

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

May 18, 1999

Dear Meeting Attendees:

**SUMMARY OF THE MAY 11, 1999 DATA RESPONSE WORKSHOP**

Enclosed is the staff's summary of the Sunrise Cogeneration and Power Project data response workshop that was held at the Energy Commission's offices in Sacramento, California on May 11, 1999. This summary is an informal record of the discussions that took place. It has been distributed to all project staff and to all other attendees identified on the meeting attendee list attached to the summary. The summary provides the meeting participants with the opportunity to correct information that was misunderstood in the hope of having good communication and an efficient process. If you would like to make any changes or additions to the summary, please send them to me in writing. I will see that they are placed in the project file and that the appropriate staff and other meeting attendees receive them. Please call me at (916) 654-4242 if you have any questions.

Sincerely,

Kristina C. Bergquist  
Project Manager  
Energy Facility Siting  
and Environmental Protection

Enclosure

cc: Proof of Service List

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# SUNRISE COGENERATION AND POWER PROJECT

## Data Response Workshop

May 11, 1999

### MEETING SUMMARY

A workshop was held on May 11, 1999 at the Energy Commission, Hearing Room B, to discuss the data responses made by the applicant, Texaco Global Gas & Power (TGG&P), on March 31, 1999 and April 15, 1999. Using a document, developed by the Energy Commission staff, entitled "Blueprint for Analyzing Sunrise Cogeneration Project Environmental Effects", the meeting began with a discussion of the project's effects, including direct, indirect and cumulative.

#### **Staff's Definition of the Project**

Using the "Blueprint for Analyzing Sunrise Cogeneration Project Environmental Effects" document, a copy of which is attached, as the agenda, staff discussed the direct, indirect and cumulative effects of the project. CURE asked that the effects of multiple transmission lines and the potential of congestion at the Midway Substation and on the downstream 500 kV system be added to the document. TGG&P asked that the word "impacts" be added after the word "size" to the phrase "Construction of projects of a similar size and nature, e.g., La Paloma, Elk Hills, and Midway-Sunset". Staff counsel agreed.

After the review of staff's definition of the project, CURE stated their definition of the project is the entire Midway-Sunset oil field expansion. CURE believes that the Energy Commission, as the agency providing discretionary approval and lead agency for the California Environmental Quality Act (CEQA) review, must under CEQA, define the project in its entirety, and not piecemeal it by breaking it up into smaller pieces, as defined by the scope of each individual agency's approval. TGG&P responded that the oil field expansion activities have been and are permitted elsewhere (e.g., Department of Conservation, Division of Oil, Gas and Geothermal Resources and the San Joaquin Valley Joint Unified Air Pollution Control District). Staff counsel stated that connectivity was difficult to establish and that the activities are not sufficiently related. Staff wondered how the project parameters could be defined, given that the oil field expansion is an on-going business. At this point, staff decided to postpone this discussion until after staff made presentations on their technical areas and asked questions about some of the data responses.

#### **Effects on Biological Resources**

Using the attached outline developed by staff, entitled "Sunrise Cogeneration Project-Biological Resources Mitigation Strategy", staff discussed direct, indirect, and cumulative biological resource impacts and habitat acreage estimates for the Sunrise project. The outline was well received by the applicant. Staff explained that the outline was provided only as a general guide for discussion purposes, and that

various acreage amounts identified in the outline would probably change based upon choices the applicant will make regarding transmission route, etc.

Also for discussion purposes only, staff presented a rough calculation of the amount of habitat compensation needed for the Sunrise project. Using mutually agreed upon compensation ratios, staff estimated that compensation would be required for approximately 920 acres of habitat. Staff also indicated that the Center for Natural Lands Management (CNLM) has estimated that approximately \$800 is needed per acre to purchase the parcel and establish a perpetual endowment for conserved lands added to CNLM's Lokern Preserve. With these general assumptions and numbers in mind, staff estimated that TGG&P should expect to pay approximately \$736,000 to adequately address their expected habitat compensation. Staff emphasized that these numbers were only for discussion purposes and that final acreages and mitigation amounts will need to be resolved as data requests are answered, the transmission line route is selected, and actual acreages are purchased in consultation with CNLM.

For indirect temporary effects (temporary disturbances associated with the development of the 700 new wells and associated roads), staff indicated that it would expect the applicant to use its Designated Biologist to implement best management practices to avoid impacting sensitive wildlife and plant species during construction of the new wells and roads. TGG&P indicated that they would need to consider the ramifications of staff's recommendation.

Susan Jones of the U.S. Fish & Wildlife Service was also in attendance. She indicated that her agency supports the overall compensation calculations and strategy developed by staff. Ms. Jones also indicated that her agency would be requiring TCI's Designated Biologist to ensure that best management practices are employed during construction of the 700 new wells and associated roads to avoid impacting sensitive species.

TGG&P explained that the 700 new wells they expect to be added to the oil field as part of the Sunrise project is a combination of new oil wells and new steam injection wells, not just new oil wells. They promised to clarify this point in their data request responses.

Will Daley of Texaco California, Inc. (TCI) commented that he felt that the 0.3 acre well footprint also included an estimate of new dirt roads associated with the new wells, however staff indicated that that was not what was determined in past workshops. Staff explained that TGG&P had disclosed at a data request workshop in Sacramento on April 22, 1999 that a typical oil well footprint is 80' x 170' or 0.3 acres. TGG&P agreed to clarify their estimates in the next round of data responses.

### **Effects on Cultural Resources**

Staff indicated that we would be working from the "blueprint" prepared by the project manager for the discussion of cumulative and indirect project effects. Staff said it would be most concerned with identifying where, what type, and how many

resources are already known and where they are in relation to various project-related facilities.

Staff indicated that the preferred mitigation measure for potential impacts to cultural resources is to avoid them completely during project design and construction. The applicant agreed. Staff also reiterated its preference that Route A's eastern substation site be relocated to avoid known, highly sensitive resources in that area; that the presence of known cultural resource sites would make construction of the transmission route toward the east less desirable than those routes heading northward.

Staff further indicated that avoidance only works if the locations of the resources are known. Frequently cultural resources are not found until they become visible when they are unexpectedly uncovered during ground clearance or excavation. To help protect these unknown resources, staff incorporates contingency measures in its recommended conditions of certification so any unexpected resources can be protected and essential information retrieved before construction proceeds. The conditions are intended to extend to potential cumulative and indirect effects, as well as the direct effects. Staff and the applicant seemed to share the same perspective.

Staff briefly discussed the information and clarifications that were being sought in the second set of data requests. CURE asked about staff's data requests for cultural resources on the TCI Main Utility Corridor. Staff indicated that it had asked for a literature search, but not surveys, for this route so an evaluation of potential cumulative effects could be conducted. The applicant had indicated in our April workshop that some of the information staff was seeking was located in the BLM environmental documentation for the TCI Main Utility Corridor. TGG&P plans to provide a copy of this information to staff in the filing expected later this month. Staff also clarified for CURE and the applicant, that if the BLM documentation only addressed portions of the TCI Main Utility Corridor, staff would be asking follow-up data requests for information on any non-BLM portions of the route.

### **Effects on Air Quality**

Staff reviewed its outline for the section of the PSA that it will prepare. Reversing an earlier position that the TCI Main Utility Corridor's effect was indirect, it now will be evaluated as cumulative. The oil field is perceived as an indirect effect. A copy of the outline is attached.

### **CURE's Definition of the Project**

CURE believes the "project" to be analyzed under CEQA is not defined by the scope of the Energy Commission's approval. Rather, the project is defined by the scope of the proponent's activities that: 1) May cause physical changes to the environment; and 2) Require discretionary government approval. CURE stated that TCI's expansion activities may cause, and are causing, physical changes to the environment and require multiple discretionary approvals, including, at a minimum, an Energy Commission license, air district permits, DOGGR permits, state and federal biological permits, and state and federal streambed alteration permits.

Further, CURE said most, if not all, of these permits trigger CEQA or National Environmental Protection Act (NEPA) review.

According to CURE, neither CEQA nor NEPA allow "piecemealing" of the project by breaking it up into smaller pieces. Instead, the whole of the action must be analyzed in one comprehensive CEQA document. In addition, both CEQA and NEPA encourage the preparation of a joint EIS/EIR where possible.

CURE requested the following activities be added to the "blueprint" developed by Energy Commission staff: To short term direct effects, add: 1) Construction/modification of steam generators associated with the oil field expansion; 2) Construction/ modification of all oil wells associated with the oil field expansion; 3) Construction of all phases of the TCI Main Utility Corridor and any pipelines associated with the oil field expansion, including the 20" diameter natural gas pipeline interconnecting to the Kern/Mojave natural gas pipeline. To indirect/growth inducing effects, add: effects which are caused by the oil field expansion, but indirectly related, such as expanded delivery facilities, e.g., more oil tanker trucks and treatment facilities, and refinery expansion. To cumulative effects, add the incremental impact of the project when added to other closely related past and present projects. CURE is certain that no CEQA analysis has been done of Texaco's Midway-Sunset oil field operations. Therefore, CURE believes that substantial baseline analysis is necessary to determine the impact of closely related past and present projects, e.g., what areas of the oil field are habitat for protected species, potential and occupied, and what is the extent of existing soil and groundwater contamination

### **Next Steps**

Staff will provide a copy of the blueprint document to TGG&P and CURE with the additions mentioned above in the staff's definition of the project. TGG&P and CURE will review it, request clarification and suggest modifications. Staff counsel will review case law on CEQA project definition and provide it to both parties and staff. At the next data request workshop, scheduled for May 18, 1999, these matters will be discussed and, hopefully, consensus will be achieved.

**BLUEPRINT FOR ANALYZING  
SUNRISE COGENERATION PROJECT ENVIRONMENTAL EFFECTS  
Tuesday, May 11, 1999**

**DIRECT EFFECTS\***

**Temporary Effects**

- Construction of power plant site (including Sunrise switchyard, access roads, deep well steam injection lines and wells, connecting gas and water pipelines, and all other appurtenant facilities)
- Construction of the transmission line
- Construction of Valley Acres substation
- Temporary construction laydown/right of way areas for all of the above

**Permanent Effects**

- Same items as above

**INDIRECT EFFECTS\***

**Temporary Effects**

- Construction of 700 new oil wells and appurtenant facilities, such as new dirt roads, steam injecting wells and connecting pipelines resulting from the project
- Modification of water treatment facility

**Permanent Effects**

- Construction of 700 new oil wells, connecting pipelines, new roads and steam injectors built as a result of the project during the life of the project
- Other facilities that must be resized, such as water treatment facility, as a result of the project (that portion which is the resize)

**CUMULATIVE EFFECTS\***

**Temporary Effects**

- Construction of the remaining portion of 20-inch diameter natural gas pipeline interconnecting with KRGT/MGC pipeline
- Construction of projects of a similar size and nature, e.g., La Paloma, Elk Hills, and Midway-Sunset

## Permanent Effects

- The operation of all the facilities listed under the temporary cumulative effects
- Overall expansion of the Midway-Sunset oilfield
- TNAP Utility Corridor, Phase I, as constructed
- 20" diameter KRGTC/MPC interconnecting natural gas pipeline

### Definitions of Effects (Cal. Code Regs., Title 14, section 15358)

"Effects" and "impacts" as used in the CEQA Guidelines are synonymous.

**(a)** Effects include:

- (1) Direct or primary effects which are caused by the project and occur at the same time and place.
- (2) Indirect or secondary effects which are caused by the project and are later in time or farther removed in distance, but are still reasonably foreseeable. Indirect or secondary effects may include growth-inducing effects and other effects related to induced changes in the pattern of land use, population density, or growth rate, and related effects on air and water, and other natural systems, including ecosystems.

**(b)** Effects analyzed under CEQA must be related to a physical change.

**Discussion:** Confusion has arisen in interpreting CEQA because the law uses the terms "effects" and "impacts" without making clear whether the words have different or identical meanings. This section is intended to eliminate that confusion and to use the federal definition of the term from the NEPA regulations to the extent that the statutes are similar. Subsection (a) is identical to part of Section 1508.8 in the NEPA regulations, but subsection (b) is different because CEQA is more focused on physical changes than is NEPA.

### **Definition of Cumulative Effects (Cal. Code Regs., Title 14, section 15355)**

"Cumulative impacts" refer to two or more individual effects which, when considered together, are considerable or which compound or increase other environmental impacts.

- (a) The individual effects may be changes resulting from a single project or a number of separate projects.

- (b) The cumulative impact from several projects is the change in the environment which results from the incremental impact of the project when added to other closely related past, present, and reasonably foreseeable probable future projects. Cumulative impacts can result from individually minor but collectively significant projects taking place over a period of time. Also, please refer to Cal. Code Regs., Title 14, section 15130 (discussion of cumulative impacts in an EIR) and section 15064(d)(2) (definition of an indirect physical change in the environment).



**SUNRISE COGENERATION PROJECT - Biological Resources Mitigation**  
**Strategy**

Tuesday, May 11, 1999

**PERMANENT DIRECT IMPACTS**

- Sunrise power plant – 12.4 acres
- Sunrise switchyard – 3.2 acres
- Valley Acres substation – 4.4 acres
- Steam, feedwater & wastewater pipelines – 1.4 acres
- Freshwater pipelines – 0.07 acres
- Natural gas pipeline – 0.07 acres
- Start-up steam injection lines & wells – 1.2 acres
- Access road improvements for Sunrise power plant & switchyard – 3.5 acres
- Route A transmission line – 3.4 acres, OR Alt. Route 1A transmission line – 0.6 acres,  
OR Alt. Route B transmission line – 5.2 acres

**TOTALS: Permanent/private acreage loss = 35.44 acres (number will change)**

**Permanent/conserved acreage loss = 3.0 acres (number will change)**

**TEMPORARY DIRECT IMPACTS**

- Sunrise Power Plant & laydown – 13.8 acres
- Valley Acres Substation – 2.0 acres
- Route A transmission line - 7.7 acres, OR Alt. Route A1 transmission line – 0.1 acres,  
OR Alt. Route B transmission line – 11.3 acres

**TOTALS: Temporary/private acreage disturbance = 34.9 acres (number will change)**

**Temporary/conserved acreage disturbance = 6.4 acres (number will change)**

**PERMANENT INDIRECT IMPACTS**

- 700 new oil wells (0.3 acres impacted per well x 700 new wells) - 210 acres  
***Unresolved:*** Estimated acreages for new dirt roads and steam injector wells associated with the 700 new oil wells. Also, acreage needed for new water treatment facility upgrades.

**TOTAL: 210 acres permanently lost (number will change)**

**TEMPORARY INDIRECT IMPACTS**

No acreage amounts to be calculated, however mitigation will include the implementation of biological resource best management practices to minimized impacts to sensitive species during installation and operation of the 700 new oil wells and appurtenant facilities. A preliminary list of best management practices can be found on page 2-58 of the draft Kern County Valley Floor Habitat Conservation Plan.

Best management practices will be implemented by an agency approved Designated Biologist.

### **CUMULATIVE IMPACTS**

- Additional new Kern County power plants (La Paloma, Sunrise, Midway-Sunset, & Elk Hills)
- 1300 existing oil wells to be provided Sunrise steam
- Existing TNAP utility corridor
- Expansion of Midway-Sunset oilfield
- New 20-inch natural gas pipeline

### **HABITAT COMPENSATION**

#### **Compensation ratios (For temporary & permanent direct impacts & permanent indirect impacts)**

- 4.0:1 – For permanent loss of conserved (private, state, & federal) habitat
- 3.0:1 – For permanent loss of private habitat
- 2.1:1 – For temporary impacts to conserved habitat
- 1.1:1 – For temporary impacts to private habitat

Staff will encourage Texaco to establish a working relationship with the **Center for Natural Lands Management (CNLM)** to provide habitat compensation funds for habitat purchases, and a suitable endowment, as part of the CNLM **Lokern Preserve**. CNLM may require the establishment of a Memorandum-of-Understanding to identify the terms and conditions of the agreement with Texaco.

CNLM  
Sherry Teresa, Executive Director  
425 E. Alvarado Street, Suite H  
Fallbrook, CA 92028-2960  
(760) 731-7790  
FAX (760) 731-7791  
e-mail: [cnlmpres@aol.com](mailto:cnlmpres@aol.com)  
Website: [www.cnlm.org](http://www.cnlm.org)

Rick York - c:\ . . . \acreages.doc

Outline of Air Quality Staff Testimony  
 Sunrise Cogeneration Power Plant  
 Joseph M. Loyer

I	Introduction		
II	LORS A Federal B State C Local		a Wells (VOC) (not modeled) b Equipment (NOx, SOx, CO, PM10) (modeled?)
III	Environmental Setting A Meteorological Conditions B Existing Air Quality C NAAQS, CAAQS		2 Waste Water Treatment Plant (modeled?) 3 Others if necessary
IV	Project Description and Emissions A Construction 1 Project Site 2 Linear Facilities B Operation 1 Expected Operation 2 Primary Emissions 3 Most Reasonable Worst Case Emissions C Closure		D Cumulative Impacts 1 TNAP Utility Corridor (Construction/Operation) (not modeled) 2 Other emission sources considered for Cumulative Impacts (to model or not to model) 3 Cumulative Analysis (modeled sources only) (ie. Elk Hills, Sunrise, La Paloma, etc)
V	Project Incremental Impacts A Modeling Protocols B Project Direct Impacts 1 Construction Impacts PM10, Fugitive dust NOx, SOx, CO (modeled) 2 Operation Impacts a Primary Impacts NOx, SOx, CO, PM10 (modeled) b Secondary Impacts Ozone (NOx, VOC) PM10 (NOx, SOx, NH3) (not modeled) 3 Visibility Impacts (modeled) C Indirect Impacts 1 Oil Field Steam Injection	VI	Mitigation A Applicant's Proposed Mitigation 1 Construction 2 Operation 3 Indirect 4 Cumulative 5 Adequacy of proposed Mitigation B Staff Proposed Mitigation 1 Construction 2 Operation 3 Indirect 4 Cumulative
		VII	Compliance with LORS A Federal B State C Local
		VIII	Conclusion and Recommendations
		IX	Conditions of Certification
		X	References
		XI	Appendices

# Sunrise Cogeneration and Power Project

## Data Response and Issues Workshop

April 22, 1999

### List of Attendees

Jeff Harris  
Ellison & Schneider  
2015 H Street  
Sacramento, CA 95814

Don Mundy  
Black & Veatch  
11900 E. Cornell, Suite 300  
Aurora, CO 80014

David Stein  
Radian International  
1990 N. California, #500  
Walnut Creek, CA 94596

Don Muroaka  
Radian International  
10389 Old Placerville Road  
Sacramento, CA 95837

Paul Dinkel  
Texaco Global Gas & Power  
2255 N. Ontario Street  
Burbank, CA 91504

Steve M. Clark  
Black & Veatch  
12701 W. 116  
Overland Park, KS 66211

Mervyn Soares  
Texaco  
P.O. Box 81438  
Bakersfield, CA 93380

Mike Kelly  
Vector Environmental  
P.O. Box 10447  
Bakersfield, CA 93389

Kate Poole  
CURE  
651 Gateway Blvd., #900  
S. San Francisco, CA 94080

Jennifer Costanza  
Texaco Legal Department  
2255 N. Ontario  
Burbank, CA 91504

Craig Jackson  
Texaco Exploration &  
Production  
Box 5197-x  
Bakersfield, CA 93388

William Dailey  
Texaco Exploration &  
Production  
Box 5197-x  
Bakersfield, CA 93388

Arlene L. Ichien  
CEC  
1516 Ninth Street  
Sacramento, CA 95814

Steve Baker  
CEC  
1516 Ninth Street  
Sacramento, CA 95814

Gary Walker  
CEC  
1516 Ninth Street  
Sacramento, CA 95814

Ean O'Neill  
CEC  
1516 Ninth Street  
Sacramento, CA 95814

Ellie Townsend-Smith  
CEC  
1516 Ninth Street  
Sacramento, CA 95814

Mark Hesters  
CEC  
1516 Ninth Street  
Sacramento, CA 95814

Rick York  
CEC  
1516 Ninth Street  
Sacramento, CA 95814

Stephen Kostka  
McCathen, Doyle, Brown &  
Emerson  
1331 N. California Blvd.  
Walnut Creek, CA 94549

Caryn Hough  
CEC  
1516 Ninth Street  
Sacramento, CA 95814

Julie Way  
Sunrise Project/Texaco  
2255 N. Ontario  
Burbank, CA 91501

Eileen Allen  
CEC  
1516 Ninth Street  
Sacramento, CA 95814

Roger E. Johnson  
CEC  
1516 Ninth Street  
Sacramento, CA 95814