

CALIFORNIA ENERGY COMMISSION1516 NINTH STREET
SACRAMENTO, CA 95814-5512

DATE: August 2, 2005

TO: Interested Parties

FROM: DONNA STONE, Compliance Project Manager

**SUBJECT: Roseville Energy Park Project (03-AFC-1C)
Staff Analysis of Proposed Modifications To Habitat Compensation**

On June 15, 2005, the California Energy Commission received a petition from Roseville Electric to amend the Energy Commission Decision for the Roseville Energy Park Project.

The Roseville Energy Park project is a 160 MW combined cycle power plant located in the City of Roseville in Placer County. The project was certified by the Energy Commission on April 13, 2005, and is currently preparing to begin construction during the later part of August, 2005.

The Decision required habitat compensation for a specific natural gas pipeline route. An alternative route requiring less mitigation has been chosen. Therefore, the proposed modifications would allow Roseville Electric to reduce habitat compensation acreage.

Energy Commission staff reviewed the petition and assessed the impacts of this proposal on environmental quality, public health and safety, and proposes revisions to existing condition of certification BIO-13. 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 and that the proposed modifications 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 has been posted on the Energy Commission's webpage at www.energy.ca.gov/sitingcases/. Staff's analysis is enclosed for your information and review. Staff's analysis and the order (if the amendment is approved) will also be posted on the webpage. Energy Commission staff intends to recommend approval of the petition at the August 24, 2005 Business Meeting of the Energy Commission. If you have comments on this proposed modification, please submit them to me at the address below prior to August 24, 2005:

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

Comments may be submitted by fax to (916) 654-3882, or by e-mail to dstone@energy.state.ca.us. If you have any questions, please contact me at (916) 654-4745.

Enclosure

Roseville Energy Park Project (03-AFC-1C)
Request to Amend
Condition of Certification BIO-13
Staff Analysis
Prepared by: Melinda Dorin
July 25, 2005

AMENDMENT REQUEST

Roseville Electric filed a petition on June 15, 2005, with the California Energy Commission to revise condition of certification BIO-13 for the Roseville Energy Park (REP) Energy Commission Decision. The petition specifically requests a reduction in the amount of habitat compensation acreage necessary to mitigate the potential impacts to the vernal pool ecosystem from an alternative natural gas pipeline route.

BACKGROUND

REP was granted a license by the Energy Commission on April 13, 2005, to construct and operate a nominal 160 MW, natural gas-fired combined-cycle power plant located in the City of Roseville.

LAWS, ORDINANCES, REGULATIONS, AND STANDARDS

The proposed project amendment must comply with the Federal Endangered Species Act (1973, Title 16, U.S. Code Section 1531).

ANALYSIS

Roseville Electric filed for an amendment to BIO-13 based on information provided by the U.S. Fish and Wildlife Service (USFWS). As part of the Final Staff Assessment, Energy Commission staff analyzed four alternative routes for the natural gas pipeline for their impacts on biological resources. Less mitigation is required since the project owner has chosen to utilize the alternative route with the fewest vernal pool impacts. The proposed changes to the condition of certification are consistent with the USFWS Biological Opinion that was issued for anticipated impacts to vernal pool habitat (USFWS Biological Opinion #1-1-05-0105) based on the chosen route.

CONCLUSIONS AND RECOMMENDATIONS

Staff finds that the proposed amendment to condition BIO-13 would not result in significant adverse impacts to biological resources, and mitigates any potential adverse impacts of the chosen gas pipeline route on upland and vernal pool habitat. Staff recommends approval of this amendment.

PROPOSED MODIFICATIONS TO THE BIO- 13 CONDITION OF CERTIFICATION

Proposed modifications to the Condition of Certification are shown below. Proposed additions are shown in **bold** and **double underlined** and proposed deletions are shown in ~~strike-through~~.

BIO-13 To compensate for direct, indirect, and cumulative impacts to the vernal pool ecosystem (vernal pool grasslands, vernal pools, vernal pool fairy shrimp and

its habitat, and seasonal wetlands) the Project Owner shall preserve ~~44.5~~ **11.5** acres of vernal pool grassland habitat suitable for vernal pool fairy shrimp and other sensitive species affected by the Project. In addition, the Project owner shall preserve at least ~~6.5~~ **6.112 acres and create 1.298** acres of vernal pools/swales within the same parcel and in addition to the ~~44.4~~ **11.5** acres of vernal pool grasslands for a total of ~~20.6~~ **18.91** acres. To comply with this requirement the Project owner may 1) preserve grassland habitat which contains vernal pools, 2) six months after a good faith effort to locate high quality vernal pool grassland ecosystem habitat, the Project Owner shall participate in the in lieu fund program administered by the USFWS for vernal pool fairy shrimp habitat; or 3) both preserve vernal pool grassland and vernal pool acreage together as vernal pool grassland ecosystem and participate in the in-lieu fund program complying with section 2).

Verification: Within 90 days of the Commission Decision, the Project Owner shall enter into an agreement with the Center for Natural Land Management (CNLM) or other suitable land management organization to seek to locate and preserve (If sufficient habitat has not already been located and preserved) and manage the grassland and vernal pool habitat required by this Condition. The Project Owner shall pay all costs incurred by the CNLM or other suitable land management organization resulting from the locating, preservation (if sufficient habitat has not already been located and preserved) and managing the compensation habitat required under this Condition. The Project Owner shall provide a copy of the agreement to the CPM. After the habitat has been secured, the Project Owner shall provide proof that the habitat is appropriate mitigation, has been preserved in perpetuity, that a suitable endowment (derived through a PAR or other suitable analysis) has been provided to manage the habitat in perpetuity, and the name of the non-profit organization designated as manager of the habitat. No more than 90 days from the date of habitat acquisition, the Project Owner shall also provide a habitat management plan to the CPM, CDFG, and USFWS for review and approval. All documents are to be included in the BRMIMP.

If sufficient habitat is not secured within six months from the date of the commission decision, the Project Owner shall provide to the CPM, copies of the check made out to the USFWS and documentation indicating USFWS acceptance of the amount to compensate via the in-lieu fund for the amount of wetted acres not otherwise preserved.