

SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT

INITIAL STUDY/ENVIRONMENTAL CHECKLIST

A. PROJECT BACKGROUND INFORMATION

1. Project Title:

Reopening of the formerly permitted El Nido Biomass plant (N-1192), which was operated between 1988 and 1995.

2. Lead Agency Name and Address

San Joaquin Valley Unified Air Pollution Control District
4230 Kiernan Ave, Suite 130
Modesto CA 95356

3. Contact Person:

Permits: Mr. Steven Roeder, Air Quality Engineer
(559) 230-5800

CEQA: Mr. John Cadrett, Air Quality Planner
(209) 557-6400

4. Project Location:

This project is located at the northwest corner of State Highway 59 and Sandy Mush Road (30 W Sandy Mush Road in Merced, CA) south of the City of Merced (Section 36, Township 8 South, Range 13 East, MDB&M). (see exhibit 1)

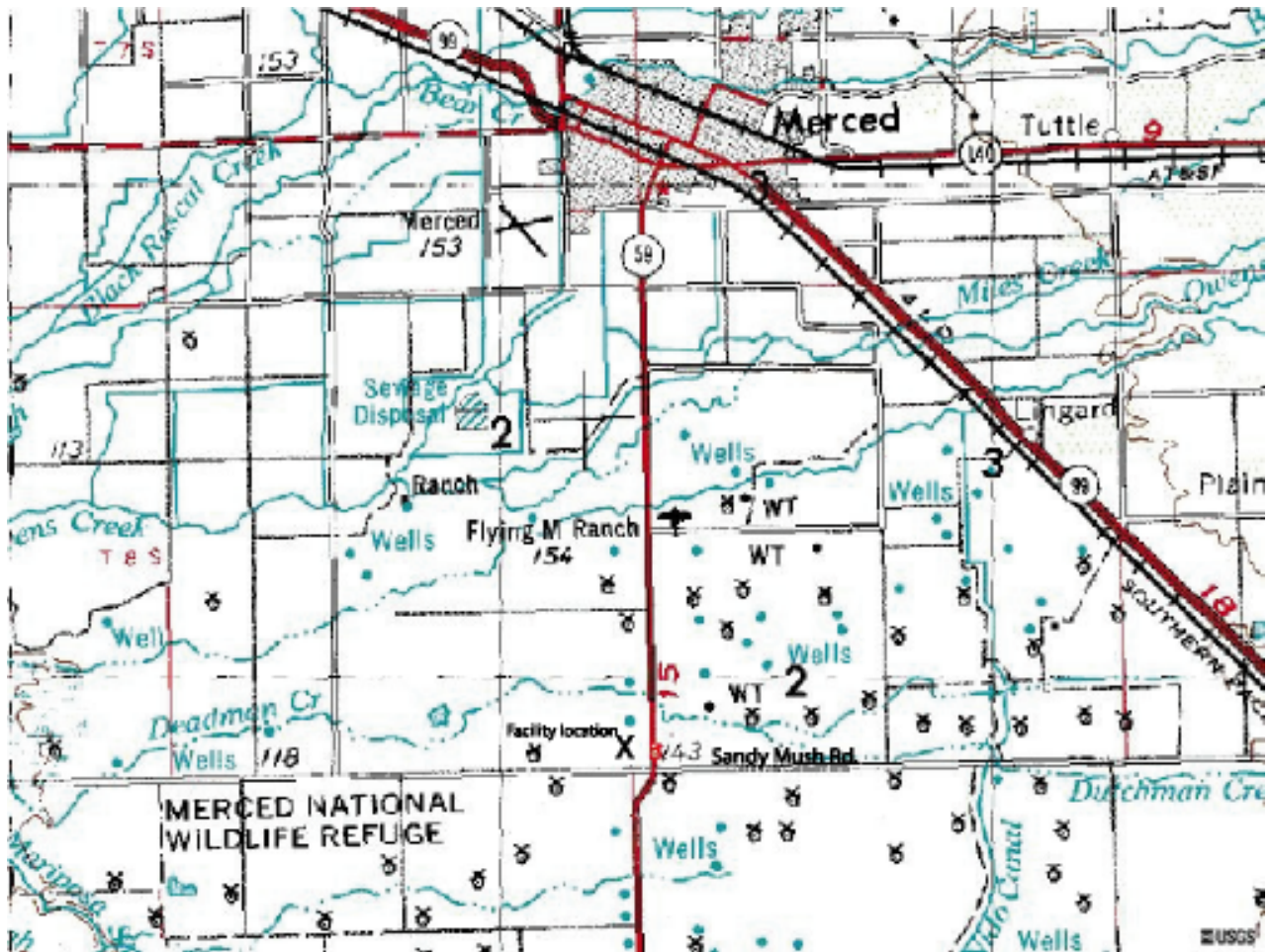
5. Project Sponsor's Name and Address:

Merced Power LLC
Leroy Pope
4006 Industrial Avenue
Coeur d'Alene, Id 83814

Consultant:
Air Permitting Specialist
Ray Kapahi
12247 Welch Road
Wilton, Ca 95693

Phone number (916) 687-8352
ray@kapahi.com

**Exhibit 1
Facility Location**



6. Project Description

Merced Power generates electricity by burning biomass in a fluidized bed combustor. Material is received by truckload with a truck tipper and stored in piles. The biomass is then conveyed into the combustor unit and burned. Exhaust is routed through a cyclone and pulse jet baghouse. Steam generated by the boiler drives a turbine, generating electrical energy.

7. Other Agencies Whose Approvals Are Required and Permits Needed:

No other agencies have been identified as having discretionary authority over this project.

8. Project Compatibility with Existing Zones and Plans:

Because this is an existing facility, with a current use permit there is no zoning conflict.

9. Name of Person Who Prepared Initial Study:

John Cadrett
Air Quality Planner

B. ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The environmental factors checked below would be potentially affected by the proposed project, involving at least one impact that is a "Potentially Significant Impact" or "Potentially Significant Unless Mitigated", as indicated by the checklist on the following pages.

- | | | |
|--|---|---|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Agriculture Resources | <input type="checkbox"/> Air Quality |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Geology/Soils |
| <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Hydrology/Water Quality | <input type="checkbox"/> Land Use/Planning |
| <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Noise | <input type="checkbox"/> Population/Housing |
| <input type="checkbox"/> Public Services | <input type="checkbox"/> Recreation | <input type="checkbox"/> Transportation/Traffic |
| <input type="checkbox"/> Utilities/Service Systems | <input type="checkbox"/> Mandatory Findings of Significance | |

C. DETERMINATION

I certify that this project was independently reviewed and analyzed and that this document reflects the independent judgment of the District.

I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described on an attached sheet have been added to the project. A NEGATIVE DECLARATION will be prepared.

I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

I find that the proposed project MAY have a significant effect(s) on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets, if the effect is a "potentially significant impact" or "potentially significant unless mitigated." An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

Signature: _____ Date: _____

Printed name: John Cadrett
Title: Air Quality Planner

D. ENVIRONMENTAL IMPACT CHECKLIST

Explanations of all answers on the check-off list are located in Section E.

	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
I. AESTHETICS Would the proposal:				
a) Affect a scenic vista or scenic highway?				X
b) Have a demonstrable negative aesthetic effect?				X
c) Create light or glare?				X
II. AGRICULTURE RESOURCES In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the project:				
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?				X
III. AIR QUALITY Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?				X
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?				X
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for				X

	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
ozone precursors)?				
d) Expose sensitive receptors to substantial pollutant concentrations?				X
e) Create objectionable odors affecting a substantial number of people?				X
IV. BIOLOGICAL RESOURCES Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				X
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?				X
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				X
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				X
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				X
V. CULTURAL RESOURCES Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource as defined in '15064.5?				X

	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to '15064.5?				X
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				X
d) Disturb any human remains, including those interred outside of formal cemeteries?				X
VI. GEOLOGY/SOILS Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				X
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				X
ii) Strong seismic ground shaking?				X
iii) Seismic-related ground failure, including liquefaction?				X
iv) Landslides?				X
b) Result in substantial soil erosion or the loss of topsoil?				X
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				X
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				X
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X
VII. HAZARDS & HAZARDOUS MATERIALS Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous				X

	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
materials?				
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				X
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?				X
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?				X
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				X
VIII. HYDROLOGY/WATER QUALITY Would the project:				
a) Violate any water quality standards or waste discharge requirements?				X
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which				X

	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
permits have been granted)?				
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?				X
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?				X
e) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?				X
f) Otherwise substantially degrade water quality?				X
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?				X
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				X
IX. LAND USE/PLANNING Would the project:				
a) Physically divide an established community?				X
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				X
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?				X
X. MINERAL RESOURCES Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X

- b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?

Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
			X

XI. NOISE Would the project result in:

- a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?
- b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?
- c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?
- d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?
- e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?
- f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?

			X
			X
			X
			X
			X
			X

XII. POPULATION/HOUSING Would the project:

- a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?
- b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?
- c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

			X
			X
			X

	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
county congestion management agency for designated roads or highways?				
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				X
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				X
e) Result in inadequate emergency access?				X
f) Result in inadequate parking capacity?				X
g) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?				X
XVI. UTILITIES/SERVICE SYSTEMS Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				X
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?				X
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				X
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				X
g) Comply with federal, state, and local statutes and regulations related to solid waste?				X

XVII. MANDATORY FINDINGS OF SIGNIFICANCE

- a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?
- b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively Considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?
- c) Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?

Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
			X
			X
			X

E. ENVIRONMENTAL IMPACT CHECKLIST COMMENTS

I. Aesthetics

Since the facility already exists, there would not be any impacts to the aesthetics of the area.

II. Agriculture Resources

Since the facility already exists and has been granted a conditional use permit (Merced County CUP 3112), the proposed plant re-opening would not conflict with existing agricultural operations. There will not be any additional conversion of existing agricultural farmland to non-agricultural use, nor will the plant conflict with existing zoning for agricultural use, or Williamson Act contract.

III. Air Quality

Air emission will be offset using the District's agricultural offset program. Therefore, no new emissions will be introduced to the region. The combustion of biomass will not lead to odor formation.

IV. Biological Resources

Since the facility already exists, and no new construction will take place due to the reopening of this plant, there will not be any impacts to biological resources.

V. Cultural Resources

Since the facility already exists, and no new construction will occur at the site there should be no accidental discovery during the re-permitting process. In this case, the proposed request will not result in any new uses beyond those, which already exist.

VI. Geology and Soils

Since the facility already exists, and no new construction will occur at the site and the proposed re-starting of the facility is not adding any new structures beyond those which already exist seismic stability, location of septic tanks and soil stability have not impact beyond existing conditions.

VII. Hazard & Hazardous Materials

Since the facility already exists there should be no impact beyond those established in the original Merced County conditional use permit.

VIII. Hydrology/Water Quality

The facility would operate under existing California Regional Water Quality Control Board waste discharge requirements Order Number 89-166. The proposed re-starting of the facility is not requesting to add any new uses beyond those, which already exist. As such, there will be no change in the current absorption patterns of water placed on the property

IX. Land Use/Planning

The project would operate under an existing conditional use permit (Merced County CUP Number 3112). Since the facility already exists, no further land division or other construction will occur, the proposed project will not conflict with any applicable habitat conservation plan or natural community conservation plan and will not physically divide an established community.

X. Mineral Resources

The facility will not result in the loss of any mineral resources. The facility would be fuelled using biomass material.

XI. Noise

Since the facility already exist and is not requesting any new structures or use, there is no indication that this project will result in any noise impacts.

XII. Population/Housing

The facility will not create new services extensions or infrastructure, which could be considered as growth inducing. No housing or persons will be displaced by this project.

XIII. Public Services

Since the facility already exists, there should be no additional impact on public services beyond those identified and accounted for in Merced County CUP Number 3112.

XIV. Recreation

Re-starting the facility is not anticipated to increase demands for recreational facilities.

XV. Transportation/Traffic

Since the facility is a re-start project, no additional traffic will result in the re-opening of the facility that was originally anticipated when the facility previously operated. Re-opening of the facility will not result in additional traffic effects

XVI. Utilities/Service Systems

Since this is an existing facility there should be no additional services required.

XVI. Mandatory Findings of Significance

Review of this project has not indicated any feature(s), which might significantly impact the environmental quality of the site and or adjacent areas.

F. SOURCES

Ray Kapahi, Air Permitting Specialists, 17247 Welch Road, Wilton, California 95693.

Merced County Conditional Use Permit No. 3112

G. CONSULTATION NOTICE FOR PREPARATION OF INITIAL STUDY
DISTRIBUTION LIST

Office of Environmental Health Hazard
Assessment
601 N. 7th Street
P.O. Box 942732
Sacramento, CA 94234-7320

State Water Resources Control Board
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Sacramento, CA 95812-0100

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1516 Ninth Street, MS-15
Sacramento, CA 95814

Department of Forestry
1416 Ninth Street, Room 1516-2
Sacramento, CA 95814

Department of Fish and Game
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Rancho Cordova, CA 95670

Department of Fish and Game
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Fresno, CA 93710

Butch Cope
Merced County
Planning and Community Development Department
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Merced, CA 95340