

## Regulators aren't ready to approve power plant

By Matt Carter, staff writer

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SACRAMENTO -- A Florida-based company's plan to build one of the biggest power plants in the state near the city of Tracy remains stalled in the licensing process.

FPL Energy applied to the California Energy Commission in October 2001 to build the 1,100-megawatt Tesla Power Project at the intersection of Patterson Pass and Midway roads. One megawatt is enough power to supply 750 to 1,000 homes.

If approved, the \$700 million plant would take two years to construct, employing a peak construction payroll of 974 workers. Once built, it would employ 36 people with a payroll of \$3.4 million and generate property tax revenues of about \$6 million a year for Alameda County.

In their latest report, Energy Commission regulators say they will not be ready to recommend approval of the plant until they have more information about its environmental impacts.

The two biggest outstanding issues are air pollution and water use. The San Joaquin Valley is already in "severe" non-attainment of federal ozone standards and "serious" non-attainment for airborne levels of small particulates called "PM10."

FPL Energy planned to compensate for the plant's production of PM10 particles -- so-called because they are particulate matter of 10 microns or smaller -- in part by paying to pave nearly three miles of haul roads at the Altamont landfill.

But paving the dirt roads won't fully compensate for the plant's impacts, especially the production of even smaller -- and more harmful -- particles 2.5 microns or smaller, Energy Commission staff members say.

Although the natural gas-fired power plant is to be equipped with the latest pollution control devices, it will be permitted to produce up to 536 tons of four closely regulated air pollutants each year.

To offset that pollution, FPL Energy is purchasing 548 tons of emission reduction credits, tradable certificates earned by companies that have reduced their own pollution production. FPL Energy also reached a voluntary \$1 million agreement with San Joaquin Valley Air Pollution Control District, which will fund programs the company estimates will cut pollution in the area by 237 tons per year.

Tracy businessman Bob Sarvey, who has become involved in several power plant siting cases in the area, maintains that ammonia emissions from the plant -- up to 186 tons per year -- will contribute to the formation of even more of the tiny, lung-damaging PM10 and PM2.5 particles.

In a 520-page report published Thursday, regulators said they were delaying a recommendation to approve the power plant until more information is presented about Sarvey's concerns and other issues.

"I've been bringing that up (ammonia emissions) in all the proceedings," Sarvey said, including Calpine's East Altamont Energy Center, an 1,100 megawatt plant planned near Mountain House approved last year. Ammonia "was a huge issue in the Calpine proceedings, and Energy Commission staff members backed my position" that more restrictive measures were needed.

In the end, the Energy Commission approved the Calpine plant in August -- without requiring all of the pollution reduction programs recommended by staff members. Sarvey appealed the decision to the California Supreme Court, which declined to review it.

Also at issue is how FPL's Tesla plant will be cooled. The plant will require up to 6,400 acre-feet of water a year, which FPL Energy wants to buy from two water districts in Kern County. One acre-foot is 326,000 gallons, or enough to supply up to three families for a year.

Energy Commission staff members say the water should come from a wastewater treatment plant the city of Tracy is building. Although FPL Energy has objected to the expense of building an 11-mile pipeline to carry recycled water from Tracy, a spokesman for the company said it is negotiating to buy water from the city.

"We believe we can reach an agreement with the city of Tracy," said Scott Busa, project manager for the Tesla Power Project.

Busa had no comment on Sarvey's call to reduce the plant's potential ammonia emissions.

"We're trying to meet all the rules and regulations in the state of California, and we expect that's what the Energy Commission will make us do," Busa said.

There was little new information in the latest report, which was based largely on hearings that took place in September.

"It's been five months since the hearings, and there is not a lot of information here," Busa said. The licensing process "is not moving at a pace we would support."

[The Stockton Record, Tuesday, March 2:](#)

#### **Fireplace restrictions end for season**

A San Joaquin Valley Air Pollution Control District program to restrict use of wood-burning fireplaces and stoves on bad air days has ended and will resume next fall.

The Record will discontinue the Weather Page wood-burning notification of the air district's voluntary and mandatory burning bans until the program resumes.