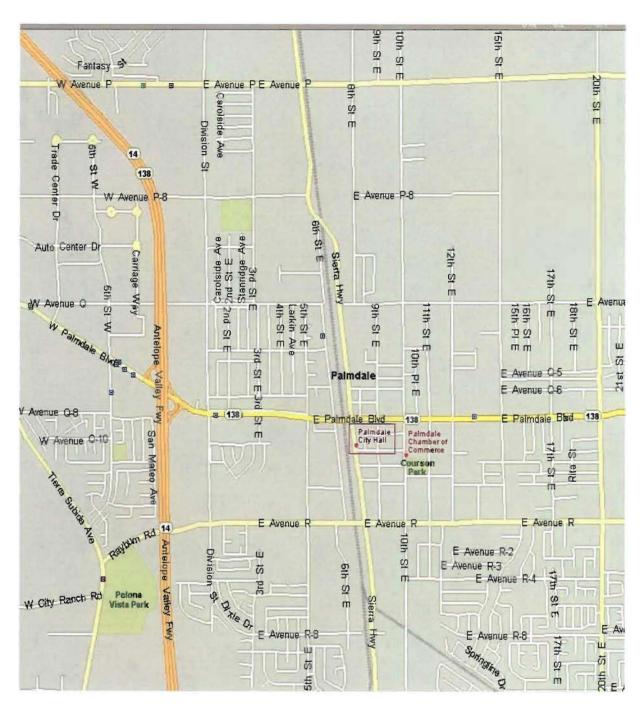
Palmdale Hybrid Power Project Committee

ARTHUR H. ROSENFELD

art Rosenfeld

Commissioner and Associate Member

Palmdale Hybrid Power Project Committee



Palmdale City Hall City Council Chambers 38300 Sierra Highway, Suite B Palmdale, California 93550

Thursday, December 4, 2008
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Mailed to Lists: POS, 7317, 7318, 7319, 7320



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PROOF OF SERVICE

(Revised 8/4/08)

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. 08-AFC-9 1516 Ninth Street, MS-15 Sacramento, CA 95814-5512 docket@energy.state.ca.us

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INTERESTED AGENCIES

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INTERVENORS

ENERGY COMMISSION

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DECLARATION OF SERVICE

I, <u>Maggie Read</u>, declare that on <u>November 3, 2008</u>, I deposited copies of the attached <u>Notice of Site Visit and Informational Hearing and Proof of Service list</u> in the United States mail at <u>Sacramento</u>, <u>California</u> 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 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.

Hearing Adviser's Office