Legislation Details (With Board Report)

File #:	PC 19-019	**Name:**	PLN180394 - Vistra (Duke Energy)
Type:	Planning Item	**Status:**	Agenda Ready
File created:	3/20/2019	**In control:**	County of Monterey Planning Commission
On agenda:	3/27/2019	**Final action:**	
Title:	PLN180394 - DUKE ENERGY MOSS LANDING LLC (VISTRA ENERGY CORPORATION) Public hearing to consider an amendment to the Moss Landing Power Plant Master Plan to allow a battery energy storage system at the site. Project Location: 11283 Dolan Road, Moss Landing, North County Land Use Plan, Moss Landing Community Plan Proposed CEQA action: Adopt a Mitigated Negative Declaration		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. Staff Report, 2. Exhibit A - Project Data Sheet, 3. Exhibit B - Discussion, 4. Exhibit C - Draft Resolution, 5. Exhibit D - Vicinity Map, 6. Exhibit E - Initial Study MND, 7. Exhibit F - Public Comments on MND, 8. Exhibit G - North County LUAC Minutes, 9. Exhibit H - Biology Letter (Response to CDFW), 10. Exhibit I - Traffic Assessment LIB190012, 11. Exhibit J - Construction Management Plan		

Date	Ver.	Action By	Action	Result
3/27/2019	1	County of Monterey Planning Commission		

PLN180394 - DUKE ENERGY MOSS LANDING LLC (VISTRA ENERGY CORPORATION)

Public hearing to consider an amendment to the Moss Landing Power Plant Master Plan to allow a battery energy storage system at the site.

Project Location: 11283 Dolan Road, Moss Landing, North County Land Use Plan, Moss Landing Community Plan

Proposed CEQA action: Adopt a Mitigated Negative Declaration

RECOMMENDATION:

It is recommended that the Planning Commission adopt a resolution to:

1. Adopt a Mitigated Negative Declaration;
2. Approve a Combined Development Permit consisting of a:
    a. Coastal Administrative Permit amending the Moss Landing Power Plant Master Plan to change the use within an existing building from storage of electric generating turbines to establish of a 20-year life span battery energy storage system, and
    b. Coastal Administrative Permit for development within 750 feet of a known archaeological site for the excavation and placement of the substation, replacement of an existing transformer, installation of new inverters and transformers on-site, and grading of approximately 3,750 cubic yards of cut; and
3. Adopt a Mitigation Monitoring and Reporting Program.

The attached draft resolution includes findings and evidence for consideration (**Exhibit C**). Staff recommends approval of the project subject to 17 conditions of approval including one mitigation measure.

PROJECT INFORMATION:

Agent: Eric Cherniss
Owner: Duke Energy Moss Landing LLC (Vistra Energy Corp.)
APN: 133-181-011-000
Zoning: HI (CZ)
Parcel Size: 137.5 acres
Plan Area: North County Land Use Plan, Moss Landing Community Plan, Coastal Zone
Flagged and Staked: No

SUMMARY:
The subject property is a 137.5 acre parcel located in Moss Landing's industrial area, northeast of the Highway 1 and Dolan Road intersection. Adjoining the property to the north is PG&E's electric transmission operations and maintenance headquarters, and to the south is Dolan Road and the Moss Landing Business Park. Moss Landing Harbor lies west of the property on the other side of Highway 1. See **Exhibit D**.

A 90 acre portion of the site is actively used and developed with electric power generation facilities, paved and unpaved parking areas, and access roads. The remaining 47.5 acres, east of the active portions and outside of the proposed project area, is the former fuel oil tank farm site. Demolition/cleanup of the fuel tanks and associated equipment in this area have been completed under a previous planning approval and the area is now unpaved and vacant. Reuse of this area is not proposed with this application.

The proposed project is an amendment to the Moss Landing Power Plant Master Plan to include the use of renewable energy storage systems and reuse an existing three-story building to allow the establishment of a Battery Energy Storage System (BESS) within 750 feet of a known archaeological site.

BRIEF DISCUSSION:
The BESS has three (3) major components: a battery energy storage; a power conversion system; and a substation. First, the substation receives energy from the electrical grid; second the energy current gets converted through the power conversion system that consists of the inverters and transformers; and third, energy is stored within the battery energy storage until utilized during peak demand. When needed, stored energy is routed out from the batteries through the power conversion system and substation and into the electrical transmission grid. Ground disturbance is not proposed within the battery energy storage area or for replacement and installation of the power conversion system; however, grading of 3,750 cubic yards of excavation is proposed for the substation within a previously disturbed area. The substation as illustrated in **Exhibit B** is currently a paved area consisting of an existing transmission line and transformer. This is in the same general location where ground disturbance of up to 20 feet in depth occurred with the original power plant construction to install the supporting infrastructures for previous power generating Units 1 through 5.

The purpose of the project is to support renewable energy initiatives established by the State of California; specifically, to reduce the loss of energy procured from alternative energy sources, such as wind and solar, and aid in providing consistent reliable energy. This would occur through storage of power during off peak use times and dispersing that power back to the electrical grid for use during high peak use times. The proposed project consists of a 300 megawatt (MW) transmission-connected, standalone lithium ion BESS with four hours of storage and a 20-year life span, on the southwestern portion of the 137.5 acre subject parcel.

Land Use

Development of the property is subject to the policies and regulations contained in the 1982 General Plan (General Plan), North County Land Use Plan (NC LUP), Moss Landing Community Plan (MLCP), the Coastal Implementation Plan, Part 2 (CIP), and the Monterey County Zoning Ordinance (Title 20). Zoning of the property is Heavy Industrial, Coastal Zone which allows uses accessory to established industrial uses. As explained above, the project is for establishment of a BESS within an existing energy facility that will support the efficient storage and use of electricity. Therefore, the project is consistent with the land use designation and zoning. A portion of the project would require ground disturbance within a high archaeological zone and within 750-feet of a positive archaeological site. However, grading activities will be taking place only within previously disturbed areas of the project site. The project has been found to be consistent with NC LUP, MLCP, and CIP policies and regulations for such development and no issues remain. Construction, including asphalt removal and grading, would result in a temporary increase to traffic in the area. Consistent with the MLCP and CIP, this traffic will avoid Highway 1 and use the existing primary access along Dolan Road. Based on County resource information and staff's site visit, due to the site's existing conditions and the project's components, submittal of a biological survey was not required. Consistent with biological policies and regulations contained in the NC LUP and CIP the proposed project is not within development of environmentally sensitive habitat areas such as riparian corridors, wetlands, dunes, sites of known rare and endangered species of plants and animals, rookeries, major roosting and haul-out sites, and other wildlife breeding or nursery areas identified as identified as environmentally sensitive.

Design Review

The subject property is not located within a Design Control Zoning District; however, NC LUP Chapter 5.6, MLCP - Visual Resources and Community Character provides policies for protection of scenic and visual resources of the area, specifically in the Public Viewshed. These policies are implemented through regulation contained in CIP Section 20.144.160.D. A project site is considered to be in the Public Viewshed if any portion of the proposed development is visible from or impedes the visual access to the Moss Landing Community, harbor and dunes from Highway 1 or any other public viewing area. The project is located on an adjacent property to Highway 1 to the east. An onsite inspection was performed and was determined that site improvements would not be visible from and would not impede views of the community, harbor, or dunes from Highway 1 because it is located east of Highway 1 and the project makes use of the existing infrastructure and development at the site. Existing development on the property is related to power generation and transmission and is industrial in character. The proposed development will not change the industrial character of the site.

California Environmental Quality Act (CEQA)

The project did not qualify for an exemption under CEQA and potential impacts were identified during environmental review. An Initial Study/ Mitigated Negative Declaration or "IS/MND" (**Exhibit E**) was prepared and circulated for public review. The IS/MND identified potential impacts to air quality, cultural resources, geology/soils, greenhouse gas emissions, hazard/hazardous materials, hydrology and water quality, land use/planning, transportation/traffic and tribal cultural resources. These potential impacts were determined to be a less than significant impact or less than significant with mitigation measures as briefly discussed below and within the attached Detailed Discussion (**Exhibit B**). Comment letters from the California Department of Fish and Wildlife (CDFW) and Caltrans were received during the IS/MND public review period.

Traffic/transportation:

The operational component of the project would not significantly increase vehicle trips to and from the subject property. However, temporary traffic impacts would be caused by an increase in vehicle trips during the construction phase of project. It is anticipated that construction activities will occur over a 14 month period

resulting in a maximum of 420 employees and maximum daily peak vehicle trips of 924. These trips would have the potential to increase the amount of traffic generated on the proposed haul routes as explained in **Exhibit B**. This was addressed by project design which includes a Construction Management Plan (CMP) that limits the number of employees onsite to ensure they would not exceed the number of employees at the Moss Landing Power Plant during routine repair and maintenance operations that occur periodically throughout the year. MLCP Section 5.2.2 states that the primary transportation emphasis of the Coastal Act is to preserve highway capacity for coastal access and coastal dependent land uses and recommends a reduction in the number access points from the Highway 1 to minimize hazardous and congested conditions. In accordance with CIP Section 20.144.120.A, a traffic assessment was provided for the project (**Exhibit I**) and through implementation of the CMP, this assessment identified that temporary construction vehicle trips would be less than significant.

Comments from Caltrans:
A Construction Management Plan was provided for the project that describes traffic initiatives to reduce the amount of vehicle trips and prohibit the use of Highway 1 for access. Caltrans requests that a monitoring plan or report be incorporated for the duration of the project. The project has been conditioned for the applicant to submit a Final CMP (Condition No. 11 of **Exhibit C**) that requires the applicant to monitor and report on compliance with the CMP traffic initiatives.

Tribal Cultural Resources:
The subject property is located in the aboriginal territory of the Ohlone/Costanan-Esselen Nation (OCEN). In accordance with Public Resource Code 21080.3.1, tribal consultation occurred between County staff and OCEN on December 11, 2018. During consultation, OCEN identified that the area of proposed development has the potential to contain cultural resources significant to the tribe. A mitigation measure was recommended for a Native American Tribal Monitor from OCEN to be present during excavation of the substation area, see Conditions of Approval in **Exhibit C.**

Biological Resources:
The IS/MND identified the project would have no impact to biological resources as the development area is not located in, or within 100-feet of, an environmentally sensitive habitat area such as riparian corridors, wetlands, dunes, sites of known rare and endangered species of plants and animals, rookeries, major roosting and haul-out sites, and other wildlife breeding or nursery areas identified as environmentally sensitive. The project includes ground disturbance in areas that have been previously developed and critical habitat for special status animal species was not identified on the site. This information was confirmed during staff's site visit and demonstrated in a letter prepared by two biologists submitted by the applicant.

Comments from CDFW:
The County received a comment letter from the California Department of Fish and Wildlife (CDFW) that stated there was a potential for special-status species such as California Tiger Salamander (CTS), Santa Cruz Long-toed Salamander (SCLTS) and Peregrine Falcon to be encountered at the project site and recommended eight (8) mitigation measures, all of which was not described in the IS/MND. As briefly discussed above and further explained in **Exhibit B**, the description of existing site conditions have been amplified and the applicant provided information from a biologist clarifying that while the species may be present in the vicinity, the likelihood of impacts to these special-status species is minimal and will not change from existing conditions as a result of this project (**Exhibit H**).

OTHER AGENCY INVOLVEMENT:

The following agencies have reviewed the project:
Environmental Health Bureau
RMA-Public Works
RMA-Environmental Services
North County Fire Protection District
Cal-Trans
California Department of Fish and Wildlife

LAND USE ADVISORY COMMITTEE:
The project was referred to the North County Land Use Advisory Committee (LUAC) for review on November 7, 2018. The LUAC recommended approval of the project as proposed with a vote of 6 to zero, with 3 members absent (**Exhibit G**).

Prepared by: Jacquelyn M. Nickerson, Assistant Planner, Ext. 5240
Reviewed by: Craig Spencer, Interim RMA Planning Services Manager
Approved by: John M. Dugan, FAICP RMA Deputy Director of Land Use and Development Services

The following attachments are on file with the RMA:
Exhibit A - Project Data Sheet
Exhibit B - Detailed Discussion
Exhibit C - Draft Resolution, including:
- Conditions of approval
- Site plans

Exhibit D - Vicinity Map
Exhibit E - Initial Study/Mitigated Negative Declaration
Exhibit F - Comments on Initial Study/Mitigated Negative Declaration
Exhibit G - North County LUAC Minutes
Exhibit H - Biology Letter (Response to CDFW)
Exhibit I - Traffic Assessment
Exhibit J - Construction Management Plan

cc: Front Counter Copy; Planning Commission; California Coastal Commission; Brandon Swanson, Acting Chief of Planning; Craig Spencer, Acting RMA Planning Manager; Eric Cherniss, Vistra Energy Corporation, Agent; Duke Energy Moss Landing LLC, Owner; Sheila Sannadan, Interested Party; Kevin Vickers, Interested Party; Navi Dhillon, Interested Party; Christopher Carr, Interested Party; Julie A. Vance, California Department of Fish and Wildlife; John Olejnik, Caltrans; The Open Monterey Project (Molly Erickson); LandWatch (Executive Director); Project File PLN180394