



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

APPLICATION FOR CERTIFICATION
 FOR THE *HYDROGEN ENERGY*
CALIFORNIA PROJECT

DOCKET No. 08-AFC-8

NOTICE OF PUBLIC SITE VISIT AND INFORMATIONAL HEARING

On July 31, 2008, Hydrogen Energy International, LLC (Applicant) filed an Application for Certification (AFC) seeking authority to construct and operate the Hydrogen Energy California Project (HECA), an Integrated Gasification Combined Cycle (IGCC) power generating facility rated at a nominal gross generating capacity of 390 megawatts (MW). To avoid conflict with habitat for endangered species in the original location for the project, Applicant retracted the original AFC and filed a revised Application on May 28, 2009, for the same project to be built at a different location. The HECA Project is proposed for a 473-acre site located in a rural area in Kern County, California, 7 miles west of the city limit of Bakersfield.

The Energy Commission has exclusive jurisdiction to license this project and is considering the proposal under a twelve-month review process established by Public Resources Code section 25540.6. The power plant licensing process, which incorporates requirements equivalent to those of the California Environmental Quality Act (CEQA), considers all relevant engineering and environmental aspects of the proposed project. The licensing review provides a public forum allowing the Applicant, Commission staff, governmental agencies, adjacent landowners, and members of the public to consider the advantages and disadvantages of the project, and to propose changes, mitigation measures, and alternatives as necessary.

PLEASE TAKE NOTICE that the Committee assigned to this proceeding has scheduled a Public Site Visit and Informational Hearing as described below:

WEDNESDAY, SEPTEMBER 16, 2009

**Public Site Visit begins (bus leaves Elk Hills School) at 5:00 p.m.
 Public Informational Hearing begins at 6:00 p.m.**

DOCKET	
08-AFC-8	
DATE	<u>8/28/2009</u>
RECD.	<u>8/28/2009</u>

**Elk Hills School
 501 Kern Street
 Tupman, CA 93276
 (Maps Attached)**

Members of the public are invited to join the Committee on a tour of the proposed site before the Informational Hearing. Complimentary bus transportation from Elk Hills School to the site will be provided, and will depart the school at 5:00 p.m. For site visit and bus reservations, please contact the Commission's Public Adviser's Office, at (916) 654-4489 or 1-800-822-6228 or e-mail: [\[publicadviser@energy.state.ca.us\]](mailto:publicadviser@energy.state.ca.us). Please make your reservation on or before **September 10, 2009**, so that we can assure you a space.

Background

On May 28, 2009, Hydrogen Energy International, LLC (HEI) submitted a revised AFC to the California Energy Commission to construct and operate an IGCC power generating facility called Hydrogen Energy California (HECA). HEI is jointly owned by BP Alternative Energy North America Incorporated and Rio Tinto Hydrogen Energy, LLC. On July 31, 2008 HEI had submitted an AFC to the Energy Commission, which proposed the project on a different site, however, decided to move the project when it discovered the existence of sensitive biological resources at the original site. This revised AFC supersedes and replaces the July 31, 2008 AFC in its entirety.

On August 26, 2009, the Energy Commission deemed the AFC "data adequate" and began review of the proposed HECA Project. During the review period, the Energy Commission will determine whether the proposed project complies with applicable laws related to public health and safety, environmental impacts, and engineering requirements. The informational hearing scheduled by this Notice is sponsored by the Energy Commission to inform the public about the project and to invite public participation in the review process.

Project Description

The proposed HECA project would be located on a 473-acre site currently used for production of alfalfa, cotton, and onions. The project site would be located in western unincorporated Kern County, approximately 7 miles west of the city limit of Bakersfield, 1.5 miles northwest of the unincorporated community of Tupman, and approximately 4 miles southeast of the unincorporated community of Buttonwillow. It is bounded by Adohr Road on the north, Tupman Road to the east, the California State Water Project aqueduct to the south, and Dairy Road to the west. The Elk Hills oil field is located approximately 1 mile south of the project site. If approved, construction of the project would begin in May 2011 with commissioning and initial startup occurring October 2014 through August 15, 2015, with full scale operation by September of 2015.

The project would gasify petroleum coke (or blends of petroleum coke and coal, as needed) to produce hydrogen to fuel a combustion turbine operating in combined cycle mode rated at 390 MW gross/250 MW net. The gasification block would also capture approximately 90 percent of the carbon from the gasification process, which will be transported to the Elk Hills oil field for CO₂ (carbon dioxide) enhanced oil recovery (EOR) and sequestration.

In addition, the project would include a 100 MW net output peaking natural gas-fired combustion generator that would provide power for plant startup, power the gasifier when the plant does not generate and provide peaking power to the grid. During high demand periods 350 MW (250 MW net base load capacity plus 100 MW of simple cycle peaking power) would be available to the grid.

The power generation systems would include combined cycle power generation, an auxiliary combustion turbine generator and electrical switching facilities. Supporting process systems would include natural gas fuel systems, an air separation unit (ASU), a sulfur recovery unit/tail gas treating unit, zero liquid discharge (ZLD) units for process and plant wastewater streams, carbon dioxide compression, and a raw water treatment plant.

The project would connect to the grid at Pacific Gas & Electric's (PG&E) Midway Substation, which is approximately 8 miles northwest of the site, near Buttonwillow, and is the closest substation to the project site. This will necessitate construction of an 8-mile transmission line between the project and the Midway Substation. Two routes are being considered. Both routes leave the site north along Dairy Road, and then proceed west along Adohr Road. One of the routes then turns north at Dunford Road, and then turns northwest near Buerkle Road to the substation. The other route continues west on Adohr Road to Freeborn Road, turns north, and rejoins the other route near Buerkle Road proceeding northwest to the substation.

The project will use approximately 5 million gallons a day (mgd) of brackish water on a calendar year average basis for process water needs. The brackish groundwater will be treated onsite to meet project standards. This water will be supplied from Buena Vista Water Storage District (BVWSD), which is a local water district with impaired groundwater sources not suitable for agricultural or drinking use. The proposed BVWSD well field for the project's process water supply is located approximately 15 miles northwest of the project site, necessitating construction of a raw water supply pipeline approximately 15 miles in length.

The project will use approximately 1 acre-foot per year of potable water for drinking and sanitary use. This water will be supplied by West Kern Water District (WKWD) 7 miles to the southeast, necessitating construction of a potable water supply pipeline approximately 7 miles in length.

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:

Taft Branch
27 Emmons Park Drive
Taft, CA 93268

Tehachapi Branch
1001 West Tehachapi Boulevard, Suite A-400
Tehachapi, CA 93561

Boron Branch
26967 20 Mule Team Road
Boron, CA 93516

Beale Memorial Library
701 Truxtun Avenue
Bakersfield, CA 93301

Copies are also available at the Energy Commission's Library in Sacramento, the California State Library in Sacramento, and at public libraries in Eureka, San Francisco, Fresno, Los Angeles, and San Diego.

Purpose of the Site Visit and Informational Hearing

The Site Visit and informational Hearing scheduled in this Notice provides an opportunity for members of the community in the project vicinity to obtain information, to offer comments, and to view the project site. Anyone may present oral comments at the Informational Hearing and no advance notice need be provided. The Applicant will explain its plans for developing the project and the related facilities and the Energy Commission staff will explain the licensing process and Staff's role in reviewing the AFC.

Proposed Schedule and Issue Identification Report

Commission staff will file a proposed schedule for project review. Staff will also file an Issue Identification Report summarizing the major issues. This report will also indicate what additional information is necessary to resolve issues of concern. The proposed schedule and Staff's report shall be filed by **noon on September 8, 2009**. The Applicant shall file its response, if any, by **noon on September 10, 2009**.

Copies of these documents will be posted on the Energy Commission's Internet web page at: **[www.energy.ca.gov/sitingcases/hydrogen_energy]**.

Public Adviser and Public Participation

The Energy Commission Public Adviser's Office is available to assist the public in participating in the application review process. For information on how to participate, 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 well in advance of the hearing at 916-654-5146 or e-mail: **[lquiroz@energy.state.ca.us]**.

Information

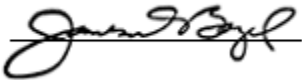
Questions of a legal or procedural nature should be directed to Raoul Renaud, the Hearing Officer, at (916) 651-2020, or e-mail: **[rrenaud@energy.state.ca.us]**.

Technical questions concerning the project should be addressed to Rod Jones, Staff Project Manager, at: (916) 654-5191, or e-mail: **[rjones@energy.state.ca.us]**.

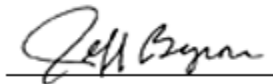
Media inquiries should be directed to the Office of Media and Public Communications at (916) 654-4989 or e-mail at: [\[mediaoffice@energy.state.ca.us\]](mailto:mediaoffice@energy.state.ca.us).

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: [\[http://www.energy.ca.gov/sitingcases/hydrogen_energy\]](http://www.energy.ca.gov/sitingcases/hydrogen_energy).

Dated August 28, 2009, at Sacramento, California.



JAMES BOYD
Vice-Chairman and Presiding Member
Hydrogen Energy California AFC Committee

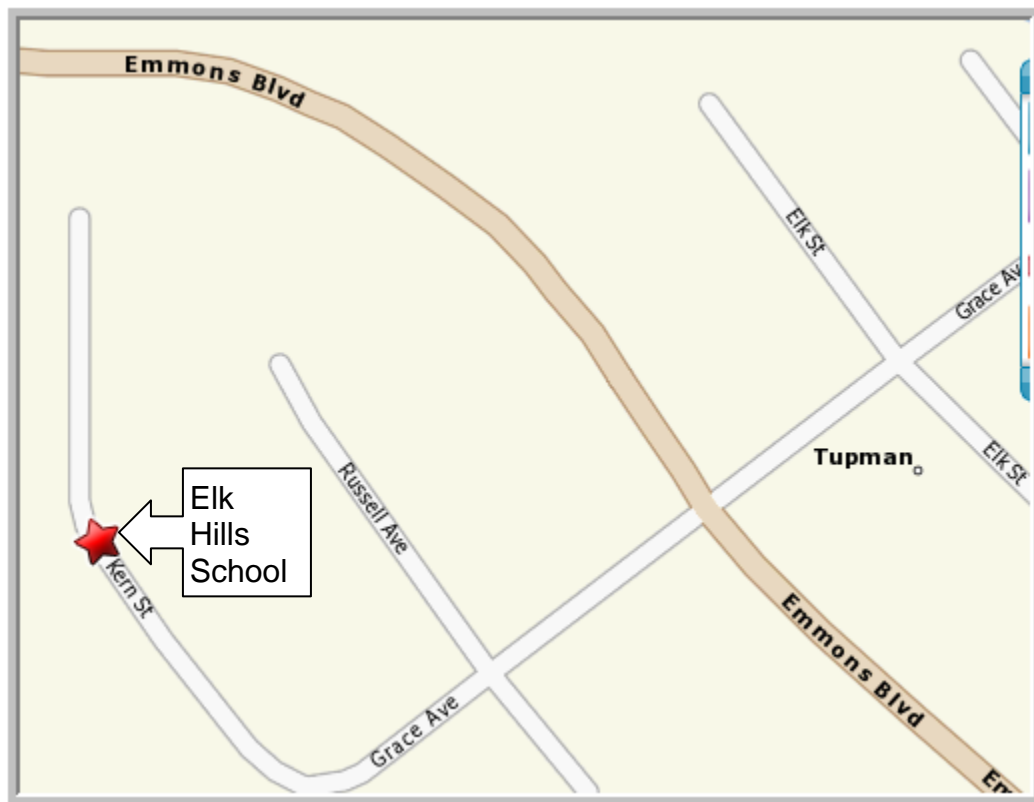


JEFFREY BYRON
Commissioner and Associate Member
Hydrogen Energy California AFC Committee

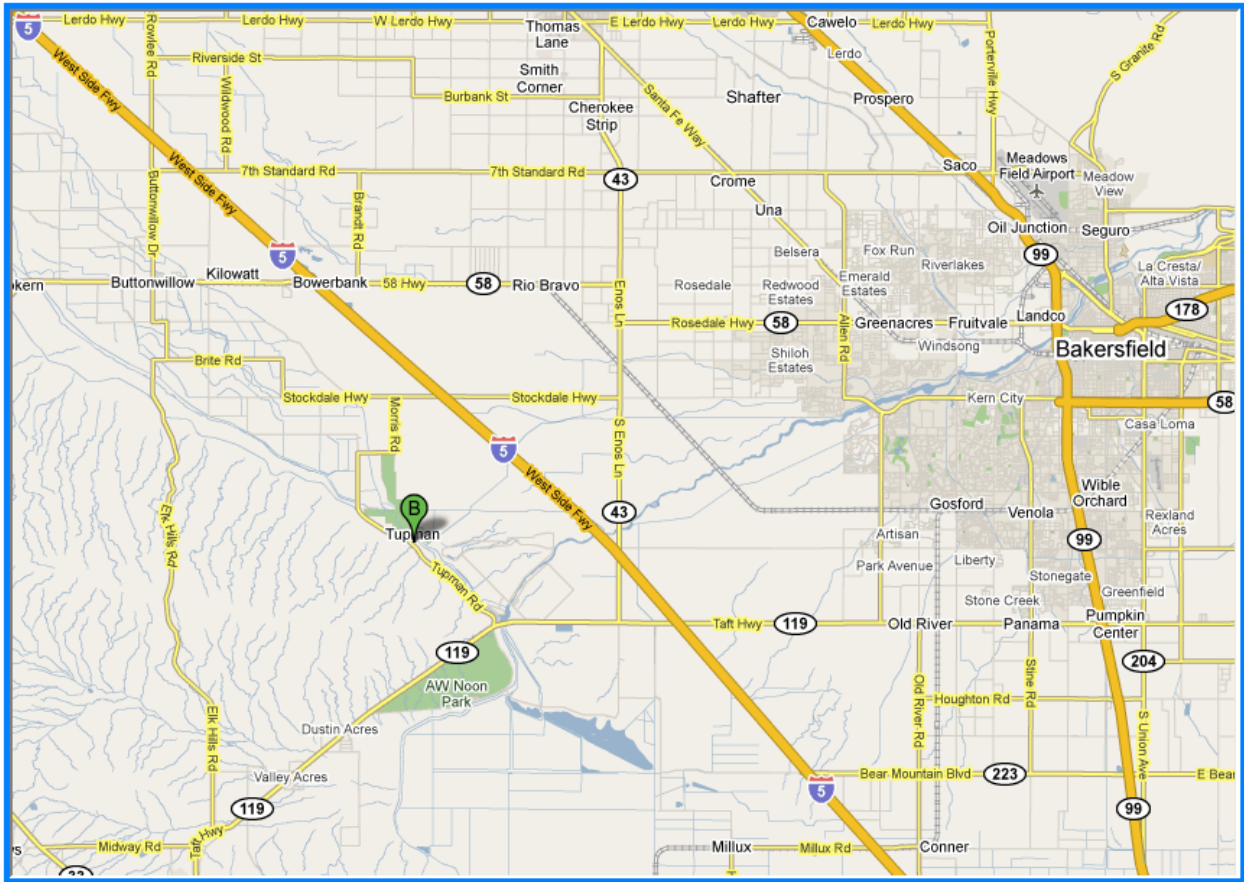
Mailed to Lists: POS, 7322, 7323, 7324, 7325.

WEDNESDAY, SEPTEMBER 16, 2009
Public Site Visit begins (bus leaves Elk Hills School) at 5:00 p.m.
Public Informational Hearing begins at 6:00 p.m.

Elk Hills School
501 Kern Street
Tupman, CA 93276



HIGHWAYS INTO TUPMAN



From Bakersfield: Take 99 South; Take exit 18 for CA-119 toward Taft/Lamont; Turn right at CA-119/E Panama Rd/Taft Hwy; Continue to follow CA-119/Taft Hwy 16.2 mi Turn right at Tupman Rd; Turn left at Grace Ave. Grace Ave turns slightly right and becomes Kern St; Destination will be on the left

From I-5 Northbound:

Take exit 244 for CA-119/Taft Hwy
Turn left at CA-119/Taft Hwy (signs for Taft)
Turn right at Tupman Rd
Turn left at Grace Ave
Grace Ave turns slightly right and becomes Kern St
Destination will be on the left

From I-5 Southbound:

Take exit 253 for Stockdale Hwy
Turn right at Bellevue Rd/Stockdale Hwy
Turn left at Morris Rd
Turn right at Station Rd
Turn left at Tupman Rd
Turn right at Grace Ave
Grace Ave turns slightly right and becomes Kern St
Destination will be on the left



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Docket No. 08-AFC-8

**PROOF OF SERVICE LIST
(Est. 8/26/09)**

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INTERVENORS

ENERGY COMMISSION

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DECLARATION OF SERVICE

I, RoseMary Avalos, declare that on August 28, 2009, I served and filed copies of the attached, Notice of Informational Hearing and Site Visit, dated August 28, 2009. The original document, filed with the Docket Unit, is accompanied by a copy of the most recent Proof of Service list, located on the web page for this project at: [www.energy.ca.gov/sitingcases/hydrogen_energy].

The documents have been sent to both the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit, in the following manner:

(Check all that Apply)

FOR SERVICE TO ALL OTHER PARTIES:

 X sent electronically to all email addresses on the Proof of Service list;

 X by personal delivery or by depositing in the United States mail at Sacramento, California with first-class postage thereon fully prepaid and addressed as provided on the Proof of Service list above to those addresses NOT marked "email preferred."

AND

FOR FILING WITH THE ENERGY COMMISSION:

 X sending an original paper copy and one electronic copy, mailed and emailed respectively, to the address below (*preferred method*);

OR

 depositing in the mail an original and 12 paper copies, as follows:

CALIFORNIA ENERGY COMMISSION

Attn: Docket No. 08-AFC-8
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.state.ca.us

I declare under penalty of perjury that the foregoing is true and correct.

Original Signed By:
RoseMary Avalos