



California Energy Commission

Chevron USA's Power Plant Replacement Project

Application for a
Small Power Plant Exemption
07-SPPE-1

Informational Hearing

August 30, 2007

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Energy Commission Authority

- **Energy Commission permitting authority**
 - ★ Thermal power plants 50 megawatts or greater
 - ★ Related facilities
 - *transmission lines*
 - *water supply systems*
 - *natural gas pipelines*
 - *waste disposal facilities*
 - *access roads*
- **Lead state agency under the California Environmental Quality Act (CEQA)**



Small Power Plant Exemption

- **The Energy Commission may exempt thermal power plants from the certification process, if it finds:**
 - ★ the project is less than 100 megawatts
 - ★ the project has no unmitigated adverse impacts on the environment
 - ★ the project has no unmitigated adverse impacts on energy resources



Overview of SPPE Process

- The SPPE process is an exemption from the Commission's standard process, not a permit or license to build the project.
- The applicant will apply for the appropriate licenses and permits from local, state and federal agencies.
- The Energy Commission will prepare an Initial Study and, if appropriate, a Mitigated Negative Declaration followed by a Final Decision.
- Local and state agencies will use the Energy Commission's CEQA document when issuing respective permits.
- The SPPE process consists of various phases which include staff workshops, site visits and Committee hearings and conferences, all of which are noticed and open to the public.



Discovery and Analysis

- **A period of data gathering by the staff, agencies, and intervenors. All parties analyze the project information.**
 - ★ Data Requests
 - ★ Issues Identification Report
 - ★ Determine if proposal complies with Laws, Ordinances, Regulations, Standards (LORS)
 - ★ Identify mitigation measures and recommend conditions of exemption
 - ★ Facilitate public and agency participation through workshops
 - ★ Draft Initial Study (DIS)
 - ◆ Based on an Environmental Checklist Form (CEQA Guidelines, Appendix G)
 - ◆ 30 day comment period for the public and interested agencies
 - ◆ Workshops to discuss the document and resolve issues
 - ★ Final Initial Study (FIS)
 - ◆ Make recommendations to the Committee



Evidentiary Hearing & Decision Process

A Pre-hearing Conference followed by evidentiary hearings are conducted by the assigned Committee to hear the findings and conclusions of the applicant, staff, intervenors, other agencies, and comments of the public.

- **Committee conducts hearings on all information**

- ★ Issues the Presiding Member's Proposed Decision (PMPD) Mitigated Negative Declaration & Final Initial Study. The PMPD contains findings related to:

- ◆ Environmental impacts
- ◆ Project's compliance with LORS
- ◆ Recommends conditions of exemption
- ◆ Recommends whether or not to approve the exemption

- ★ PMPD hearing and Commission decision



Local, State and Federal Coordination

- **Staff works closely with local, state and federal agencies, for example:**
 - ★ Local: City of Richmond Planning Department
 - ★ Regional: Bay Area Air Quality Management District,
 - ★ State: California Air Resources Board, California Department of Fish and Game, San Francisco Bay Regional Water Quality Control Board
 - ★ Federal: U.S. Environmental Protection Agency, U.S. Fish and Wildlife Service



Public Participation Opportunities

- Submit written comments or statements to the Commission on the DIS, FIS, MND and PMPD
- Provide oral comments at public meetings
- Participate in workshops and hearings
- Become a formal intervenor (Contact the Public Advisor's Office – Nick Bartsch)



Public Participation Information

■ Open Public Process

- ★ Workshops and Hearings are noticed at least 10 days in advance
- ★ Mailing lists include local libraries, interested agencies
- ★ List Server: www.energy.ca.gov/listservers

■ Documents are available for public review at:

- ★ Public Libraries in Richmond, Eureka, Sacramento, San Francisco, Fresno, Los Angeles and San Diego
- ★ Energy Commission Library in Sacramento
- ★ Energy Commission Web site:
www.energy.ca.gov/sitingcases/chevron
- ★ Dockets Unit at the Energy Commission
1516 9th Street, MS - 4
Sacramento, CA 95814-5512



Staff's Issues Identification Report

■ Purpose

- ★ Inform participants of potential issues
- ★ Early focus on important topics

■ Criteria

- ★ Significant impacts that may be difficult to mitigate
- ★ Non-compliance with LORS
- ★ Conflicts between parties about appropriate findings or conditions of exemption for Commission decision that could delay schedule

- Staff has only identified one issue in Air Quality, but other issues may still arise during the case. Staff has issued data requests in 12 technical areas in order to get needed information to complete their analyses.



Potential Issue – Air Quality

- The project would be located in the Bay Area Air Quality Management District where particulate matter occurs at levels that exceed the state ambient air quality standards and recently-adopted federal standards .
- The proposed project would emit about 47.3 tons per year of particulate matter.
- Chevron proposes to offset these increases through a combination of existing source shutdowns and emission reduction credits (ERCs).
- The Air District and staff must ensure that the emission reductions are made enforceable, real, and permanent, and the applicant would need to agree to the emission reduction plan.
- Staff has developed data requests to identify enforceable reductions as a mitigation strategy for the proposed emission increases.



Proposed Schedule Chevron Power Plant Replacement Project (07-SPPE-1)

EVENT	DATE
Applicant files Application for SPPE	22-Jun-07
Staff provides data requests to applicant	8-Aug-07
Information Hearing and Site Visit	30-Aug-07
Applicant provides data responses	10-Sep-07
Data Response and Issue Resolution Workshop	20-Sep-07
Draft Initial Study filed	24-Oct-07
Draft Initial Study workshop	7-Nov-07
Agency, applicant, public comments on the Application and Draft Initial Study	26-Nov-07
Final Initial Study filed	14-Dec-07
Prehearing conference	TBD*
Evidentiary hearings	TBD*
Committee files Proposed Decision/Negative Declaration	TBD*
Comments on the Initial Study and Proposed Decision	TBD*
Commission Decision	TBD*

Note: All dates are approximate and will be determined by staff and committee.
Actual dates will be announced by staff notices or Committee order.

* Date to be determined



Energy Commission Contacts

■ Committee Assigned

- Jeffrey Byron, Commissioner, Presiding Member
- Arthur Rosenfeld, Commissioner, Associate Member

■ California Energy Commission Staff

- ★ Raoul Renaud, Commission's Hearing Officer
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