

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5112

**DOCKET****11-AFC-3**DATE SEP 07 2011RECD. SEP 08 2011

September 7, 2011

TO: AGENCY DISTRIBUTION LIST

REQUEST FOR AGENCY PARTICIPATION IN THE REVIEW OF THE QUAIL BRUSH GENERATING PROJECT, APPLICATION FOR CERTIFICATION (11-AFC-3)

On August 29, 2011, Quail Brush Genco, LLC, submitted an Application for Certification (AFC) to construct and operate the Quail Brush Generating Project (QBGP). The QBGP is proposed to be developed on a 21.6-acre parcel, located in the City of San Diego, California. The proposed site is located west of the City of Santee, south of the Sycamore Landfill and north of State Route 52.

PROJECT DESCRIPTION

The proposed Quail Brush Generation Project (Project) is a nominally rated 100-megawatt (MW) intermediate/peaking load, electrical generating facility that would employ a set of eleven (11) natural gas-fired, reciprocating, Wartsila engine generators. The major features of the proposed project include the following:

- Eleven (11) nominally rated 9.3 MW (gross) Wartsila model 20V34SG, natural gas-fired, reciprocating engines;
- Eleven (11) separate, state-of-the-art, air pollution control systems representing Best Available Control Technology (BACT);
- Eleven (11) approximately 48-inch diameter x 100-foot tall stacks, each with a separate continuous emissions monitoring system (CEMS);
- Acoustically engineered building enclosing all 11 reciprocating engines;
- Closed loop cooling system consisting of multiple fan-cooled radiator assemblies outside of the engine building;
- One (1) 20,000 gallon urea storage tank;
- One (1) 600,000 gallon fire water tank and associated fire water system;
- One (1) 10,000 gallon domestic water storage tank;
- Plant site access road;
- Onsite 230kV facility switchyard including switchgear and the main voltage step-up transformer, switchgear, circuit breakers, and disconnects;
- Approximately 1 mile of 230kV single-circuit gen tie between the project and the anticipated point of interconnection (POI) to the existing San Diego Gas & Electric (SDG&E) Miguel to Mission 230kV transmission line situated west of the plant site;

- New SDG&E 230kV utility switchyard at the POI configured as a line-break of the existing SDG&E 230kV transmission line that will include circuit breakers and disconnects, and an access road; and
- Approximately 2,200 feet of 8-inch diameter natural gas pipeline lateral between the project site and the existing SDG&E 20-inch diameter high pressure natural gas pipeline located across Mast Avenue from the landfill entrance and associated onsite metering station.

If the proposed project is approved by the Energy Commission, the applicant plans to construct the project in approximately 18 months. Construction of the generation plant, from mobilization, through site preparation and grading, to the start of commercial operation, is proposed to take place from March 2013 until June 2014.

ENERGY COMMISSION'S SITE CERTIFICATION PROCESS

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications to construct and operate thermal electric power plants, 50 MW and greater, in California. 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 has a certified regulatory program and is the lead agency under the California Environmental Quality Act (CEQA).

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

Under its certified regulatory program the Energy Commission prepares and publishes both a Preliminary Staff Assessment (PSA) and a Final Staff Assessment (FSA) which are the legal equivalents of an Environmental Impact Report. After allowing for a public comment period on this PSA, staff will prepare and publish the FSA which will serve as staff's formal testimony in evidentiary hearings to be held by the Energy Commission Committee assigned to hear this case. The Committee will hold evidentiary hearings and will consider the recommendations presented by staff, applicant, interveners, government agencies, and the public, prior to proposing its decision. In the last step, the full Energy Commission will issue the final decision.

AGENCY PARTICIPATION

To ensure that the Energy Commission has the information needed in order to make a decision regarding the AFC, the Energy Commission's regulations identify a special role for federal, state, and local agencies (See, Cal. Code Regs., tit. 20, section 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 that are applicable to the proposed site and related facilities, and which your agency would administer or enforce but for the Energy Commission's exclusive jurisdiction;
- 3) A description of the nature and scope of the requirements that 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. (Cal. Code Regs., tit. 20, section 1714.5, subd. (a)(2)). 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 (Cal. Code Regs., tit. 20, section 1714.5).

Assuming that the proposed project is found to be data adequate during the Energy Commission's October 5, 2011 business meeting, we request that your agency provide comments to us by **November 30, 2011**, except for the San Diego Air Pollution Control District's Preliminary and Final Determinations of Compliance. You may be asked to present and explain your conclusions at public and evidentiary hearings on the project (see Cal. Code Regs., tit. 20, sections 1714.3, 1714.5, 1743, 1744.5, and 1748).

When the AFC is accepted as data adequate, your participation in the proceeding will continue to be valuable and encouraged and will allow you to identify and try to resolve issues of concern to your agency. There may be specific requests for agency review and comment during the proceedings after the AFC has been determined to be complete. Local agencies may seek reimbursement for costs incurred in responding to these requests.¹ However, comments provided in response to this request during data adequacy are not reimbursable under Energy Commission guidelines.

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 the Energy

¹ Please note that pursuant to 20 CCR 1715 reimbursement is not available to state and federal agencies.

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Request for Agency Participation
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Commission's Project Manager, Eric Solorio, at (916) 651-0966, or by e-mail at esolorio@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/quailbrush/index.html>. You can also receive email notification of all project related activities and availability of reports by subscribing to the List server at <http://www.energy.ca.gov/listservers/index.html>.

Sincerely,

Chris Davis, Manager
Energy Facilities Siting Office

Enclosure: CD of Application for Certification 11-AFC-3