

Association of Irrigated Residents
30100 Orange St
Shafter, CA 93263

March 23, 2012

CEC

Re: HECA
Modeling Protocol Supplement of February 21, 2012

After reading the Modeling Protocol Supplement, the Association of Irrigated Residents (AIR) has the following questions about certain statements in the document.

1. On Page two under the general heading **“...several basic project components remain unchanged...”** there is the following bullet point:

“90 percent carbon capture is achieved via CO2 EOR and sequestration...”

This does not seem to be an accurate statement supported by evidence. AIR assumes the project will capture CO2 from coal and use it for EOR. AIR has seen no evidence concerning the amount of this CO2 that will ultimately be sequestered. Has it been determined definitively that the EOR process results in sequestration of 90 percent of the CO2 produced in relation to the project? We have not seen any facts or detailed description of the EOR process that shows the lifecycle of the CO2 after its initial capture in the IGCC process. Will there be leakage as the CO2 comes back to the surface with the oil and is recaptured, cleaned, pressurized, and reinjected? Please provide a realistic projection of the total CO2 released by this project including that from all related and peripheral activities such as total operation activities, transportation of fuel and waste, pumping of water, pressurizing of CO2, injection of CO2, etc.

2. **“NOx emissions from the CTG/HRSG will be lower....”** What was the earlier figure? How much lower? Will there be NOx emissions from the fertilizer plant? Will total NOx emissions be lower when the fertilizer plant and related operations are included? Will the use of coal as 75% of the fuel for the life of the project instead of the first two years only, increase or decrease criteria air pollutants such as NOx in Kern County over the life of the project. Any changes in transportation of the fuel should be included in the analysis. How much transportation will be needed for the fertilizer plant including deliveries of the finished product? How do emissions change if the rail spur to the project is not built?

3. Please justify why **coal** is the choice as the majority fuel for the life of the project. Kern County does not produce coal but we have plenty of oil and natural gas. Is there a reason why the project does not attempt carbon capture with natural gas as the main fuel?

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4. Will the **urea** (fertilizer) produced be expected to raise or lower the price of this type of fertilizer for local farmers? Does HECA expect to receive carbon credits in some form from the production of this fertilizer?

6. Under Meteorological and Background Data it is stated that NO₂ data will be from the Shafter, Walker Street station. Please justify why this is the correct station to use and not the Arvin, Bear Mtn station. Please include the hills and mountains around HECA and around Arvin in the justification. Please note clearly how Shafter has the lowest levels of NO₂ emissions and Arvin has the highest levels in Kern County. Explain why it is ok to choose the Kern County monitoring station with the lowest levels instead of the highest levels of NO₂ for background levels when the requirement is to be conservative in all assumptions in order to present the worst probable case instead of the best?

7. AIR notes that the plan is to continue the proposal to use a **brackish water** supply for process water needs. What is HECA's definition of brackish water in mg/L of dissolved salts. What is the level of salts in the proposed brackish water? Is there a guarantee that water below a certain level of salts will not be used by HECA for process water?

Sincerely,

Original signed by:

Tom Frantz
President, Association of Irrigated Residents



**BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT
COMMISSION OF THE STATE OF CALIFORNIA**
1516 NINTH STREET, SACRAMENTO, CA 95814
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**APPLICATION FOR CERTIFICATION
FOR THE *HYDROGEN ENERGY*
*CALIFORNIA, LLC PROJECT***

Docket No. 08-AFC-8

**PROOF OF SERVICE
(Revised 3/20/12)**

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DECLARATION OF SERVICE

I, Tom Frantz, declare that on March 26, 2012, I served and filed a copy of the attached document dated March 26, 2012. This document is accompanied by the most recent Proof of Service list, located on the web page for this project at: [www.energy.ca.gov/sitingcases/hydrogen_energy/index.html].

The document has been sent to the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit or Chief Counsel, as appropriate, in the following manner:

(Check all that Apply)

For service to all other parties:

- x Served electronically to all e-mail addresses on the Proof of Service list;
- Served by delivering on this date, either personally, or for mailing with the U.S. Postal Service with first-class postage thereon fully prepaid, to the name and address of the person served, for mailing that same day in the ordinary course of business; that the envelope was sealed and placed for collection and mailing on that date to those addresses **NOT** marked "e-mail preferred."

AND

For filing with the Docket Unit at the Energy Commission:

- x by sending one signed copy, mailed with the U.S. Postal Service with first class postage thereon fully prepaid and e-mailed respectively, to the address below (preferred method); **OR**
- by depositing an original and 12 paper copies in the mail with the U.S. Postal Service with first class postage thereon fully prepaid, as follows:

CALIFORNIA ENERGY COMMISSION – DOCKET UNIT

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

OR, if filing a Petition for Reconsideration of Decision or Order pursuant to Title 20, § 1720:

- Served by delivering on this date one electronic copy by e-mail, and an original paper copy to the Chief Counsel at the following address, either personally, or for mailing with the U.S. Postal Service with first class postage thereon fully prepaid:

California Energy Commission
Michael J. Levy, Chief Counsel
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I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, that I am employed in the county where this mailing occurred, and that I am over the age of 18 years and not a party to the proceeding.

Original signed by Tom Frantz