

DOCKET

08-SPPE-1

DATE JAN 28 2009

RECD. JAN 28 2009

**CALIFORNIA
ENERGY
COMMISSION**

RIVERSIDE ENERGY RESOURCE CENTER UNITS 3 & 4

**Small Power Plant Exemption (08-SPPE-1)
Riverside County**



**PROPOSED SMALL POWER PLANT
EXEMPTION DECISION AND
NOTICE OF INTENT TO ADOPT A
MITIGATED NEGATIVE DECLARATION**

JANUARY 2009
(08-SPPE-1)
CEC-800-2009-002-PMPD



**RIVERSIDE ENERGY
RESOURCE CENTER
UNITS 3 & 4**

Small Power Plant Exemption (08-SPPE-1)
Riverside County



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ENERGY
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**PROPOSED SMALL POWER PLANT
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**CALIFORNIA ENERGY
COMMISSION**

1516 9th Street
Sacramento, CA 95814

www.energy.ca.gov/sitingcases/riverside/index.html



KAREN DOUGLAS
Presiding Committee Member

JAMES D. BOYD
Associate Committee Member

RAOUL RENAUD
Hearing Officer



**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**

The Committee hereby submits its Proposed Decision and Notice of Intent to Adopt a Mitigated Negative Declaration on the Application for a Small Power Plant Exemption for the Riverside Energy Resources Center Units 3 & 4, Docket No. 08-SPPE-01. We have prepared this document pursuant to the requirements set forth in the Energy Commission's regulations (20 Cal. Code Regs., §§ 1934 et seq.) and the requirements of the California Environmental Quality Act and implementing Guidelines (14 Cal. Code of Regs, §§ 15000 et seq.).

Based upon the entirety of the record in this proceeding including the Small Power Plant Exemption Application, Applicant's Data Responses, the Energy Commission Staff's Draft and Final Initial Study and comments by agencies and others, the Committee hereby recommends that the Application for the Small Power Plant Exemption be granted and that a Mitigated Negative Declaration be adopted, subject to the Conditions of Exemption set forth herein.

Dated on January 28, 2009 at Sacramento, California

Original Signed By:

KAREN DOUGLAS
Commissioner and Presiding Member
Riverside 3 & 4 SPPE Committee

Original Signed By:

JAMES D. BOYD
Vice Chair and Associate Member
Riverside 3 & 4 SPPE Committee

PROPOSED DECISION

RIVERSIDE ENERGY RESOURCES CENTER UNITS 3 & 4 **Application for a Small Power Plant Exemption (SPPE)** ***Docket No. 08-SPPE-01***

The California Energy Commission is the State agency granted exclusive authority to review and license proposals to construct and operate large electric power plants, including the authority to exempt proposals under 100 megawatts (MW) from our certification review. Proposals granted an exemption are subject to local permitting processes. On March 19, 2008, Riverside Public Utilities Department (RPU) filed a proposal to construct a 95 MW power plant project in Riverside, California.

All documents are available on the Commission's web page for this project at www.energy.ca.gov/sitingcases/riverside.

A. Project Description

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 3 & 4, would be located adjacent to the existing units. It will be constructed on 2.2 acres of the existing RERC property at 5950 Acorn Avenue. The site is owned by the City of Riverside and is located adjacent to the Riverside Regional Water Quality Control Plant (RRWQCP) in a light industrial/manufacturing area. Units 3 & 4 will be located immediately north of the existing plant and east of RRWQCP.

The proposed project would consist of two General Electric LM6000 PC SPRINT NxGen combustion turbine generators with Emission Control Modules (ECMs) equipped with inlet air chiller coils, exhaust ducting, flue gas treatment system, emission monitoring system, a common chiller package with cooling tower, and gas compressor equipment.

Two new bays will be added to the existing RERC switchyard and two demineralized water storage tanks to the existing make-up water system. Fin-fan

coolers would be used for lube oil cooling instead of relying on the cooling tower, which will result in a slight reduction of water usage.

The RERC Units 3 & 4 site, natural gas line, short transmission tie-in line, water pipeline, and stormwater control facilities are within the existing 16 acre RERC site.

Annual water usage is estimated at 24.394 million gallons per year based at 2,460 hours of operation or approximately 74.867 acre/feet of water annually. Potable water for sanitary use would come directly from the City's general water supply line approximately 60 feet from the southwest corner of the site located in Acorn Avenue.

The adjacent RRWQCP would supply tertiary-treated reclaimed water for plant process water. The project would utilize a Zero Liquid Discharge (ZLD) system that would eliminate the need to discharge process wastewater to the RRWQCP.

The RERC project would be equipped with Best Available Control Technology (BACT) to control air pollutant emissions. These controls include a water injection system to reduce the nitrogen oxide (NO_x) emissions from the CTG exhaust and a NO_x Selective Catalytic Reduction (SCR) to reduce emissions to 2.3 parts per million volume dry (ppmvd) at full load. The SCR system uses aqueous ammonia as a reagent for an ammonia injection system and an oxidation catalyst to control CO emissions. In addition, there would be a continuous emission monitoring system for the exhaust stack.

RPU expects to begin construction of the project by the first quarter of 2009 and begin commercial operation of the first unit by the fourth quarter of 2009. Completion of the second unit would follow as soon as possible after the first unit is available for dispatch. RPU estimates the capital costs of the RERC to be \$110 million. RPU expects to employ up to approximately 100 construction workers at the peak of construction over the 9-month construction schedule. A permanent professional workforce of approximately 5 people would operate the plant. Construction payroll costs are estimated to be \$6.8 million.

B. Discussion

No areas have been identified in the Environmental Checklist portions of the Final Initial Study as having the potential for significant environmental impacts.

Highlights of the environmental analysis and mitigation are:

- To mitigate potential air quality impacts, the project will utilize Best Available Control Technology (BACT) and obtain emission offsets;
- To mitigate potential water resources impacts, the project will use recycled water for all non-potable plant construction and operation uses including cooling and landscape irrigation; and
- To mitigate potential noise impacts, the project will utilize appropriate noise mitigation measures and implement a noise complaint resolution process.

C. Findings and Conclusions

Based upon our independent judgment and the evidence of record as a whole, we make the following findings and reach the following conclusions:

1. With the mitigation measures and Conditions of Exemption of the Final Initial Study, incorporated by reference, and compliance therewith verified by a reporting and monitoring program, the project will cause no unmitigated significant environmental impacts or adverse impact to energy resources.
2. The project is eligible for a Small Power Plant Exemption under Public Resources Code section 25541.
3. The Negative Declaration and Final Initial Study were prepared in compliance with the California Environmental Quality Act and all applicable State and Commission Guidelines.

We therefore conclude that the Riverside Energy Resources Center Units 3 & 4 project is eligible for an exemption from the Application for Certification provisions of the Commission's power plant licensing process.

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Appendix A: *Final Initial Study*

Appendix B: *Exhibit List*

Appendix C: *Proof of Service List*



APPENDICES

APPENDIX A

Final Initial Study

DOCKET	
08-SPPE-1	
DATE	DEC 22 2008
RECD.	DEC 22 2008

**CALIFORNIA
ENERGY
COMMISSION**

RIVERSIDE ENERGY RESOURCE CENTER UNITS 3 & 4

**Small Power Plant Exemption (08-SPPE-1)
Proposed Mitigated Negative Declaration
Riverside County**



STAFF REPORT

DECEMBER 2008
(08-SPPE-1)
CEC-700-2008-010-SF



PROOF OF SERVICE (REVISED 11/12/08) FILED WITH
ORIGINAL MAILED FROM SACRAMENTO ON 12/22/08
MF

Please note file size: (PDF file, 302 pages, **7.2 megabytes**)

<http://www.energy.ca.gov/2008publications/CEC-700-2008-010/CEC-700-2008-010-SF.PDF>



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COMMISSION OF THE STATE OF CALIFORNIA
1516 NINTH STREET, SACRAMENTO, CA 95814
1-800-822-6228 – WWW.ENERGY.CA.GOV

APPLICATION FOR A SMALL POWER PLANT
EXEMPTION FOR THE *RIVERSIDE ENERGY*
RESOURCE CENTER Units 3 & 4

Docket No. 08-SPPE-1

FINAL EXHIBIT LIST

APPLICANT'S EXHIBITS

- EXHIBIT 1** Application for a Small Power Plant Exemption – Riverside Energy Resource Center Units 3 & 4:
- a) Section 1 – Executive Summary;
 - b) Section 2 – Project and Facility Description;
 - c) Section 3 – Energy Efficiency;
 - d) Section 4 – Transmission Line Safety and Nuisance;
 - e) Section 5 – Transmission System Engineering;
 - f) Section 6 – Environmental Considerations.
- Sponsored by Applicant, and received into evidence on January 5, 2009. (1/5/09 RT 4:13-14.)
- EXHIBIT 2** Responses to CEC Data Requests 1-71. Sponsored by Applicant, and received into evidence on January 5, 2009. (1/5/09 RT 4:13-14.)
- EXHIBIT 3** Letter to Felicia Miller, CEC Project Manager, with RPU Planning Criteria, dated July 22, 2008. Sponsored by Applicant, and received into evidence on January 5, 2009. (1/5/09 RT 4:13-14)
- EXHIBIT 4** Sketches ECGSK-2 and ECGSK-3, duct banks, dated July 22, 2008. Sponsored by Applicant, and received into evidence on January 5, 2009. (1/5/09 RT 4:13-14.)
- EXHIBIT 5** Drawing depicting 69-kV network, dated July 22, 2008. Sponsored by Applicant, and received into evidence on January 5, 2009. (1/5/09 RT 4:13-14.)

- EXHIBIT 6** RPU plans for future 69-kV Network Improvements, dated August 12, 2008. Sponsored by Applicant, and received into evidence on January 5, 2009. (1/5/09 RT 4:13-14.)
- EXHIBIT 7** RPU letter describing transmission system, dated September 4, 2008. Sponsored by Applicant, and received into evidence on January 5, 2009. (1/5/09 RT 4:13-14.)
- EXHIBIT 8** Prepared Direct Testimony and Exhibits dated December 16, 2008. Sponsored by Applicant, and received into evidence on January 5, 2009. (1/5/09 RT 10:13-14.)

ENERGY COMMISSION STAFF'S EXHIBITS

- EXHIBIT 200** Proposed Mitigated Negative Declaration and Final Initial Study for the Riverside energy Resource Center Units 3 & 4. All Technical Areas, dated December 22, 2008, docketed December 22, 2008. Sponsored by Staff, and received into evidence on January 5, 2009. (1/5/09 RT 6:6-7.)
- EXHIBIT 201** Proposed Conditions of Exemption, including changes since publication. Various Areas of Initial Study Requiring Mitigation, dated December 22, 2008, docketed December 22, 2008. Sponsored by Staff and received into evidence on January 5, 2009. (1/5/09 RT 6:6-7.)

INTERVENOR ALLIANCE FOR A CLEANER TOMORROW (ACT) EXHIBITS

None.



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**APPLICATION FOR SMALL POWER
PLANT EXEMPTION FOR THE RIVERSIDE
RESOURCE CENTER UNITS 3 & 4**

Docket No. 08-SPPE-1

PROOF OF SERVICE

Revised (11/12/08)

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:

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Attn: Docket No. 08-SPPE-1
1516 Ninth Street, MS-4
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DECLARATION OF SERVICE

I, RoseMary Avalos, declare that on January 28, 2009, I deposited copies of the attached Proposed Small Power Exemption Decision and Notice of Intent to Adopt a Mitigated Negative Declaration in the United States mail at Sacramento, California with first-class postage thereon fully prepaid and addressed and was distributed electronically to those identified on the Proof of Service list above.

AND

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.

Original Signed By:
RoseMary Avalos

Attachments