

November 26, 2008

Ms. Felicia Miller
Project Manager
c/o Dockets Unit, 4th Floor
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814-5512

DOCKET	
08-AFC-4	
DATE	_____
RECD.	<u>DEC 01 2008</u>

Ref: Responses to California Energy Commission Staff for for the Orange Grove Project (08-AFC-4) Pre-hearing Conference

Dear Ms. Miller,

In reviewing the project information, I have found that the applicant has not included all the viable projects in the study radius that may have significant ambient air impacts at the project site. I believe that the emissions from the project to be acceptable, but I believe that the project has not correctly represented the total potential ambient air quality impacts inclusive of the other projects in the study radius.

I support Staff's recommendation for the project to proceed with the requirement that SDG&E be held accountable to all aspects of the Authority to Construct, and eventually to operate, as they will become the long term owners of the site at the end of the PPA term. The 69 KV circuit that this project interconnects with has a serious shortage of capacity, and VAR instability issues as shown in the interconnection study performed for my company by SDG&E in 2004. It would lend itself to being run in excess of the maximum number of hours stated for the project. In this valley air basin, to operate the Orange Grove Project for longer than 3000 hours would encroach on having a material impact on the local air basin, and wildlife.

As someone who is intimately familiar with the environmental aspects of the project site, air quality is the over-riding issue of all the environmental impacts studied. In reviewing the Project information, I have found some areas of data I would like to address that in my opinion need additional information to support of Staff's recommendation.

1. No impact analysis that shows how project impacts the Pala's ambient air emissions and if the project would impact their Federal clean air act reporting. A simple analysis of the Project emissions being dissipated over the Pala Reservation (due east of the site) showing very low risk of impacting Pala's Federal Clean Air act requirement for reporting PM, Ozone, and other pollutants would be a show of good faith by the Project. Pala has collected ambient air data for

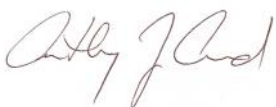
years in accordance to their Federal Clean Air Act reporting requirements for Federal Trust Lands and is acutely aware of the challenges facing the valley air basin. IF the project is permitted, and it impacts the Pala's air quality in a material fashion, the project should be bound to offset any air quality impacts (fines etc.) that stem from the operation of the project. Since SDG&E will own this project at the end of the PPA term, SDG&E should be bound to the permit and sign as a guarantor that the project will comply with all permitting requirements, such as limited annual hours of operation.

2. No impact analysis conducted by the California Air Resources Board pursuant to Title 20, section 1722.5.3(b) was provided in the Staff Assessment report
3. Under 1723.5.6(c) of Title 20, modifications to the design can be proposed to reduce the environmental impacts of the project:
 - a. Waste water from Pala's expansion project for its WWTP can supply the project. The project should be given the option in the permitting process to change between water supplies that are acceptable to the Agency if they become available in the future. This would require an additional study phase for the project to evaluate the impact of running a waste water supply pipe line approximately three miles from the east to the project site.
4. Under 1730 of Title 20, it is required of the Agency to make sure the project meets air quality standards, as in an ambient air quality standard. If all the projects within the proposed study radius have not been evaluated in context to the project, then this requirement has not been met. The applicant has not submitted an environmental analysis of the other projects that have conducted CEQA studies and are in the land use permitting channels. These projects include roughly 10,000 homes, a million square feet of industrial development, a commuter college, a rock quarry, and two casino expansions. The only project partially included in the applicants' documents is the Gregory Canyon Landfill. Attached are independent air emission calculations for some of the other projects as prepared for an upcoming Title 20 submission as an appendix to this letter. The surrounding projects include the Gregory Canyon Landfill, Rosemary's mountain rock quarry (Granite construction), Pardee Homes, Passerell, and Pappas developments (collectively referred to as the 3P's). Calculations of the construction and operational air emissions for each of these projects is attached as Appendix A.

I believe that it is my responsibility as an Intervenor to make staff aware of what I understand to be significant issues surrounding this project application, as I am directly impacted by this project in many ways. Once I have made the pertinent issues known to Staff, then my role in this effort is complete, and I will support Staff's decision on how to proceed with the Project.

Thank you for the opportunity to participate in the process.

Sincerely,



Anthony J Arand

ESTIMATED EMISSIONS FOR THE GRANITE ASPHALT PLANT

	Lb/hr	LB/day	Lb/yr	ton/yr	
NOX	3.95	39.54	7,908.5	3.95	
CO	30.43	304.31	60,862.5	30.43	
VOC's	3.52	35.23	7,045.6	3.52	
SO2	1.70	17.00	3,400.0	1.70	
PM10	5.84	58.41	11,682.0	5.84	

Note: This emissions are related ONLY to the Asphalt Plant itself and NOT to the rock quarry, crushing and screening Plant which I calculated separately.
I will be giving that other piece of information soon.

Comparison of the Sycamore Landfill actual Pm10 numbers & Envirepel estimates to the Gregory Canyon EIR

Envirepel Calculations

Sycamore LF total Pm10 for 2003 (tons)

113.091

Gregory Canyon LF Pm10 from Equipment (tons)

2.75

Approximate Pm10 from other sources (tons)

110.34

Other sources include:

Cover Operations

Wind erosion from stockpiles

Travel on unpaved roads

Travel on paved roads

Flare and Landfill Emissions

Sycamore LF total Nox for 2003 (tons)

3.922

From Gregory Canyon EIR

Equipment (tons)

0.7

Other sources (tons) Flare and Landfill emissions (tons)

38.7

7.4

Gregory Canyon EIR

7.4

Rainbow Municipal Water District (RMWD) Sewer Plant

	CO	VOC	Nox	Sox	PM10
Operations Air Emission* tons/year	12.31	2.78	1.99	0.05	0.61

* Emission Data taken from the actual emissions measured from the Encina Waste Water Authority conventional activated sludge wastewater treatment facility for the year 2002. This facility processes over 20 Million Gallons per Day (MGD) and since the RMWD sewer system plans on 5 MGD. Therefore these numbers represent 20% of the Encina numbers as found on the San Diego Air Pollution Control District web site.

Housing Projects Total
3 P's, Rice/Couser Canyon, Warner Ranch

Construction (Tons)
Operation (Tons per Year)

ROC	NO _x	CO	PM ₁₀
324.47	4768.76	1037.02	301.70
529.80	395.20	6098.42	41.25

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Dear Ms. Miller,

In support of my submissions, I was asked to produce a statement of my qualifications.

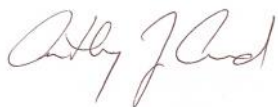
As CEO of a Renewable Energy Engineering Company who has developed a next generation low emissions solid fuel combustion technology from the blackboard to full scale operations, here is a partial listing of some of my professional qualifications:

As the founder and one of the chief architects of the hybrid gasification solid fuel combustion technology, Mr. Arand also consults on technology, regulatory and engineering issues. Mr. Arand has continuous work experience in engineering, chemical manufacturing, production, sales, field applications, university and private contractor research, and regulatory actions including product registrations, lobbying and regulations. He holds patents in selective organic chemistry extraction and petroleum reformulation using low temperature catalytic process. He started his Aerospace career as a Mechanical Engineer for Hughes Aircraft in 1980. He is a graduate of California Polytechnic University - San Luis Obispo, with a Bachelor of Science in Mechanical Engineering.

I would also point out that most of the combustion emissions control technology proposed by the Orange Grove Project, namely catalytic reduction and ammonia injection, were the results of patents developed and held by KVB Engineering, and authored by John Arand, my father.

Thank you for the opportunity to participate in the process.

Sincerely,



Anthony J Arand

