



DATE: September 30, 2022

TO: Interested Parties

FROM: John Heiser, Compliance Project Manager

**SUBJECT: Solar Energy Generating Systems (SEGS) III-VII (87-AFC-01C)
Kramer Junction, License Termination Staff Recommendation**

On July 28, 2022, Luz Solar Partners, Ltd., III-VII (project owner), an indirect wholly owned subsidiary of NextEra Energy Resources-Operating Services (NEER) submitted a request to terminate the California Energy Commission (CEC) certification (license) ([TN 244279](#)) for the Solar Energy Generating System (SEGS) III-VII Kramer Junction (87-AFC-01C). If approved, this request would end the CEC's jurisdiction over the SEGS III-VII portion of the site.

BACKGROUND

The SEGS III-VII site is located one mile north of Kramer Junction in unincorporated San Bernardino County. Prior to being decommissioned, SEGS III-VII consisted of five 30-megawatt (MW) solar-thermal and natural-gas-fired units. These units used parabolic mirrors to concentrate solar energy for transfer into heat transfer fluid, which was then used to create steam to generate up to 150 MW of electric power for the Southern California Edison transmission grid. The CEC certified SEGS III-VII in May 1988 and the facility went online in February 1989. SEGS III-VII is located at 43880 Harper Lake Road, 7 miles northeast of Highway 58 on a 500-acre site near Hinkley, California.

The project owner obtained two conditional use permits (CUP) PROJ-2021-00019 and PROJ-2021-00079 from the County of San Bernardino on September 21, 2021, for the redevelopment of the SEGS III-VII site for a solar photovoltaic (PV) project and battery energy storage system (BESS).

The following describes key dates associated with decommissioning of the SEGS III-VII facility:

On June 1, 2021, CEC staff filed a Staff Analysis of the facility Decommissioning Plan recommending it be approved by the CEC ([TN238063](#)). The Commission approved the facility Decommissioning Plan on June 9, 2021 ([TN 238204](#))<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=87-AFC-01C> that incorporated the new and modified Conditions of Certification recommended by staff in its analysis. Luz Solar immediately began decommissioning activities on the site, which included closure of evaporation ponds under the jurisdiction and permitting of the Lahontan Regional Water Quality Control Board.

On January 11, 2022, Luz Solar filed a petition to amend the boundary of the approved project site to reflect that it had completed decommissioning in accordance with the Final Decommissioning Plan for Units III-V. On February 16, 2022, the CEC approved the petition to remove the areas previously occupied by Units III-V ([TN 241587](#)).

On April 12, 2022, Luz Solar filed a second petition to amend the boundary of the site to reflect that it had completed decommissioning in accordance with the Final Decommissioning Plan for Unit VII. On May 24, 2022, the CEC approved the petition to remove the areas previously occupied by Unit VII ([TN 243268](#)).

On September 29, 2022, SEGS III-VII decommissioning was complete in accordance with all conditions of certification and the facility Decommissioning Plan, which includes the process for final closure of the evaporation ponds under the jurisdiction and permitting of the Lahontan Regional Water Quality Control Board (LRWQCB). On October 3, 2022, the Delegate Chief Building Official issued a final inspection report.

The [CEC's project webpage](#), <https://www.energy.ca.gov/powerplant/solar-thermal/segs-iii-vii-kramer-junction>, has a link to the SEGS III-VII Request to Terminate ([TN 244279](#)) on the right side of the webpage in the box labeled "Compliance Proceeding." Click on the "[Docket Log \(87-AFC-01C\)](#)" option. If approved, the CEC's Order approving this request will also be available from the same webpage.

This Staff Recommendation has been mailed to the CEC's list of interested parties and property owners of all parcels within 500 feet of any affected project linears and 1,000 feet of the project site. It has also been emailed to the SEGS III-VII list serve. The list serve is an automated the CEC email system by which information about this facility is emailed to parties who have subscribed. To subscribe, go to the [CEC's project webpage](#), cited above, scroll down the right side of the project's webpage to the box labeled "Subscribe," and provide the requested contact information.

STAFF CONCLUSIONS

The project owner has completed the requirements of the approved facility Decommissioning Plan and is now requesting termination of the license. The CEC technical staff reviewed the request to terminate and determined all requirements of the facility Decommissioning Plan have been met, and that no significant environmental

impacts nor violation of applicable LORS occurred during closure of the facility. It is now appropriate to terminate the CEC's jurisdiction so the project site can be repurposed under the county's jurisdiction.

The California Environmental Quality Act (CEQA) applies to discretionary project approvals, and although a vote to terminate the facility's certification and jurisdiction over the site would be a discretionary act, the termination does not meet the definition of a "project" under the CEQA Guidelines (*See* Cal. Code Regs., tit. 14, § 15378). Under CEQA, the definition of "[p]roject does not include . . . administrative activities of governments that will not result in direct or indirect physical changes in the environment." (Cal. Code Regs., tit. 14, § 15378(b)(5)). CEQA Guidelines sections 15060(c)(2)-(3) and 15378(a) further reinforce that CEQA does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment. In this case, the decision at issue relates to the jurisdiction of the decommissioned site and not approval of any changes to the physical nature of the site.

Therefore, based on completion of the Decommissioning Plan and there no longer being an existing solar thermal powerplant at the site, staff is recommending termination of the SEGS III-VII license.

TERMINATION APPROVAL PROCESS

Staff intends to recommend approval of the SEGS III-VII license termination request at the October 12, 2022, CEC Business Meeting. At this business meeting, any person may present oral or written statements relevant to the request. Any interested person may also file comments on staff's determination and recommendation prior to the business meeting by submitting written comments through CEC's electronic commenting feature. To use this electronic feature, go to the [CEC's project webpage](#) cited above, scroll down the right side of the project's webpage to the box labeled "Subscribe" and provide the requested contact information.

Written comments may also be mailed or hand-delivered to:

California Energy Commission
Docket Unit, MS-4
SEGS III-VII (87-AFC-01C)
715 P Street
Sacramento, CA 95814

All comments and materials filed with the Docket Unit will be added to the facility Docket Log and become publicly accessible on the [CEC's project webpage](#).

If you have questions about this notice, please contact John Heiser, Compliance Project Manager, Safety and Reliability Office, Compliance Monitoring and Enforcement Unit, at (916) 628-5566 or via email at John.Heiser@energy.ca.gov.

For information on public participation, please contact the CEC's Office of Public Advisor, Energy Equity, and Tribal Affairs at (916) 957-7910 or by email at, publicadvisor@energy.ca.gov.

News media inquiries should be directed to the CEC's Media Office at (916) 654-4989, or by email to mediaoffice@energy.ca.gov.

Mail List: 741

Listserv: Solar Energy Generating Systems (SEGS III-VII)

STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

IN THE MATTER OF:

**SOLAR ENERGY GENERATING
SYSTEMS III-VII APPLICATION FOR
CERTIFICATION**

Docket No.:87-AFC-01C

**[PROPOSED] ORDER TERMINATING
CERTIFICATION**

I. BACKGROUND

On July 26, 2022, Luz Solar Partners III-VII (Luz Solar), submitted a request to terminate the California Energy Commission (CEC) certification (license) (TN 244279) for the Solar Energy Generating System (SEGS) III-VII (87-AFC-01C). Approval of this request would end the CEC's jurisdiction over the SEGS III-VII project and site.

The SEGS III-VII units are located one mile north of Kramer Junction in unincorporated San Bernardino County and consisted of five 30-megawatt (MW) solar-thermal and natural-gas-fired units. These units used parabolic mirrors to concentrate solar energy for transfer into heat transfer fluid, which was then used to create steam to generate up to 150 megawatts (MW) of electric power for the Southern California Edison transmission grid. The CEC certified SEGS III-VII in May 1988 and the facility went online in February 1989. SEGS III-VII is located at 43880 Harper Lake Road, 7 miles northeast of Highway 58 on a 500-acre site near Hinkley, California.

On June 1, 2021, CEC staff filed a Staff Analysis of the Final Decommissioning Plan recommending it be approved by the Commission (TN 238063). The Commission approved the Final Decommissioning Plan on June 9, 2021 (TN 238204) that incorporated the new and modified Conditions of Certification recommended by staff in its analysis. Luz Solar immediately began decommissioning activities on the site which included closure of evaporation ponds under the jurisdiction and permitting of the Lahontan Regional Water Quality Control Board.

On January 11, 2022, Luz Solar filed a petition to amend the boundary of the approved project site to reflect that it had completed decommissioning in accordance with the Final Decommissioning Plan for Units III-V. On February 16, 2022, the Commission approved the petition to remove the areas previously occupied by Units III-V.

On April 12, 2022, Luz Solar filed a second PTA the Boundary of the Site to reflect that it had completed decommissioning in accordance with the Final Decommissioning Plan for Unit VII. On May 24, 2022, the Commission approved the petition to remove the areas previously occupied by Unit VII.

Final decommissioning work consistent with the decommissioning plan and conditions of certification, which includes the process for final closure of the evaporation ponds under the jurisdiction and permitting of the Lahontan Regional Water Quality Control Board was completed on September 29, 2022.

II. STAFF RECOMMENDATION

The CEC has considered the application of CEQA to the proposed regulations and concluded that the project owner has completed the requirements of the approved Decommissioning Plan and is now requesting termination of the license. CEC technical staff reviewed the request to terminate and determined through a site inspection and review of documentation, that all requirements of the Decommissioning Plan have been met, and that no significant environmental impacts nor violation of applicable laws occurred during closure of the facility. On September 29, 2022, the Delegate Chief Building Official issued a final inspection report confirming decommissioning is complete. It is now appropriate to terminate the CEC's jurisdiction so the project site can be repurposed under the county's jurisdiction.

The California Environmental Quality Act (CEQA) applies to discretionary project approvals, and although a vote to terminate the facility's certification and jurisdiction over the site would be a discretionary act, the termination does not meet the definition of a "project" under the CEQA Guidelines. (See Cal. Code Regs., tit. 14, § 15378.) Under CEQA, the definition of "project does not include administrative activities of governments that will not result in direct or indirect physical changes in the environment." (Cal. Code Regs., tit. 14, § 15378(b)(5).) CEQA Guidelines sections 15060(c)(2)-(3) and 15378(a) further reinforce that CEQA does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment. In this case, the decision at issue relates to the jurisdiction of the decommissioned site and not approval of any changes to the physical nature of the site. Staff is recommending termination of the license as continuing jurisdiction over the site is no longer necessary with the removal of the thermal powerplant.

The proposed regulations will [Enter what the proposed regulations will do here.]

III. ENERGY COMMISSION FINDINGS AND ORDER

The CEC finds that the approved decommissioning plan was completed and the SEGS III-VII thermal powerplant is no longer in existence. Termination of the CEC's certification will allow the sites to be repurposed under the jurisdiction of San Bernardino County. Terminating the CEC's certification and jurisdiction over the site is not a project under CEQA because the action does not entail any physical change to the environment. Therefore, the CEC hereby adopts staff's recommendation and grants the

petition for termination of SEGS III-VII's certification and jurisdiction over the project site, effective September 14, 2022.

IT IS SO ORDERED.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of an order duly and regularly adopted at a meeting of the CEC held on October 12, 2022.

AYE:

NAY:

ABSENT:

ABSTAIN:

Dated:

Liza Lopez
Secretariat