

CALIFORNIA ENERGY COMMISSION

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DOCKET**09-AFC-3**DATE JULY 2 2009RECD. JULY 2 2009**TO: AGENCY DISTRIBUTION LIST****REQUEST FOR AGENCY PARTICIPATION IN THE REVIEW OF THE MARIPOSA ENERGY PROJECT (09-AFC-3)**

On June 15, 2009, Mariposa Energy, LLC submitted an Application for Certification (AFC) to construct and operate the Mariposa Energy Project, in northeast Alameda County.

As part of our review process, the staff of the Energy Commission endeavors to work closely with local, state and federal agencies to ensure that all laws, ordinances, regulations and standards are met and incorporated into the final decision of the Energy Commission.

Project Description

The Mariposa Energy Project (MEP) would be a natural-gas fired, simple cycle peaking facility with a generating capacity of 200-megawatts (MW). The proposed project site is in northeastern Alameda County, in an unincorporated area designated for Large Parcel Agriculture by the East County Area Plan. The facility would be located southeast of the intersection of Bruns Road and Kelso Road on a 10-acre portion of a 158-acre parcel (known as the Lee Property) immediately south of the Pacific Gas and Electric Company (PG&E) Bethany Compressor Station and 230-kilovolt (kV) Kelso Substation. The proposed power plant site is located in the southern portion of the Lee Property.

The site is located approximately 7 miles northwest of Tracy, 7 miles east of Livermore, 6 miles south of Byron, and approximately 2.5 miles west of the community of Mountain House in San Joaquin County. The existing, unrelated 6.5 MW Byron Power Cogen Plant occupies 2 acres of the 158-acre parcel northeast of the MEP site. The remainder of the parcel is non-irrigated grazing land.

Primary equipment for the generating facility would include four General Electric (GE) LM6000 PC-Sprint natural-gas fired combustion turbine generators (CTG) and associated equipment. Power would be transmitted to the grid at 230-kV through a new 0.7-mile long transmission line that would connect to the existing Kelso Substation. A new 580-foot long natural gas pipeline would connect the project site to PG&E's Line 2, which is an existing high-pressure natural gas pipeline located northeast of the project site. Service water would be provided from a new connection to the Byron Bethany Irrigation District (BBID) via a new pump station and 1.8-mile long pipeline. All domestic wastewater would be routed to an onsite septic system and either discharged to an onsite leach field or removed via truck for offsite disposal. Stormwater runoff would be detained onsite in an extended detention basin and released according to regulatory standards for stormwater quality control. Air emissions control systems would include

selective catalytic reduction (SCR) systems for nitrogen oxides (NO_x) control and an oxidation catalyst for carbon monoxide (CO) control.

Temporary construction facilities would include a 5-acre worker parking and laydown area immediately east of the project site, a 1-acre water supply pipeline parking and laydown area located at the BBID headquarters facility, and a 0.6 acre laydown area along the transmission line route.

If approved, project construction would begin in April 2011, with commercial operation commencing in July 2012.

Energy Commission's Facility Certification Process

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications to construct and operate thermal electric power plants in California, that are 50 MW and greater. The Energy Commission's facility certification process carefully examines public health and safety, environmental impacts, and engineering aspects of proposed power plants and all related facilities, such as electric transmission lines and natural gas and water pipelines. The Energy Commission is the Lead Agency under the California Environmental Quality Act (CEQA), and because the siting process is a Certified Regulatory program, the Commission produces several environmental and decision documents rather than an Environmental Impact Report. The issuance of a certificate by the Energy Commission is in lieu of any local, state or federal permit (to the extent permitted by federal law).

The first step in the review process is for Energy Commission staff to determine whether or not the AFC contains all the information required by our regulations. When the AFC is deemed data adequate, we will begin the discovery and issue analysis phases. At that time staff will examine the issues in detail.

Agency Participation

To ensure that the Energy Commission has the information needed in order to make a decision, the Energy Commission's regulations identify a special role for federal, state, and local agencies (see, California Code of Regulations, title 20, sections 1714, 1714.3, 1714.5, 1742, 1743, and 1744). As a result, we request that you conduct a review of the AFC and provide us with the following information:

- 1) A discussion of those aspects of the proposed site and related facilities for which your agency would have jurisdiction but for the exclusive jurisdiction of the Energy Commission to certify sites and related facilities;
- 2) A determination of the completeness of the list in the AFC of the laws, regulations, ordinances, or standards which your agency administers or enforces and would be applicable to the proposed site and related facilities but for the Energy Commission's exclusive jurisdiction;

- 3) A description of the nature and scope of the requirements which the applicant would need to meet in order to satisfy the substantive requirements of your agency but for the Energy Commission's exclusive jurisdiction, and identification of any analyses that the Energy Commission should perform in order to determine whether these substantive requirements can be met; and
- 4) An analysis of whether there is a reasonable likelihood that the proposed project will be able to comply with your agency's applicable substantive requirements.

The scope of your agency's comments on the AFC should encompass *significant* concerns, and substantive requirements that would be required for permitting by your agency but for the Energy Commission's exclusive jurisdiction or certification (California Code of Regulations, title 20, section 1714.5, subdivision (a)(2); emphasis added). Please let us know if you need additional information or need to perform analyses or studies in order to resolve any concerns of your agency (California Code of Regulations, title 20, section 1714.5).

Assuming that the proposed project is found to be data adequate on July 29, 2009, we request that all agency comments be provided to us by **November 25, 2009**, except for the Bay Area Air Quality Control District's Preliminary and Final Determinations of Compliance, which should be provided by **November 25, 2009** and **January 26, 2010**, respectively. You may be asked to present and explain your conclusions at public and evidentiary hearings on the project (see, California Code of Regulations, title 20, sections 1714.3, 1714.5, 1743, 1744.5, and 1748). Local agencies may seek reimbursement for reasonable costs incurred in responding to these requests. However, per California Code of Regulations, title 20, section 1715 reimbursement is not available to state and federal agencies.

Enclosed is a copy of the AFC in electronic format (CD). If you would like to have a hard copy of the AFC sent to you, if you have questions, or if you would like to participate in the Energy Commission's review of the proposed project, please contact Alan Solomon, Energy Commission Project Manager, at (916) 653-8236, or by email at asolomon@energy.state.ca.us. The status of the proposed project, copies of notices, a copy of the AFC, and other relevant documents are also available on the Energy Commission's Internet web site at <http://www.energy.ca.gov/sitingcases/mariposa>. You can also receive email notification of all project related activities and availability of reports by subscribing to the Listserve at <http://www.energy.ca.gov/listservers/index.html>.

Sincerely,

Original Signature in Dockets
Eric Knight, Manager
Energy Facilities Siting and Dockets Office

Enclosure