

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION
OF THE STATE OF CALIFORNIA

APPLICATION FOR SMALL POWER PLANT
EXEMPTION FOR THE CHEVRON
RICHMOND POWER PLANT
REPLACEMENT PROJECT

DOCKET NO. 07-SPPE-1

NOTICE OF PUBLIC INFORMATIONAL HEARING AND SITE VISIT

The California Energy Commission, a state agency, has exclusive jurisdiction to license new power plants that generate 50 megawatts (MW) or more. Under state law, power plants that generate up to 100 MW may be exempted from the Energy Commission's licensing process if the Energy Commission determines a project proposal qualifies for such an exemption. The Small Power Plant Exemption (SPPE) review process provides the public forum for the Energy Commission's evaluation of the project's eligibility for an exemption under Public Resources Code section 25541.

On June 22, 2007, Chevron USA, Inc. (Applicant) submitted an Application for an SPPE to the California Energy Commission in connection with its proposal to construct and operate the Chevron Richmond Power Plant Replacement Project (PPRP). The project involves a nominal 60 MW net addition to electric generating capacity at the Chevron Richmond Refinery. Construction is planned to begin in the third quarter of 2007 and commercial operation is planned to begin by the second quarter of 2010.

PLEASE TAKE NOTICE that the Energy Commission has designated a Committee of two Commissioners to conduct proceedings on the SPPE. The Committee has scheduled a public Informational Hearing and Site Visit to discuss the proposed project with the Richmond community on the following date:

August 30, 2007
Site Visit begins at 4:00 p.m.
Public Informational Hearing begins at 5:30 p.m.
Richmond City Council Chambers
1401 Marina Way South
Richmond, California 94804

[Wheelchair Accessible]
(Map Attached)

DOCKET 07-SPPE-1	
DATE	AUG 10 2007
RECD.	AUG 10 2007

Prior to the Informational Hearing, members of the public are invited to join the Committee on a bus tour of the proposed site. For further details, please contact the Energy Commission's Public Adviser's Office at 916-654-4489 or 800-822-6228 or email: [\[pao@energy.state.ca.us\]](mailto:pao@energy.state.ca.us). In order to assure adequate transportation is available,

anyone desiring to take part in the Site Visit shall contact, and so inform, the Public Adviser's Office **no later than August 27, 2007**.

BACKGROUND

On June 22, 2007, the Energy Commission began an expedited review of the application for exemption for the PPRP under the provisions of Public Resources Code section 25541. During the review period, the Energy Commission will determine whether construction or operation of the proposed project will create a substantial adverse impact upon the environment or energy resources. The Informational Hearing scheduled by this Notice is sponsored by the Energy Commission to inform the public about the project and to invite public participation in the review process.

PROJECT DESCRIPTION

The project involves a nominal 60 MW net addition to electric generating capacity at the Chevron Richmond Refinery located at 841 Chevron Way in the City of Richmond, Contra Costa County, California.

The proposed PPRP would include a 43 MW cogeneration train (Cogen 3000), a 17 MW steam turbine generator (H₂-STG), reconductoring to upgrade ampacity of approximately 4000 feet of existing on-site double-circuit overhead 115 KV transmission line, and permanent shutdown of the refinery's existing steam boilers. Construction is planned to begin in the third quarter of 2007 and commercial operation is planned to begin by the second quarter of 2010.

The Cogen 3000 will occupy approximately 0.5 acre within an existing 5.2 acre cogeneration facility. It will consist of one General Electric Frame 6B combustion turbine generator (CTG) linked to the Pacific Gas and Electric (PG&E) power grid by existing, on-site refinery-owned double-circuit 115-kV transmission lines.

The H₂-STG will be located within the proposed new hydrogen plant that will be installed, owned and operated by a third party, Praxair, under contract to Chevron. The H₂-STG will consist of a Dresser-Rand 17.8 MW condensing, extraction steam turbine generator electrically tied to new 12.47 kV switchgear in the new hydrogen plant.

The project will use recycled water where possible, and will use treated water from an existing, on-site reverse osmosis (RO) plant. There will be no net increase in refinery fresh water usage due to the PPRP. With other PPRP fuel usage reductions, there will be no increase in refinery fuel usage with the installation of the project.

The engineering and environmental details of the proposed project are contained in the application for exemption. Copies of the application were provided to local public agencies that are involved in the review process. Copies of the application are also available at the following libraries: California State Library Government Publication Section in Sacramento; San Francisco Public Library Government Information Center; UCLA University Research Library; San Diego Public Library; Fresno County Library

Central Headquarters; Richmond Public Library Main Branch; Martinez Library; San Pablo Library; El Cerrito Library; Kensington Library; El Sobrante Library.

PURPOSE OF THE INFORMATIONAL HEARING

The Small Power Plant Exemption process, which incorporates requirements similar to the Initial Study process under the California Environmental Quality Act, will examine whether the proposed project will create a substantial adverse impact upon the environment or energy resources. The review process provides a public forum allowing the Applicant, Commission staff, governmental agencies, adjacent landowners, and members of the general public to discuss whether the proposal qualifies for an exemption from the Commission's licensing process.

The Informational Hearing scheduled by this Notice is the first in a series of Energy Commission events where members of the community and governmental agencies will have an opportunity to obtain information and offer comments on the proposal. The Applicant will explain plans for constructing and operating the proposed project. Energy Commission staff will explain the exemption process and its role in reviewing the application for exemption. Applicant and Staff will also discuss the schedule and possible issues that may be significant during this proceeding. A representative of the Commission's Public Adviser's Office will provide information on how the public can participate in the review process.

PROPOSED SCHEDULES AND ISSUE IDENTIFICATION REPORT

To assist participants in understanding the project, Applicant and Staff shall each file a proposed schedule for conducting the exemption process, and Staff shall file an Issue Identification Report ("Report") summarizing any potential issues. The proposed schedules and Staff's Report shall be filed no later than **3 p.m., August 23, 2007**. At the Informational Hearing, the parties shall indicate whether anticipated data responses would resolve any issues of concern which may be raised in Staff's Report. Copies of these documents will be posted on the Commission's Internet web page: [www.energy.ca.gov/sitingcases/chevron].

PUBLIC ADVISER AND PUBLIC PARTICIPATION

Members of the public may participate in all aspects of the review process in a variety of ways. The Commission's Public Adviser's Office is available to assist the public in participating in the exemption process. This office may be reached at 916-654-4489 or 800-822-6228 or email: [pao@energy.state.ca.us].

INFORMATION

Technical questions concerning the project should be addressed to Mary Dyas, Staff Project Manager, at (916) 651-8891, or e-mail: [mdyas@energy.state.ca.us].

Questions of a legal or procedural nature should be directed to Raoul Renaud, the Hearing Officer, at (916) 651-2020, or e-mail: [rrenaud@energy.state.ca.us].

Media inquiries should be directed to Claudia Chandler, Assistant Executive Director for Media and Public Communications at (916) 654-4989 or e-mail : [mediaoffice@energy.state.ca.us].

Information concerning the status of the project, as well as notices and other relevant documents, may be viewed on the Energy Commission's Internet web page at: [www.energy.ca.gov/sitingcases/chevron].

Dated August 10, 2007, at Sacramento, California.



JEFFREY D. BYRON
Commissioner and Presiding Member
Chevron SPPE Committee

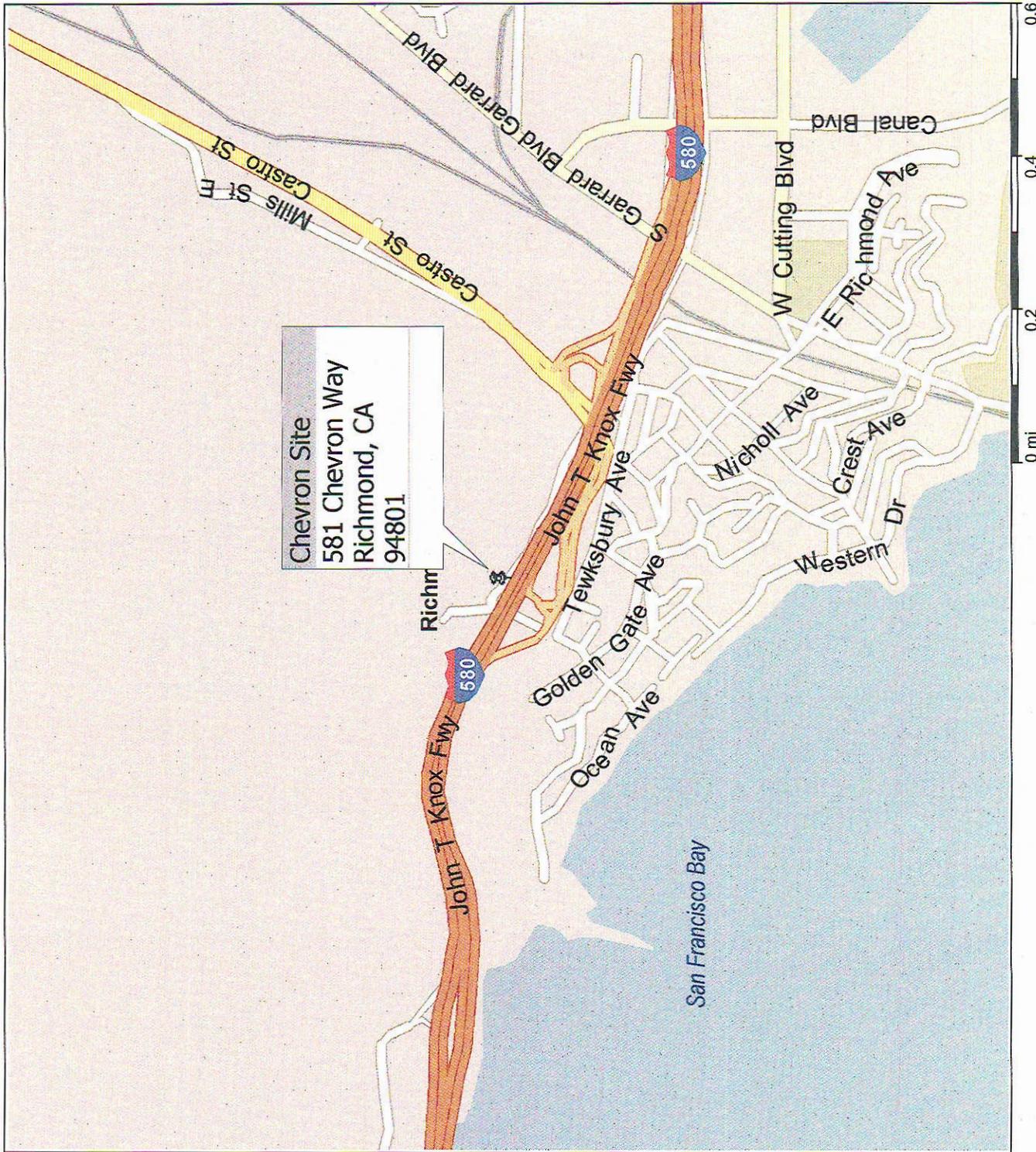


ARTHUR H. ROSENFELD
Commissioner and Committee Member
Chevron SPPE Committee

Mailed to POS, Lists 7235, 7236, 7237, 7238

Proof of Service List (Revised on N/A)
filed with Original Document. Mailed from
Sacramento on AUGUST 10, 2007).

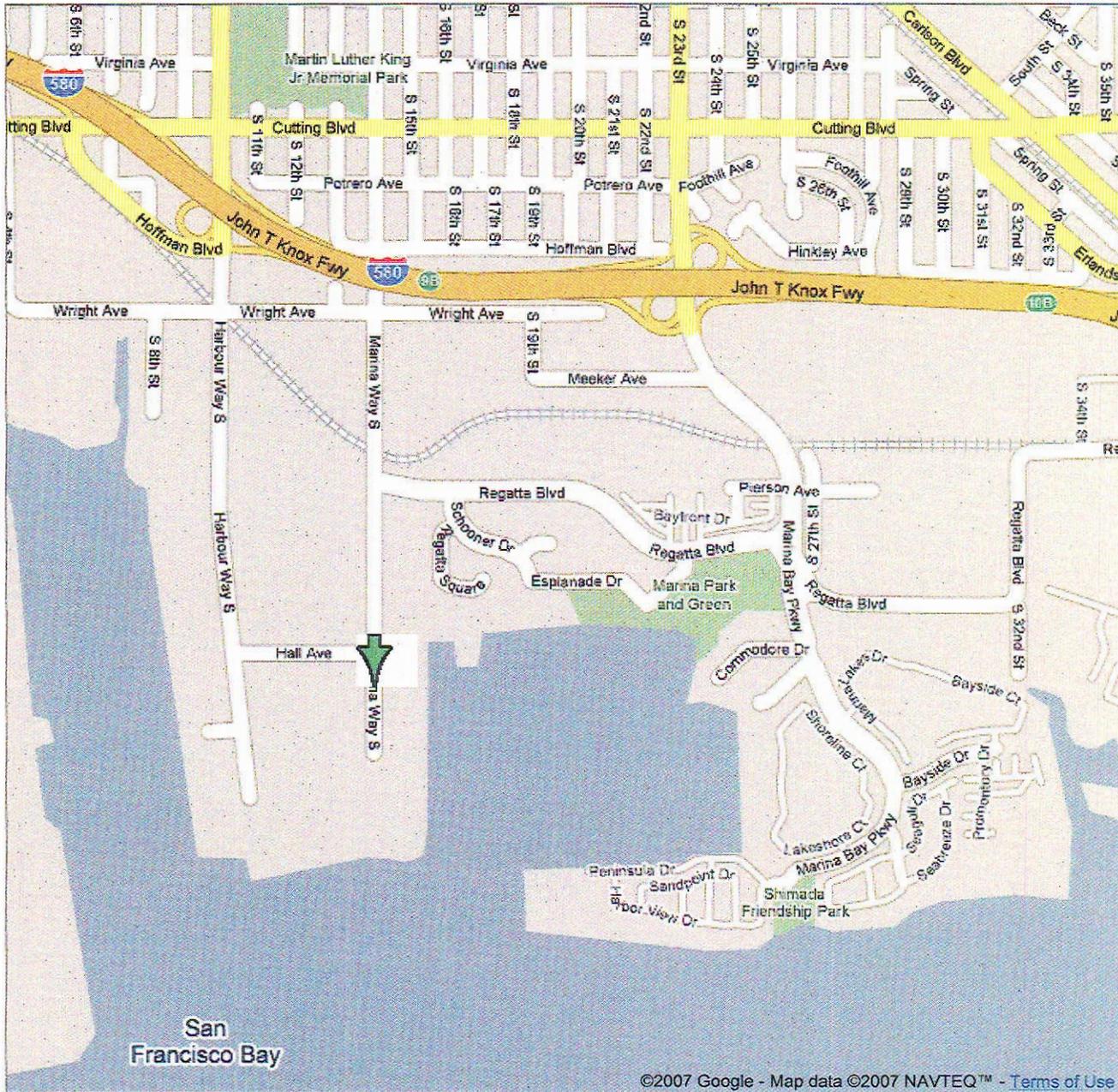
Richmond area, California, United States





Address 1401 Marina Way S
Richmond, CA 94804

Richmond City Council Chambers



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE
STATE OF CALIFORNIA

**CHEVRON RICHMOND POWER
PLANT REPLACEMENT PROJECT
SMALL POWER PLANT EXEMPTION**

Docket No. 07-SPPE -1

PROOF OF SERVICE

INSTRUCTIONS: All parties shall either (1) send an original signed document plus 12 copies or (2) mail one original signed copy AND e-mail the document to the address for the Docket as shown below, AND (3) all parties shall also send a printed or electronic copy of the document, which includes a proof of service declaration to each of the individuals on the proof of service list shown below:

CALIFORNIA ENERGY COMMISSION
Attn: Docket No. 07-SPPE-1
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.state.ca.us

APPLICANT

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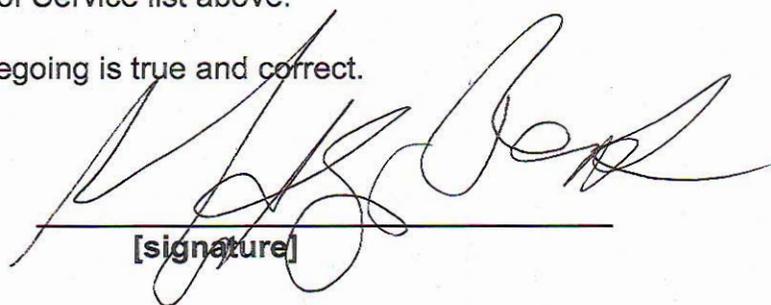
DECLARATION OF SERVICE

I, Maggie Read, declare that on August 10, 2007, I deposited copies of the attached Notice of Public Informational Hearing and Site Visit, in the United States mail at Sacramento, California with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

OR

Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the Proof of Service list above.

I declare under penalty of perjury that the foregoing is true and correct.



[signature]