

6450-01-P

DEPARTMENT OF ENERGY

Western Area Power Administration

Notice of Availability of the Sutter Power Project Draft Environmental Impact Statement

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of Availability and Notice of Public Hearings.

SUMMARY: In accordance with Section 102(2) of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4332, the Western Area Power Administration (Western) announces that the Sutter Power Project (SPP) Draft Environmental Impact Statement (EIS) is available for public review and comment. Calpine Corporation (Calpine) has submitted an application to the California Energy Commission (CEC) for the development, construction, and operation of the SPP, a 500-megawatt (MW) gas fueled, combined cycle, electric generating facility located north of Sacramento, California. This project would involve the construction of additional transmission facilities, as well as new natural gas pipelines. Calpine has approached Western concerning an interconnection with Western's Keswick-Elverta and Olinda-Elverta double-circuit 230-kilovolt (kV) transmission lines.

Western and CEC are "joint lead agencies" for purposes of satisfying the requirements of NEPA and the California Environmental Quality Act (CEQA), respectively. Western and CEC prepared this joint Draft EIS/Final Staff Assessment (FSA) to satisfy the requirements of both agencies, and will hold joint public hearings to receive formal comments on the Draft EIS/FSA according to the schedule below. Western and CEC will accept written and oral comments during the public review period.

DATES: Written comments on the draft EIS/FSA should be sent to the Environmental Project Manager or CEC Project Manager by December 14, 1998, at the addresses provided below. Those wishing to make oral comments may do so at the scheduled public hearings. Western and CEC will respond to all comments, both written and oral, in Western's final EIS and CEC's Presiding Member Proposed Decision.

The hearings will be held at the Veteran's Memorial Community Building, 425 Circle Drive, Yuba City, CA, on November 2, 10, 12, and 16, 1998. Each hearing will begin at 9:00 a.m., with the exception of an additional hearing to be held on November 10, at 6:30 p.m. at the same location.

ADDRESSES: Comments on the Draft EIS/FSA may be directed to the following persons. For Western, address comments to: Ms. Loreen McMahon, Environmental Project Manager, Sierra Nevada Customer Service Region, Western Area Power Administration, 114 Parkshore Drive, Folsom, CA 95630-4710, telephone

(916) 353-4460, E-mail: mcmahon@wapa.gov. For CEC, address comments to

Paul Richins, Project Manager, Energy Facilities Siting and Environmental Protection Division, California Energy Commission, 1516 Ninth Street, MS-15, Sacramento, CA 95814, Telephone: (916) 654-4074, E-mail: prichins@energy.state.ca.us.

FOR FURTHER INFORMATION CONTACT: For further information, to submit written comments, or to request a copy or summary of the Draft EIS, please call or write Western's Sierra Nevada Customer Service Regional Office

or CEC at the addresses shown above. Additional information on the project and the CEC may be found on CEC's website at www.energy.ca.gov/sitingcases/sutterpower/index.html.

For general information on DOE's NEPA review process, please contact Ms. Carol Borgstrom, Director, NEPA Policy and Assistance, EH-42, U.S. Department of Energy, 1000 Independence Avenue SW., Washington, D.C. 20585, telephone (202) 586-4600 or (800) 472-2756.

SUPPLEMENTARY INFORMATION: Calpine proposes to construct SPP in Sutter County, California, on a portion of a 77-acre parcel of land owned by Calpine, that also houses its Greenleaf 1 cogeneration plant. Yuba City, California, is approximately 7 miles to the northeast; Oswald, California, is approximately 3.5 miles to the east; and Sacramento, California, is approximately 36 miles to the southeast of the proposed project site. The land surrounding the project area is farmland used to grow rice, walnuts, almonds, and other orchard crops. The SPP project would consist of a nominal 500 MW net electrical output natural gas-fired, combined cycle generating facility, a 230-kV switching station, and a new 230-kV transmission line to connect with Western's Keswick-Elverta and Olinda-Elverta double-circuit 230-kV transmission lines at some point south and west of the plant. A new 12-mile natural gas pipeline would be constructed to provide fuel for the project. Potable water and cooling water would be provided by an on site well system that will be developed as part of the project. Sanitary waste will be treated on-site. The treated and other waste water generated in the operation of the plant would be discharged to an existing surface drainage system.

SPP would be a "merchant plant"; it would sell power on a short and midterm basis to customers, and on the spot market. Power purchases by customers would be voluntary, and all economic costs will be borne by Calpine. Calpine approached Western regarding an interconnection for the power produced by SPP. This interconnection would require Western to make facility additions to its existing system to incorporate additional power from new generation.

CEC, a regulatory agency of the State of California, has the statutory authority to license thermal powerplants of 50 MW or greater. CEC's review process ensures that needed energy facilities are authorized in an expeditious, safe, and environmentally acceptable manner. CEC prepares all environmental documentation by following CEQA, and maintains a staff of experts in more than 20 environmental and engineering disciplines to perform balanced, independent evaluations of complex projects. CEC has prepared this document in compliance with California Public Resources Code (Cal. Pub. Res. §§ 25500, et seq.); CEQA (Cal. Pub. Res. §§ 21000, et seq.) and its guidelines found at California Code of Regulations (Cal. Code Regs. tit. 14 §§ 15000, et seq.); and the regulations of CEC (Cal. Code Regs. tit. 20 §§ 1742.5, 1743, and 1744). The CEC process mirrors that of the Federal process; CEC's FSA document is equivalent to the Draft EIS.

Western, a power marketing agency of the U.S. Department of Energy (DOE), is responsible for the transmission and marketing of electric power in 15 western States through an extensive, complex, and integrated high-voltage power transmission system. Western has prepared this document in compliance with NEPA (42 U.S.C. 4321, et seq.), the Council on Environmental Quality regulations for implementing NEPA (40 CFR Parts 1500-1508), and the DOE regulations for compliance with NEPA (10 CFR Part 1021).

Because CEC has licensing responsibilities as well as responsibilities under CEQA, Western agreed to be a joint lead agency with CEC and to utilize CEC's expertise in siting issues. The review process was initiated when Calpine filed an Application for Certification (AFC) with CEC on December 15, 1997. On January 21, 1998, CEC accepted the AFC as complete which began CEC's 1-year review process. On February 13, 1998, Western published a Notice of Intent to Prepare an Environmental Impact Statement in the Federal Register (63 FR 7412-7413). A scoping meeting was held in Yuba City, California, on March 3, 1998. Additional public workshops that addressed various issues of concern were held on March 25, March 31, June 3, July 14, August 4, August 6, and August 12, 1998.

CEC maintains a mailing list of those interested in SPP. All persons and groups on that mailing list have been notified of the availability of the Draft EIS/FSA. A distribution has been made to various libraries and other repositories in the project area, as well as those agencies and persons that have already requested a copy. Copies of the Draft EIS/FSA are available for public review at the Sierra Nevada Customer Service Regional Office, Western Area Power Administration, 114 Parkshore Drive, Folsom, California; or at the Corporate Services Office, Western Area Power Administration, 1627 Cole Boulevard, Building 18, Golden, Colorado. This information is also available at the DOE Reading Room at the following address: U.S. Department of Energy Reading Room 1E-190, Forrestal Building, 1000 Independence Avenue SW., Washington, D.C. CEC maintains copies for review at the Energy Commission Library, 1516 9th Street, Sacramento, California. Copies for review are also available at the Sutter County Community Service Department, 1160 Civic Center Boulevard, Yuba City, California, and at the Main Branch of the Sutter County Library, 705 Forbs Avenue, Yuba City, California.

During this time, Western and CEC have coordinated closely with other Federal, State, and local agencies such as the U.S. Fish and Wildlife Service, the U.S. Army Corps of Engineers, the California State Department of Water Resources, the California State Department of Fish and Game, the Sacramento Municipal Utility District, the California Public Utilities Commission, Pacific Gas and Electric Company, and several local authorities.

The results of these meetings have allowed Western and CEC to identify areas of concern raised by the public and other agencies. The visual and noise impacts of the plant and the new transmission line were a major concern of the people who live in the immediate area of the plant site. Other more general issues concerned water resources -- the impact to nearby wells by a potential draw-down by SPP; water quality impacts to downstream users and fisheries; the use of surface ditches by the project; and potential impacts caused by localized flooding. Other concerns raised include air quality impacts, land use issues, impacts to agricultural operations, and the need for rezoning the site.

The Draft EIS/FSA presents analyses of the no action (no project) alternative, as well as four siting alternatives to the proposed site. These alternate sites were compared to the unmitigated impacts of the SPP proposed location. The potential impacts to each sensitive issue (water, air, natural resources, cultural resources, visual, noise, etc.) were analyzed and discussed in some detail in the Draft EIS/FSA. However, each of these alternate sites were found to have environmental problems. Alternatives to the proposed project, as well as individual mitigation measures, are proposed and applied where impacts approach a threshold of significance. Environmentally preferred options are detailed for each issue.

CEC will hold hearings on Calpine's proposal. These are held as evidentiary hearings with two commissioners present. All witnesses are sworn in and present information to the Commissioners. Each technical area will be discussed in this manner, so that the length of the hearing process depends on the amount of testimony that needs to be taken for each technical area. Following each portion of the hearing process, the public may comment on the evidence presented. A full transcript will be available following the hearings.

A decision on the proposed action will be made after considering comments on the Draft EIS/FSA, both written and those presented at the hearings announced above. The final EIS will present the full analysis of these comments and project alternatives that are proposed in the Draft EIS/FSA and present the final alternative that will be the subject of Western's and CEC's decisions on SPP.

Dated:

Michael S. HacsKaylo

Administrator