

DOCKETED

Docket Number:	19-EPS-01
Project Title:	Emission Performance Standard
TN #:	231364
Document Title:	IID's Public Notice of Covered Procurement
Description:	Imperial Irrigation District SB-1368 Emission Performance Standards Public Notice of Covered Procurement - Hell's Kitchen Geothermal
Filer:	Jamie Asbury
Organization:	Imperial Irrigation District
Submitter Role:	Public Agency
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IID

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January 2, 2020

Via Email to: EPS@energy.ca.us

Emissions Performance Standard
California Energy Commission
1516 9th Street
Sacramento, CA 95814

Re: SB 1368 Emission Performance Standards-Public Notice of Covered Procurement

To whom it may concern:

Pursuant to the California Code of Regulations (CCR) Title 20, § 2908(b), the Imperial Irrigation District (IID) is providing notice of its governing body's intent to consider entering into a Power Purchase Agreement (Agreement) between IID and Hell's Kitchen PowerCo 1, LLC, that provides for the procurement of electricity with a term of five years or greater from a geothermal generating plant to be developed and located in Imperial County, California. The Agreement is a covered procurement subject to public notice under the Emission Performance Standards (EPS) regulations.

Name of Governing Authority Body Meeting: IID Board of Directors

Date: January 7, 2020

Time: 1:00 p.m. PST

Location: William R. Condit Auditorium, 1285 Broadway, El Centro, CA, 92243

Wheelchair accessible?: In compliance with the Americans with Disabilities Act, if special assistance is needed to participate in a meeting, please contact the secretary during regular business hours. Notification received 48 hours before the meeting will enable the district to make reasonable accommodations.

Remote Access, if Any: IID Board meetings are able to be viewed live online at <https://www.iid.com/government/board-meeting-documents/live-recorded-meetings>.

Contact for Public for Further Information: Raquel Najera, Secretary to the Board, (760) 339-9249, e-mail: rnajera@IID.com

January 2, 2020

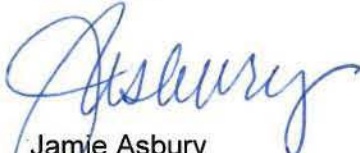
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Agenda for the Meeting: On IID's website at:

<https://www.iid.com/Home/Components/Calendar/Event/2593/22>

Additional materials being provided to the IID's governing body related to the Agreement's compliance with the EPS, if any, are available through the URL(s) embedded in the Board agenda (see URL provided above). Information required pursuant to CCR § 2908(b)(3) is available through the material accessible through the above-provided links and in the attachment below.

Sincerely,



Jamie Asbury
Deputy Energy Manager

Attachment

Documentation for Notice Regarding the Covered Procurement under CCR § 2908(b)(3)

Background

The Imperial Irrigation District (IID or Buyer) is considering executing a Power Purchase Agreement (Agreement) with Hell's Kitchen PowerCo 1, LLC (HKP or Seller). The Agreement provides for the purchase of power from HKP from a geothermal electric generating plant to be developed and located in Imperial County, California.

Public Notice

Pursuant to the California Code of Regulations (CCR) Title 20, § 2908(b)(3), public notice is required for a "covered procurement" (a new or renewed contract commitment for the procurement of electricity with a term of five years or greater). This notice concerns the Agreement which provides for the procurement of electricity from a baseload generating plant with a term of five years or greater. Per CCR § 2908(b)(3), the information associated with the Agreement are identified in sections (A) through (E), below:

(A) A Description of the Terms of the Renewal Power Sales Contract and Option(s) to Extend the Contract: The Agreement to be considered for adoption is available through a URL link to the agenda of the IID January 7, 2020 Board of Directors meeting, available at:

<https://www.iid.com/Home/Components/Calendar/Event/2593/22>

The Agreement provides for the purchase of power by IID from a geothermal generating plant to be developed and located in Imperial County on land owned by IID and leased to the seller/developer, HKP. The intended, earliest Commercial Operation Date for the plant is July 1, 2023. The Agreement provides for the purchase of power from a geothermal generating facility for twenty-five (25) years beginning on the Commercial Operation Date, expiring at the end of the last Contract Year, unless earlier terminated. There is no provision for extension of the Contract.

(B) A Description and Identification of the Powerplant(s) Providing Energy Under the Contract, Including, but not Limited to, Power Generation Equipment and Fuel Type:

The geothermal facility will include construction and installation of a geothermal electric generating powerplant with a design capacity of at least 49.9 MW (net of parasitic load), 40 MW of which will be made available for sale to IID. IID has the right of first offer to purchase Excess Energy from the facility.

(C) A Description of the Design or Operation of the Powerplant(s) so as to Indicate Whether or not the Powerplant(s) Operates to Supply Baseload Generation:

It is intended that the powerplant will operate as baseload load at an annualized plant capacity factor of greater than 60 percent, as defined under 20 CCR § 2901(b).

(D) An Explanation as to how the Renewal Power Sales Contract is Compliant with the EPS:

The plant will generate geothermal power, which, according to 20 CCR § 2903(b)(1) "meets the criteria of a renewable electricity generation facility as defined in Chapter 8.6 of Division 15 of the Public Resources Code and as specified by guidelines adopted thereunder". See also Cal. PRC

§ 25741. The Agreement requires the seller to ensure that the generating facility remain EPS Compliant through the term of the Agreement.

(E) Supporting Documents or Information that Allow for Assessment of Compliance with the Standard, Including, but not Limited to, Staff Assessments and Reports to the Local Publicly Owned Electric Utility's Governing Body, Planned or Historical Production and Fuel Use Data, and Applicable Historical Continuous Emissions Monitoring Data: Because the generating plant has yet to be constructed, there is no historical production and fuel use data, or continuous emissions monitoring data for the plant. However, for purposes of planned production, IID intends that the facility will be operated to provide renewable, geothermal power, in full compliance with the EPS and other applicable regulations. Any other staff assessments or reports made available to IID's Board of Directors are available through the URL link(s) provided in the January 7, 2020 Board agenda.

Although IID does not consider the Agreement to constitute a "new ownership investment," as defined under 20 CCR § 2901(j), as IID will not own, or have an option under the Agreement to purchase, the generating facility, IID provides the following information requested under § 2908(b)(4):

(A) For New Construction or Purchase of an Existing Generating Unit or Powerplant, a Description and Identification of the Planned Powerplant or the Purchased Asset Specifying the Power Generating Equipment, Power Source, Such as Fuel Type, Wind, or Biomass, all Supplemental Fuel Sources, and all Available Historical Production and Fuel Use Data: The geothermal facility will include construction and installation of a geothermal electric generating powerplant with a design capacity of at least 49.9 MW (net of parasitic load), 40 MW of which will be made available for sale to IID. IID has the right of first offer to purchase Excess Energy from the facility. The generating plant will be developed and located in Imperial County. No supplemental fuel sources are contemplated. As the plant has yet to be developed, no historical production or fuel use data is available.