STATE OF CALIFORNIA – THE RESOURCES AGENCY

ARNOLD SCHWARZENEGGER, *Governor*

CALIFORNIA ENERGY COMMISSION
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**TO:** AGENCY DISTRIBUTION LIST (LOCAL)

**REQUEST FOR AGENCY PARTICIPATION IN THE REVIEW OF THE SAN GABRIEL GENERATION STATION PROJECT, APPLICATION FOR CERTIFICATION (07-AFC-2)**

On April 13, 2007, the San Gabriel Power Generation, LLC, a subsidiary of Reliant Energy, submitted an Application for Certification (AFC) to construct and operate the San Gabriel Generation Station (SGGS) Project, a combined cycle electrical power plant facility in the City of Rancho Cucamonga, San Bernardino County.

As part of our review process, the staff of the Energy Commission works closely with local, state and federal agencies to ensure that all laws, ordinances, regulations and standards are addressed in the final decision of the California Energy Commission.

**Project Description**

The proposed SGGS would have a net electrical output of 656 megawatts (MW), with construction planned to begin in Fall of 2008 and commercial operation planned by summer of 2010. Primary equipment for the generating facility would include two natural gas-fired combustion turbine-generators (CTGs) rated at 180 MW each, two heat recovery steam generators (HRSGs), one steam turbine-generator (STG) rated at 340 MW, and ancillary equipment. The proposed new linear facilities would consist of a natural gas line, an electric transmission line, and on-site water pipelines for fire protection and potable uses.

The proposed SGGS facility would occupy a 17-acre site in an area zoned for heavy industrial use. The majority of the site consists of approximately 16.2 acres in the northwestern portion of the existing 60-acre Etiwanda Generating Station (EGS) property owned by Reliant Energy, located at 8996 Etiwanda Avenue. It would also occupy approximately 0.8-acre of adjacent property currently owned by the Inland Empire Utility Agency (IEUA). The proposed SGGS project site would be located adjacent to Southern California Edison's (SCE) planned Rancho Vista substation and approximately 1 mile east of Interstate 15 (I-15) and 1.5 miles north of Interstate 10 (I-10). SCE's planned Rancho Vista substation, which is scheduled to start construction in mid-2008 and begin operating in mid-2009, is not part of the proposed SGGS project.

Several areas within the EGS property totaling approximately 7 acres would be used for onsite temporary construction laydown. In addition, approximately 4.5 acres of land currently owned by IEUA would be used for offsite construction laydown. An offsite construction laydown and parking area, approximately 11.2 acres within a 15-acre site, would be located approximately 1,300 feet west of the proposed SGGS project site. This offsite laydown and parking area will require installation of a railroad crossing aid and would be bounded on the north by the Burlington Northern Santa Fe (BNSF) Railroad main east-west line, on the east by a BNSF spur track, and on the south and west by dirt roads. An approximately 3,120-foot temporary access road from 6th Street to the offsite laydown/parking area and proposed SGGS project site would be built during the initial project construction phase.

Transmission interconnection would require a 550-foot, single-circuit 525-kV line that would connect the proposed SGGS project switchyard with the future SCE Rancho Vista substation. Natural gas will be supplied to the proposed SGGS project by the Southern California Gas Company, the current supplier of natural gas to the EGS. It will be provided using a new 530-foot, 20-inch-diameter gas line connection from gas transmission line 4002 that will continue generally westward to a new proposed SGGS project metering station on the EGS property.

Dry cooling technology in the form of an air-cooled condenser with associated auxiliary cooling water system will provide for cooling of the CTGs, STG, and lube oil and hydraulic oil systems. Water for non-cooling needs will be supplied to the proposed SGGS project site from the existing EGS makeup water reservoir, which contains primarily reclaimed water from the IEUA supplied under an existing water services agreement. Sanitary wastewater will be discharged to a new onsite sanitary waste septic system, which will include a septic tank and leachfield. Plant process wastewater streams will be collected in the plant wastewater sump. From the sump the wastewater will be pumped to the existing 21-inch pipeline to the IEUA system under the existing plant's Industrial User's permit.

Air emissions from the proposed SGGS facility would be controlled using best available control technology applied to each CTG's and HRSG's exhaust. Dry low nitrogen combustors in the CTGs and a selective catalytic reduction (SCR) unit in the HRSGs will use aqueous ammonia to control oxides of nitrogen (NOx). An oxidation catalyst unit will be used in the HRSGs for the control of carbon monoxide (CO) and precursor organic compounds (POC). Final permitting by the Energy Commission would reflect conformance with rules and regulations of the South Coast Air Quality Management District and include the issuance of a Determination of Compliance from the District.

**Energy Commission's Facility Certification Process**

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications to construct and operate thermal electric power plants, 50 MW and greater, in California. The Energy Commission's facility certification process carefully examines public health and safety, environmental impacts, and engineering aspects of proposed power plants and all related facilities, such as electric transmission lines and natural gas and water pipelines. The Energy Commission is the lead agency under the California Environmental Quality Act (CEQA), but it produces several environmental and decision documents rather than an Environmental Impact Report.

The first step in the review process is for Energy Commission staff to determine whether or not the AFC contains all the information required by our regulations. When the AFC is deemed data adequate, we will begin data discovery and issue analysis phases. At that time, a detailed examination of the issues will occur.

Over the coming months, the Energy Commission will conduct a number of public workshops and hearings on the proposal to determine whether the proposed project should be approved for construction and operation and under what set of conditions. These workshops will provide the public as well as local, state and federal agencies the opportunity to ask questions about, and provide input on, the proposed project. The Energy Commission will issue notices for these workshops and hearings at least 10 days prior to the meeting.

**Agency Participation**
We request that you provide any written comments you may have regarding the disclosure of potential issues of concern by **May 11, 2007**. Please address your comments to Stanley Yeh, Project Manager, 1516 9th Street, MS-15, Sacramento, CA 95814, or email to syeh@energy.state.ca.us. Your agency may also present its comments and recommendations in person at the Energy Commission's May 23, 2007 Business Meeting. The limited purposes of that meeting will be to determine whether the AFC is data adequate in accordance with our regulations and to assign a committee of two Commissioners to oversee the proceeding.

When the AFC is accepted as data adequate, your participation in the proceeding will continue to be valuable and encouraged and will allow you to identify and try to resolve issues of concern to your agency. There may be specific requests for agency review and comment during the proceedings after the AFC has been determined to be data adequate. Local agencies may seek reimbursement for costs incurred in responding to these requests. However, comments provided in response to this request during data adequacy are not reimbursable under Energy Commission guidelines.

Enclosed is a copy (CD) of the AFC in electronic format. If you would like to have a hard copy of the AFC sent to you, if you have questions, or if you would like additional information on reimbursement or on how to participate in the Energy Commission's review of the proposed project, please contact Stanley Yeh, Project Manager, at (916) 651-8843, or by email at syeh@energy.state.ca.us. The status of the proposed project, copies of notices, electronic version of the AFC, and other relevant documents are also available on the Energy Commission's Internet web site at http://www.energy.ca.gov/sitingcases/sangabriel. You can also subscribe to receive e-mail notification of all notices at http://www.energy.ca.gov/listservers.

Sincerely,

Roger E. Johnson, Manager
Energy Facilities Siting and Compliance Office

Enclosure