

DOCKET

08-AFC-8

DATE MAR 26 2010

RECD. MAR 29 2010

Association of Irrigated Residents

Issues Statement for HECA AFC Mandatory Status Conference March 26, 2010

The issue seems to be “critical dates specified in the current Scheduling Order”. Since there are no current dates the assumption is that setting these dates is the purpose for this Mandatory Status Conference. The Association of Irrigated Residents will participate in the conference by phone and makes the following general comments and proposals about the issues at hand:

AIR’s proposed reasonable solution for scheduling is to postpone any further action on the application indefinitely. There are important issues with this project that can be clarified with time.

Certainly, the information concerning the Enhanced Oil Recovery and related Carbon Sequestration aspects of the project needs to be completed.

But, beyond the issues about what is really going to happen to the captured CO₂ there are many controversial aspects to this project that should require a more careful analysis before rushing blindly forward into something that may look foolish in the future. Here is a list of just a few of the controversies that can be solved with more time:

- The project proposes to bring coal to California for production of energy. How much more time will it take to realize this is an inappropriate project for California? A couple years more of global warming should be enough to clarify the issue.
- The project is extremely expensive and relies on \$300 million of taxpayer stimulus funding which could better go to renewable energy projects. Perhaps a delay of a couple years would be appropriate to give the DOE a chance to re-examine their priorities in spending this money.
- The project will add to criteria air pollutants in an extreme non-attainment area. This has not been properly analyzed. For example, the effect of the project on ozone levels in nearby Arvin has not been analyzed. The proposal to mitigate some of the emissions with inter-pollutant trading of pre-baseline (pre-1990) emission reduction credits, at inappropriate ratios, is illegal. A request to EPA to rule on this issue has been made in regards to other recent power plant applications approved by the CEC. It may take some lawsuits and a few years to settle this issue with the EPA.
- State Rules regulating green house gas emissions as the only emissions performance standard for power plants will have to change. It is a serious environmental justice issue that a polluting power plant can be called “clean energy” because it proposes to lower CO₂ emissions from those of a standard fossil fuel power plant while, at the same time, emitting higher rates of criteria air pollutants in an extreme non-attainment air basin such as the San Joaquin Valley. For example, the table below, made from data taken from their respective AFC’s,

compares HECA proposed criteria air emissions per MW with the proposed Avenal Natural Gas combined-cycle proposed criteria air emissions. It is easy to see that the total HECA emissions are nearly 7 times the Avenal emissions on a per MW basis. It will probably take a year or two for the legislature to address this environmental justice problem but it must be addressed, sooner or later, with some kind of criteria air pollutant emissions standard for low-CO2 and renewable type energy plants. San Joaquin Valley residents are facing similar problems from biomass incinerators purporting to be “clean energy”.

Criteria Air Pollutant Emissions ton/yr				
	NOx	VOC	PM10/2.5	SO2
HECA 250 MW total emissions	193	36.8	211.1	38.7
Avenal 600 MW total emissions	144	35	81	17
HECA Per MW	.77	.15	2.11	.16
Avenal Per MW	.24	.06	.14	.03

- This project uses outrageous amounts of useful ground water in an area recently deprived of adequate water for farming. The project also removes from farming some of the most fertile agricultural land in the entire state. Recent cutoffs of water to farmers in the area needs to be examined more carefully and it may take a few years before the long term water supplies for the region are determined through the public process. Water is so valuable that a little salt in the water can be diluted with fresher water as is currently being done in the area by farmers. Also, it is becoming more and more reasonable that the cost to clean some of this mineral laden water is economically feasible as water takes on more and more value.

As noted above, there are several reasons why a significant delay is appropriate. AIR proposes the following reasonable schedule for consideration since actual dates are needed by the applicant. The CEC should suspend all action on the application, except further discovery of the facts, until April 1, 2012, and then meet again to see if the proposal merits further consideration.

Tom Frantz
 President, Association of Irrigated Residents

STATE OF CALIFORNIA
State Energy Resources
Conservation and Development Commission

In the Matter of:) 08-AFC-8
Hydrogen Energy California)
_____) **DECLARATION OF SERVICE**
_____)

I, Tom Frantz, on behalf of the Association of Irrigated Residents, declare that on March 25, 2010, I served and filed copies of the attached **ISSUES STATEMENT**, accompanied by a copy of the most recent *Proof of Service* list with the Docket Unit. The document has been sent to the Commission AND the applicant, as well as the other parties in this proceeding (as shown on the *Proof of Service* list), in the following manner:

FOR SERVICE TO THE APPLICANT AND ALL OTHER PARTIES:

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

AND

FOR FILING WITH THE ENERGY COMMISSION:

sending an original paper copy and one electronic copy, mailed and emailed respectively, to the address below:

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.

Tom Frantz
Name

March 25, 2010
Date



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

PROOF OF SERVICE LIST
(Rev. 2/8/10)

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