

**CALIFORNIA ENERGY COMMISSION**1516 NINTH STREET  
SACRAMENTO, CA 95814-5512

**DATE:** June 22, 2007

**TO:** Interested Parties

**FROM:** Donna Stone, Compliance Project Manager

**SUBJECT:** MOSS LANDING POWER PROJECT (99-AFC-4C)

- NOTICE OF RECEIPT OF PETITION TO ALLOW THE ADDITION OF A TEMPORARY DESALINATION PILOT PLANT, AND
- STAFF ANALYSIS FOR PUBLIC REVIEW

On April 24, 2007, the California Energy Commission (Energy Commission) received a petition from Daniel P. Thompson, Dynegy Western Fleet Operations to amend the Energy Commission Decision for the Moss Landing Power Plant (MLPP).

**BACKGROUND**

On October 25, 2000, the Energy Commission certified the addition of a 1,060 megawatt natural gas-fired power plant to the existing MLPP located at the intersection of Highway 1 and Dolan Road, east of the community of Moss Landing, near the Moss Landing Harbor in Monterey County. The Energy Commission certified power plant has been operational since July 2002.

**DESCRIPTION OF PROPOSED MODIFICATION**

The proposed modification will allow California American Water (CAW) to receive seawater from piping currently used to supply seawater to the MLPP seawater desalination facility. The pilot desalination plant will discharge water and brine into the Units 1 & 2 discharge lines leading to the circulating water discharge tunnels. No additional water will be drawn from Monterey Bay and no potable water will be distributed as a result of this pilot plant. The CAW connections and operations will not affect the operation of the MLPP desalination facility nor will it affect power plant operations. Chemical components and salinity of the power plant's discharge water will not measurably change due to the pilot project. The CAW pilot desalination project will operate for one year for the purpose of data collection. During this time, using reverse osmosis technology, the pilot desalination project will test approximately 0.14 million-gallons per day of the 1.2 million gallons a day of circulating water normally discharged from the Units 1&2 condensers.

**STAFF ANALYSIS**

Energy Commission staff reviewed the petition and assessed the impacts of this proposal on environmental quality, public health and safety, and engineering. Staff proposes minor revisions to condition of certification **CUL-9**. Cultural Resources is the only technical area impacted by this petition. Energy Commission staff determined that a minor revision to Cultural Resources Condition of Certification **CUL-9** is necessary to ensure that the project as modified will not result in a significant adverse direct or cumulative impact to the environment (Title 20, California Code of Regulations, Section 1769). Since there are four previously recorded archaeological sites within one-half mile of the project, there is a

potential for discovering archaeological resources. Prior to ground disturbance, it will be necessary for the project to comply with Condition of Certification **CUL-1** to obtain a Cultural Resources Specialist (CRS) and to implement staff's revised condition **CUL-9**. Although it is necessary to implement only **CUL-1** and **CUL-9** prior to ground disturbance, all Cultural Resources Conditions of Certification would also be applicable to the amendment. It is Staff's opinion that with the implementation of the revised condition, the project will remain in compliance with applicable laws, ordinances, regulations, and standards pursuant to Title 20, California Code of Regulations, Section 1769, and no significant environmental impacts will result from this change.

Condition of Certification **CUL-9**, as written in the Energy Commission Decision for the project, requires the cultural resource specialist or delegated monitor to be present at appropriate times to monitor construction related ground disturbance in the vicinity of previously recorded archeological sites. The condition also specifies locations for monitoring and protocol, as well as weekly summary reports to be included in the monthly compliance report.

#### **PROPOSED REVISIONS TO CONDITION OF CERTIFICATION CUL-9**

There are no deletions to this condition, new text is **bold double-underlined**:

**CUL-9** The designated cultural resources specialist or delegated monitor(s) shall be present at times the specialist deems appropriate to monitor construction related grading, excavation, trenching, and/or auguring in the vicinity of previously recorded archaeological sites and in areas where ground disturbance is taking place.

In addition to areas identified by the cultural resources specialist, monitoring shall take place in the following locations:

1. The area of the intake structure, located on the east side of Moss Landing Harbor, is now separated from adjacent areas to the north and south by a chain link fence. If there is any reason to extend project activities (whether or not earth is disturbed) to the other side of the fence, monitoring shall be required.
2. Installation of both 54 inch and 84 inch new pipes, that are connections to existing seawater intake pipes, is planned. Monitoring shall be required where the depth of the trench exceeds the depth of previous earth disturbance.
3. Monitoring shall be required during earth disturbance related to the installation of the new natural gas line.
4. **Monitoring shall be required full-time during ground disturbance in native soil for the temporary seawater desalination pilot plant. A report that discusses soil types and monitoring activities including methods, procedures, dates, locations, results and personnel shall be prepared by the CRS and provided to the CPM for review and approval.**

Protocol: Except in the areas where monitoring is required by these conditions, if the designated cultural resources specialist determines that full time monitoring is not necessary in certain portions of the project area, the designated specialist shall notify the project owner of the changes. Evidence of monitoring activities shall be recorded in the daily log and provided in the monthly compliance report. The designated cultural resources specialist shall also record in the daily log the areas where monitoring is being reduced or is no longer deemed necessary.

Verification: Throughout project construction, the project owner shall include in the Monthly Compliance Reports to the CPM, copies of the weekly summary reports prepared by the designated cultural resources specialist, regarding project related cultural resources monitoring.

**Within 14 days after completion of ground disturbance for the desalination project, the CRS shall provide a report on soil types, monitoring activities and results to the CPM for review and approval.**

## **RECOMMENDATIONS**

Energy Commission staff intends to recommend approval of the petition at the August 1, 2007 Business Meeting of the Energy Commission.

## **PUBLIC REVIEW PROCESS**

The petition to amend the project is available on the Energy Commission's webpage at [www.energy.ca.gov](http://www.energy.ca.gov). Staff's analysis is enclosed for your information and review. If you would like to receive a hard copy of the petition, and/or the Energy Commission Order if the changes are approved, please complete the enclosed Information Request Form and return it to the address shown. If you have comments on this proposed modification, please submit them to Donna Stone, Compliance Project Manager, at the address on this letterhead, or by fax to (916) 654-3882, or by e-mail at [dstone@energy.state.ca.us](mailto:dstone@energy.state.ca.us) no later than 5:00 P.M., July 16, 2007. Staff's analysis and the Energy Commission Order (if approved), will also be posted on the webpage.

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 [pao@energy.state.ca.us](mailto:pao@energy.state.ca.us). If you require special accommodations, please contact Lourdes Quiroz at (916) 654-5146. News media inquiries should be directed to Assistant Director, Claudia Chandler, at (916) 654-4989, or by e-mail at [mediaoffice@energy.state.ca.us](mailto:mediaoffice@energy.state.ca.us).

### Enclosures:

Staff Analysis  
Information Request Form  
Mail List # 703

Privacy Policy: You will receive only the information requested, and the Energy Commission will make no additional use of your personal information and it will not be provided to any other entity.

## ***INFORMATION REQUEST FORM***

**COMPLETE & MAIL TO:** CALIFORNIA ENERGY COMMISSION  
COMPLIANCE UNIT  
ATTN: DONNA STONE  
1516 NINTH STREET, MS-2000  
SACRAMENTO, CA 95814

**OR FAX TO:** (916) 654-3882

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NAME AND/OR TITLE (AS IT IS TO APPEAR ON MAIL LABEL)

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ORGANIZATION (IF APPLICABLE)

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STREET ADDRESS OR P.O. BOX

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CITY

STATE

ZIP CODE

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PROPOSED AMENDMENT TO THE COMMISSION DECISION FOR THE MOSS LANDING POWER PLANT TO ALLOW THE ADDITION OF A PILOT DESALINATION PROJECT TO RUN FOR ONE YEAR.

**PLEASE CIRCLE THE DOCUMENTS YOU WOULD LIKE TO RECEIVE:**

- PETITION TO AMEND
- ENERGY COMMISSION ORDER

**PROJECT:** Dynegy Moss Landing

**DOCKET NO:** 99-AFC-4C

**MAIL LIST NO:** 703

**DYNEGY MOSS LANDING POWER PROJECT (99-AFC-4C)**  
**Request to Amend the Project to Add a Pilot Desalination Plant**  
**Biology Staff Analysis**  
**Prepared by: Rick York**  
**May 10, 2007**

**AMENDMENT REQUEST**

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On April 24, 2007, the California Energy Commission received a petition from Dynegy Moss Landing, LLC to amend the Commission Decision for the project to allow California American Water (CAW) to temporarily connect to existing seawater supply lines and brine discharge lines associated with the Moss Landing Power plant Units 1 and 2 circulating water discharge tunnels to test a pilot desalination plant.

**BACKGROUND**

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The 1,060 megawatt project was certified by the Energy Commission on October 25, 2000, and completed construction in the summer of 2002. The project is located in the town of Moss Landing, Monterey County, California. At the time of certification, CAW had not proposed the pilot project at Moss Landing. It was not until April, 2005 that CAW submitted to Monterey County for a Coastal Development Permit, to the California Coastal Commission for a De Minimus Waiver, and to the Central Coast Regional Water Quality Control Board.

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

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At the time of certification, LORS applicable to biological resources were identified in staff's Final Staff Assessment. These LORS will continue to apply to the amended project, and no new LORS have been identified.

**ANALYSIS**

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The petition was reviewed by staff for potential environmental effects and consistency with applicable LORS. Based on this review, staff determined that the proposed desalination project will 1) only temporarily (no longer than one year) utilize a very small volume of warmed seawater after the water has been used by Units 1 and 2 for power plant cooling, 2) will not result in an increase of water intake or discharge volume, and 3) will not be able to run independently of the current power plant.

**CONCLUSIONS AND RECOMMENDATIONS**

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Staff concludes that the proposed temporary desalination pilot project will not result in any significant adverse environmental impacts.

## **PROPOSED MODIFICATIONS TO CONDITIONS OF CERTIFICATION**

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The proposed temporary pilot desalination project will not require any changes to the biological conditions of certification adopted by the Commission for the Moss Landing Power Plant Units 1 and 2.

**DYNEGY MOSS LANDING, LLC (00-AFC-4C)**  
**Request to Amend the Project to Add a Pilot Desalination Plant**  
**Cultural Resources Staff Analysis**  
**Prepared by: Dorothy Torres**  
**May 23, 2007**

**AMENDMENT REQUEST**

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Dynegy is seeking approval to allow California American Water (CAW) to install and operate a temporary seawater desalination pilot plant on the Moss Landing Power Plant facility. It would be located just west of the Moss Landing Power Plant Unit 1.

**BACKGROUND**

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The 1,060 megawatt project was certified by the Energy Commission on October 25, 2000, and completed construction in the summer of 2002. The facility is at the intersection of Highway 1 and Dolan Road, east of the community of Moss Landing and near the Moss Landing Harbor.

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

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At the time of certification, LORS applicable to cultural resources were identified in staff's Final Staff Assessment. These LORS will continue to apply to the amended project and no new LORS have been identified.

**ANALYSIS**

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Energy Commission cultural resources staff reviewed the petition and determined that a minor revision to Cultural Resources Condition of Certification **CUL-9** is necessary to ensure that the project as modified will not result in a significant adverse direct or cumulative impact to the environment (Title 20, California Code of Regulations, Section 1769). Since there are four previously recorded archaeological sites within 0.5 mile of the project, there is a potential for discovering archaeological resources. Prior to ground disturbance, it would be necessary for the project to comply with **CUL-1** to obtain a Cultural Resources Specialist (CRS) and to implement staff's revised **CUL-9**. Although it is necessary to implement only **CUL-1** and **CUL-9** prior to ground disturbance, all Cultural Resources Conditions of Certification would still be applicable to the amendment.

**CONCLUSIONS AND RECOMMENDATIONS**

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This project will not result in unmitigated significant adverse impacts with the implementation of **CUL-1** and **CUL-9**. The project complies with all applicable LORS, and no new LORS since certification have been identified.

## PROPOSED MODIFICATIONS TO CONDITIONS OF CERTIFICATION

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Staff has proposed modifications to the cultural resources condition of certification **CUL-9** as shown below. (**Note:** new text is **bold and double underlined**)

**CUL-9** The designated cultural resources specialist or delegated monitor(s) shall be present at times the specialist deems appropriate to monitor construction related grading, excavation, trenching, and/or auguring in the vicinity of previously recorded archaeological sites and in areas where ground disturbance is taking place.

In addition to areas identified by the cultural resources specialist, monitoring shall take place in the following locations:

5. The area of the intake structure, located on the east side of Moss Landing Harbor, is now separated from adjacent areas to the north and south by a chain link fence. If there is any reason to extend project activities (whether or not earth is disturbed) to the other side of the fence, monitoring shall be required.
6. Installation of both 54 inch and 84 inch new pipes, that are connections to existing seawater intake pipes, is planned. Monitoring shall be required where the depth of the trench exceeds the depth of previous earth disturbance.
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