

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5112
www.energy.ca.gov

DOCKET**99-AFC-1C**DATE AUG 04 2011RECD. AUG 04 2011

**NOTICE OF DETERMINATION
PETITION FOR ADMINISTRATIVE CHANGE
TO ALLOW OPERATION AS A COGENERATION FACILITY
FOR THE ELK HILLS POWER PROJECT
(99-AFC-1C)**

On July 1, 2011, a petition was filed with the California Energy Commission by Elk Hills Power, LLC, requesting to modify the Elk Hills Power (EHP) Project. The 550-megawatt project was certified by the Energy Commission in December 2000, and began commercial operation on July 23, 2003. The facility is located in western Kern County, west of Bakersfield, near the community of Tupman.

DESCRIPTION OF PROPOSED MODIFICATIONS

The modifications proposed in the petition would be the addition of connections to the high and intermediate pressure steam systems and condensate system which would allow EHP to deliver cogenerated thermal energy to support natural gas processing facilities in the adjacent Occidental of Elk Hills, Inc. oil and gas processing facilities. The cogeneration project allows an overall improvement in efficiency of the combined operations by using thermal energy from EHP to replace the heating load that would otherwise be supplied by natural gas fired heaters at the 35R Gas Processing Facilities.

ENERGY COMMISSION STAFF REVIEW AND DETERMINATION

Pursuant to section 1769(a)(2), Title 20, California Code of Regulations, “(w)here staff determines that there is no possibility that the modifications may have a significant effect on the environment, and if the modifications will not result in a change or deletion of a condition adopted by the commission in the final decision or make changes that would cause the project not to comply with any applicable laws, ordinances, regulations, or standards, no commission approval is required...”

Energy Commission staff has determined that approval by the full Energy Commission is not required and the proposed modifications meet the criteria for approval at the staff level because:

- The modification will not have any significant effect on the environment;
- Existing conditions of certification are sufficient to cover the proposed modification without changes to, or deletions of, any conditions of certification; and
- The project as modified will maintain full compliance with applicable LORS.

Any person may file a written objection to staff’s determination within 14 days of the date of this notice on the grounds that the project modification does not meet the criteria set forth in Section 1769(a)(2). All objections must be in writing and must be sent either by U.S. mail, e-mail, or other document delivery service to Mary Dyas, Compliance Project Manager, at the address shown below:

California Energy Commission
1516 9th Street, MS 2000
Sacramento, CA 95814

Comments may be submitted by fax to (916) 654-3882, or by e-mail at mdyas@energy.state.ca.us. If no substantive objection is received in writing, the requested project modifications will be deemed approved.

For further information on how to participate in this proceeding, please contact the Energy Commission Public Adviser's Office, at (916) 654-4489, or toll free in California at (800) 822-6228, or by e-mail at publicadviser@energy.state.ca.us. News media inquiries should be directed to the Energy Commission Media Office at (916) 654-4989, or by e-mail at mediaoffice@energy.state.ca.us.

If you have questions about this notice, please contact Mary Dyas at (916) 651-8891, or by fax or e-mail using the above information.

Date: _____

CHRISTOPHER J. MARXEN
Compliance Office Manager
Siting, Transmission & Environmental Protection
Division

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