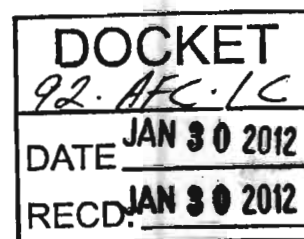


CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov



DATE: January 30, 2012

TO: Interested Parties

FROM: Joan Walter, Compliance Project Manager

SUBJECT: CROCKETT COGENERATION PROJECT (92-AFC-1C)
Staff Analysis of Proposed Modifications to Allow Installation of
Electric Motor-Driven Natural Gas Compression Equipment

On December 21, 2011, Crockett Cogeneration, a California Limited Partnership (Crockett) filed a petition with the California Energy Commission to amend the Energy Commission Decision for the Crockett Cogeneration Project (CCP or Project). Staff prepared an analysis of the proposed modifications, and a copy is enclosed for your information and review.

The CCP is a 240-MW combined cycle power plant located in the unincorporated area of Crockett, in Contra Costa County. The CCP was certified by the Energy Commission on May 3, 1993, and began commercial operation in May, 1996.

The proposed modifications will allow Crockett to install electric motor-driven natural gas compression equipment weighing up to 65,000 pounds and with a maximum output of 1500 horsepower to be located in an acoustic building amidst existing generation equipment.

Energy Commission staff reviewed the petition and assessed the impacts of the proposed modifications on environmental quality, public health and safety, and proposes one additional condition of certification for socioeconomic (SOCIO-12). It is staff's opinion that, with the implementation of the additional condition, the Project amendment will remain in compliance with applicable laws, ordinances, regulations, and standards and that the proposed modification will not result in a significant adverse direct or cumulative impact to the environment (Title 20, California Code of Regulations, Section 1769).

The amendment petition and staff's analysis have been posted on the Energy Commission's webpage at www.energy.ca.gov/sitingcases. The Energy Commission's Order (if approved) will also be posted on the webpage. Energy Commission staff intends to recommend approval of the petition at the March 14, 2012, Business Meeting of the Energy Commission.

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If you have comments on the proposed modification, please submit them to me at the address below prior to February 29, 2012.

Jean Walter, Compliance Project Manager
California Energy Commission
1516 9th Street, MS-2000
Sacramento, CA 95814

Comments may also be submitted by fax to (916) 654-3882, or by e-mail to jwalter@energy.state.ca.us. If you have any questions, please contact me at (916) 654-5153.

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.

Mail List #795
Enclosure

CROCKETT COGENERATION PROJECT (92-AFC-1C)

Request for Modifications to Allow Installation of Natural Gas Compression Equipment

INTRODUCTION AND SUMMARY

On December 21, 2011, Crockett Cogeneration filed a petition with the California Energy Commission (Energy Commission) requesting to make modifications to the Crockett Cogeneration Project (CCP or project) facility. The 240-megawatt facility was certified by the Energy Commission on May 3, 1993. The power plant site encompasses 2.6 acres of land situated within the unincorporated community of Crockett in Contra Costa County, California.

The petition provides a description of the affected environment and analyses of the potential environmental and cumulative impacts associated with the project amendment, along with measures to avoid adverse impacts. The analyses and supporting information are provided to comply with Energy Commission requirements, including the California Environmental Quality Act (CEQA), and to determine compliance with applicable laws, ordinances, regulations and standards (LORS). Staff has reviewed the petition for potential environmental effects in the technical areas illustrated below and to determine compliance with applicable LORS. Based on this review, and incorporating one new condition of certification for Socioeconomics (SOCIO-12), staff has determined that no significant adverse impacts would result from the proposed project modifications and that the project amendment, if approved, will comply with all applicable LORS.

CROCKETT COGENERATION PROJECT - TECHNICAL AREAS REVIEWED

Technical Areas Reviewed	Staff Response			New or Modified Conditions of Certification Recommended
	Does Not Affect Technical Area	No Significant Environmental Affect*	Process As An Amendment	
Air Quality	X			N/A
Biological Resources	X			N/A
Cultural Resources	X			N/A
Geological Hazards & Resources		X		No
Land Use		X		No
Noise		X		No
Paleontological Resources		X		No
Public Health	X			N/A
Reliability	X			N/A
Socioeconomics			X	Yes
Soil Resources		X		No
Transmission Line Safety & Nuisance	X			N/A
Traffic		X		No
Transmission System Engineering	X			N/A
Visual Resources		X		No
Waste Management		X		No
Water Resources and Quality		X		No

*There is no possibility that the modifications may have a significant effect on the environment and the modification 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 (LORS) (20 Cal. Code Regs., § 1769 (a)(2)).

CROCKETT COGENERATION PROJECT (92-AFC-1C)
Request for Modifications to Allow Installation of Compression Equipment
SOCIOECONOMICS
Lisa Worrall

INTRODUCTION

On December 21, 2012, Crockett Cogeneration, a California Limited Partnership (Crockett) filed a petition with the California Energy Commission (Energy Commission) requesting to make modifications to the Crockett Cogeneration Project (CCP or project) facility. The 240-megawatt facility was certified by the Energy Commission on May 3, 1993. The power plant site encompasses 2.6 acres of land situated within the unincorporated community of Crockett in Contra Costa County, California.

Socioeconomics staff has reviewed the petition to amend (install natural gas compression equipment) for potential environmental effects and consistency with applicable laws, ordinances, regulations, and standards (LORS). Based on this review, staff determined that the proposed project modifications would result in a less than significant effect and staff-proposed Condition of Certification **SOCIO-12** would ensure that the proposed project modifications would comply with state and local LORS.

LAWS, ORDINANCES, REGULATIONS, AND STANDARDS (LORS) COMPLIANCE

At the time CCP was certified, applicable LORS were identified in the Commission Decision. Since that time, two new applicable LORS were passed. Approval of the amendment would require that the proposed project modifications comply with these two LORS; Section 17620 of the Education Code, and Sections 65996-65997 of the California Government Code. **Socioeconomics Table 1** presents the two new applicable LORS.

SOCIOECONOMICS Table 1
New Applicable LORS

Applicable Law	Description
State	
California Education Code, Section 17620	The governing board of any school district is authorized to levy a fee, charge, dedication, or other requirement for the purpose of funding the construction or reconstruction of school facilities.

Applicable Law	Description
California Government Code, Sections 65996-65997	Except for a fee, charge, dedication, or other requirement authorized under Section 17620 of the Education Code, state and local public agencies may not impose fees, charges, or other financial requirements to offset the cost for school facilities.

ANALYSIS

Staff also reviewed the California Energy Commission's Decision for the CCP (May 1993) and the Socioeconomics section of the Final Staff Assessment (November 1992) as a basis for staff's conclusions. There were 11 Socioeconomics Conditions of Certification adopted for the CCP that have since been signed off as verification complete.

This petition to amend proposes to modify the CCP by installing electric motor-driven natural gas compression equipment within the existing CCP footprint. Installation of the compression equipment would be within a 425-square foot-pre-fabricated building constructed out of acoustic material to provide noise suppression. Construction activities would last three months (March 2012 to May 2012) and require an outage at the Crockett Cogeneration plant of four days. Construction of the proposed project modifications could occur from 7:00 a.m. to 9:00 p.m., Monday through Saturday and would employ a peak workforce of twenty workers. The proposed project modifications would use two onsite equipment laydown areas plus the existing facility's secured parking during construction.

The CCP facility is in the John Swett Unified School District. As noted in **Socioeconomics Table 1**, Section 17620 of the Education Code states "The governing board of any school district is authorized to levy a fee, charge, dedication, or other requirement for the purpose of funding the construction or reconstruction of school facilities." State and local agencies are precluded from imposing additional fees or required payments on development projects for mitigating possible enrollment impacts to schools. The current statutory school fees as of the 2010-2011 fiscal year for new commercial or industrial development within the John Swett Unified School District is \$0.47 per square foot of covered and enclosed space. The applicable fees are calculated prior to the issuance of building permits during plan review. Based on the preliminary project design described in the petition to amend, approximately 425 square feet would be considered chargeable covered and enclosed space. Based on this preliminary estimate, approximately \$199.75 in school fees would be assessed for the John Swett Unified School District. Staff is proposing Condition of Certification **SOCIO-12** to ensure the payment of fees to this school district. CCP would comply with Section

17620 of the Education Code through the one-time payment of statutory school impact fees to the John Swett Unified School District.

The project owner estimates the labor workforce would come from the local area, but there may be a need to hire labor or supervision workers from outside the area. These non-local workers may require temporary housing or lodging during construction. There would be ample lodging near the project site in the nearby Benicia, Martinez, Pinole, Richmond, and Vallejo to accommodate the limited number of non-local workers that may be needed during the three-month construction period. The table below shows the typical trade types needed and availability of these types of workers. As the **Socioeconomics Table 2** shows, there would be ample labor supply for construction of the proposed project modifications. The natural gas compression equipment is automated and would not require additional operations personnel to be hired.

SOCIOECONOMICS TABLE 2
2008-2018 Occupational Employment Projections
Oakland-Fremont-Hayward Metropolitan Division
(Alameda and Contra Costa Counties)

Occupational Title	Annual Average Employment		Employment Change	
	2008	2018	Numerical	Percent
Cement Masons and Concrete Finishers	1,470	1,550	80	5.4
Construction Laborers	12,510	13,960	1,450	11.6
Construction Trades Workers	55,570	58,230	2,660	4.8
Insulation Workers, Floor, Ceiling, and Wall	640	710	70	10.9
Supervisors, Construction and Extraction Workers	5,620	6,100	480	8.5
Source: CA Employment Development Department, Projections of Employment by Industry and Occupation, < http://www.labormarketinfo.edd.ca.gov/Content.asp?pageid=145 >.				

The two laydown areas, the existing facility's secured parking, and site for the pre-fabricated building housing the natural gas compression equipment are within the CCP facility footprint that was studied in the CCP Final Staff Assessment. Any potential impacts resulting from the natural gas compression equipment installation would not result in a worsening of socioeconomic impacts beyond those analyzed in the Socioeconomics section in the CCP Final Staff Assessment.

Staff has reviewed the petition for potential environmental effects and consistency with applicable LORS. Based on this review, staff determined that no significant adverse socioeconomic impacts would result from the proposed project modifications.

CONCLUSIONS AND RECOMMENDATIONS

The proposed project modifications would conform to applicable State LORS with the adoption of staff-proposed Condition of Certification **SOCIO-12** and the modified project would result in a less than significant socioeconomic impact. The conditions of certification in the Decision would remain unchanged and Condition of Certification SOCIO-1 would still apply to the proposed amendment.

PROPOSED MODIFICATIONS TO CONDITIONS OF CERTIFICATION

Staff proposes the following additional condition of certification:

SOCIO-12 The project owner shall pay the one-time statutory school facility development fees to the John Swett Unified School District as required by Education Code Section 17620.

Verification: At least 30 days prior to the start of project construction, the project owner shall provide to the Compliance Project Manager (CPM) proof of payment to the John Swett Unified School District of the statutory development fee.