

FINAL ENVIRONMENTAL IMPACT REPORT GRAYSON REPOWERING PROJECT

INTRODUCTION
March 1, 2018

1.0 INTRODUCTION

1.1 PURPOSE OF THE EIR

This Draft EIR evaluates the environmental impacts of the proposed repowering of the Grayson Power Plant ("Repowering Project" or "Project"). The Project site is located at 800 Air Way, Glendale, California 91201, just northeast of the Interstate 5 freeway and Hwy 134 interchange. The Repowering Project consists of the demolition of most of the existing power generation facilities at the site, and the installation of new, more efficient, and cleaner power-generation facilities.

The Repowering Project is being proposed to meet the following objectives:

- Meet Projected service area wide electricity shortages. All but one of the existing generation units (Unit 9) at the Grayson Power Plant are beyond their expected retirement age. Due to normal degradation of the existing Grayson Power equipment over time, the reliability, efficiency, and cost effectiveness of the facility has continuously declined. Over the next several years, units at the existing Grayson Plant are expected to face shutdowns and retirements that are expected to result in Glendale Water and Power (GWP) facing a potential electricity shortage in the early 2020's. GWP is also constrained in the amount of power it can import through limited existing transmission capacity. The combination of Unit 9, Glendale's allocation from Burbank Water & Power's Magnolia Power Plant, and available transmission capacity to import power is less than the City of Glendale's load during the summer months. The Project is proposed to replace the power generated through retirement of aging generation equipment at the Grayson Power Plant.
- Meet regulatory requirements for reliability. GWP is required to meet enforceable requirements for the provision of reliable electricity which includes maintaining reserves in the event of contingencies¹. The Federal Energy Regulatory Commission can assess financial penalties of more than \$1M per day per violation with the reliability standards. The Project has been designed to meet applicable reliability standards and requirements. During the Sylmar earthquake, the City lost all of its outside electricity supplies and was islanded (not connected to an off-site power supply through the transmission grid) with only internal generation available. While not a required planning

¹ See Section 215 of the Federal Power Act, codified at 16 U.S.C. §824o and the standards promulgated thereunder, found at <http://www.nerc.com/pa/stand/Pages/ReliabilityStandardsUnitedStates.aspx?jurisdiction=United%20States>. In addition, Glendale is contractually obligated to comply with reliability requirements via its balancing Authority Area Services Agreement with the City of Los Angeles Department of Water and Power.

FINAL ENVIRONMENTAL IMPACT REPORT GRAYSON REPOWERING PROJECT

INTRODUCTION
March 1, 2018

contingency, the Project has been designed to be capable of starting generation units and maintaining the generation of local electricity even if islanded.

- Integrate future renewable resources to meet Renewable Portfolio Standards. The Renewable Portfolio Standards require that 33 percent of the electricity procured by GWP come from renewable energy sources by the end of 2020. Further, Senate Bill 350 now requires GWP to procure 50 percent of their electricity from eligible renewable energy resources by 2030. This level of eligible renewable energy resources is expected to increase even more. GWP cannot meet these requirements by constructing renewable facilities within the City, as there is not sufficient space for large utility scale solar or wind projects. The Project has been designed to provide flexible local generation that is both reliable and dispatchable when renewable energy sources are intermittently not available or insufficient to meet the City electrical load. Due to the insufficient space within the City for large utility scale solar or wind projects, local generation from the Project would allow the City to maximize the amount of renewable energy sources imported into the City over the limited existing transmission infrastructure to meet Renewable Portfolio Standards.

The purpose and need, objectives, and benefits of the Project are further discussed in Sections 2.3, 2.4 and 2.5.

This Draft EIR has been prepared in accordance with the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the City of Glendale's local CEQA guidelines. This Draft EIR categorizes and discusses the potential Project-specific and cumulative environmental impacts that may occur should the Project be implemented. The intent of this Draft EIR is to be an informational document, which serves to inform public agency decision makers and the general public of the potential environmental impacts of the Project; to identify possible ways to minimize or avoid any potential significant impacts either through mitigation or the adoption of alternatives; and to disclose to the public required agency approvals.

The standards for adequacy of an EIR, defined in Section 15151 of the State CEQA Guidelines, are as follows:

An EIR should be prepared with a sufficient degree of analysis to provide decision makers with information which enables them to make a decision which intelligently takes account of environmental consequences. An evaluation of the environmental effects of a Project need not be exhaustive, but the sufficiency of an EIR is to be reviewed in light of what is reasonably feasible. Disagreement among experts does not make an EIR inadequate, but the EIR should summarize the main points of disagreement among the experts. The courts have looked not for perfection but for adequacy, completeness, and a good faith effort at full disclosure.

FINAL ENVIRONMENTAL IMPACT REPORT GRAYSON REPOWERING PROJECT

INTRODUCTION
March 1, 2018

This EIR has been prepared in accordance with these standards for adequacy of an EIR under CEQA.

1.2 PUBLIC PARTICIPATION PROGRAM

The awareness and involvement of interested persons in the Project are critical to the success of the repowering of the Grayson Power Plant. When the public and stakeholders are engaged in the process, their feedback helps ensure projects address community needs. Likewise, they gain a better understanding of the tradeoffs and constraints associated with project planning.

The success of a public participation program is largely determined by how thoroughly and thoughtfully it is planned. Successful meetings and events are determined by the degree to which an agency effectively commits to and prepares for the entire process, especially creating, and providing the information needed by the general-public and stakeholders and building effective relationships with them.

1.2.1 Public and Stakeholder Meetings

In an effort to keep the general public and stakeholders informed and up to date on the Project, the City has provided, and will continue to provide, an open forum for the public to ask questions and participate in these informational sessions. Below are Project-related meetings with the public and other stakeholders that have occurred to date.

January 12, 2017

Public Scoping Meetings for Preparation of the Draft Environmental Impact Report
(afternoon and evening sessions)

Location:

Griffith Manor Park

1551 Flower St.

Glendale, CA 91201

January 25, 2017

Meeting with the Pelanconi Homeowners Association

Location:

Grayson Power Plant Training Room

800 Air Way

Glendale, CA 91202

FINAL ENVIRONMENTAL IMPACT REPORT GRAYSON REPOWERING PROJECT

INTRODUCTION
March 1, 2018

February 21, 2017
Meeting with the Chamber of Commerce
Location:
Chamber of Commerce Offices
701 N. Brand Blvd. Suite 120
Glendale, CA 91203

March 6, 2017
Meeting with the Homeowners Coordinating Council
Location:
Verdugo Hills Council Boy Scouts of America
1325 Grandview Ave.
Glendale, CA 91202

1.2.2 Additional Opportunities for Public Input

A Project website was created and made accessible to the public on January 4, 2017. The website provides an overview of the Project and a range of additional information related to history, benefits, relevant documentation prepared to date, milestones, calendar, and facts. The website also includes methods by which the public can stay connected with Project news/updates and to ask questions or make comments pertaining to the Project. All inquiries received are tracked and reviewed by the City. The City has been diligent in responding to questions received and has reviewed and considered all feedback received through the Project website in preparation of this Draft EIR.

The Project website can be accessed using the following hyperlink: Graysonrepowering.com

1.3 SCOPE AND CONTENTS

The City determined that an EIR should be prepared for the Project. As a result, a Notice of Preparation (NOP) was prepared and circulated between December 20, 2016 and January 20, 2017, for the required 30-day review period. The purpose of the NOP was to solicit early comments from public agencies with expertise in subjects that would be discussed in the Draft EIR. The NOP and comments received during the NOP review period are contained in Appendix A of this Draft EIR. Agencies or interested persons who did not respond during the public review period of the NOP will have an opportunity to comment during the public review period for the Draft EIR, as well as at subsequent hearings on the Project. Topics evaluated in this Draft EIR have been identified based on preparation of an Initial Study, the responses to the NOP and the review of the Project by City staff. The City determined through this initial review process that impacts related to the following environmental topics could be potentially significant and require an assessment in this Draft EIR:

FINAL ENVIRONMENTAL IMPACT REPORT GRAYSON REPOWERING PROJECT

INTRODUCTION
March 1, 2018

- Aesthetics;
- Air Quality;
- Geology and Soils;
- Greenhouse Gases;
- Hazards and Hazardous Materials;
- Hydrology and Water Quality;
- Noise;
- Traffic and Transportation; and
- Tribal Cultural Resources.

The overall purposes of the CEQA process are as follows:

- Identify the significant effects to the environment of a project, identify alternatives, and indicate the manner in which those significant effects can be avoided or mitigated.
- Provide full disclosure of the project's environmental effects to the public, the agency decision makers who will approve or deny the project, and the responsible and trustee agencies charged with managing resources that may be affected by the project.
- Provide a forum for public participation in the decision-making process with respect to environmental effects.

Section 15123(b) of the CEQA Guidelines requires that an EIR contain issues to be resolved, including the choices among alternatives and whether or how to mitigate significant impacts. The major issues to be resolved regarding the Project include decisions by the lead agency as to whether:

- The Draft EIR adequately describes the environmental impacts of the Project.
- The recommended mitigation measures should be adopted or modified.
- Additional mitigation measures need to be applied.

1.4 AGENCIES INVOLVED, PERMITS REQUIRED, AND INTENDED USES OF THIS EIR

The public agency that has the principal responsibility for carrying out or approving a project is designated as the "Lead Agency" under CEQA. The California Energy Commission is the State of California's primary energy policy and planning agency. In California, the construction and operation of any thermal power plant with a generating capacity of 50 MW or greater (or a 50 MW or greater increase at an existing plant) require that a license first be issued by the California Energy Commission. The Project would replace 235 MW gross (219 MW net) of existing generation capacity with 277 MW gross (262 MW net), (a net gain of 42 MW gross (43 MW net) to meet the requirement for reliability). As the increase is less than 50 MW (net), the Project does not require a license issued by the California Energy Commission. Therefore, the City of Glendale is

**FINAL ENVIRONMENTAL IMPACT REPORT
GRAYSON REPOWERING PROJECT**

INTRODUCTION
March 1, 2018

the Lead Agency responsible for preparation of this EIR and has the principal responsibility for approving and implementing the Project.

As the Lead Agency, it is the City’s responsibility to ensure that the EIR satisfies the procedural and substantive requirements of CEQA, and for considering and certifying the adequacy and completeness of the EIR prior to making any decision regarding the Project. During preparation of the EIR, agencies, organizations, and persons who the City believed might have an interest in the Project were specifically contacted.

This EIR is intended to be used as the CEQA document for all approvals required for the Project, including approvals by responsible agencies and any approvals required from trustee agencies. “Responsible Agency” means a public agency that proposes to carry out or approve a project for which the Lead Agency is preparing or has prepared an EIR or Negative Declaration. For purposes of CEQA, the term “Responsible Agency” includes all public agencies other than the Lead Agency having discretionary approval authority over the Project.

“Trustee Agency” means a State agency having jurisdiction by law over project-affected natural resources that are held in trust for the people of the State of California.

Table 1-1 Agency Permits and Environmental Review Requirements

| Agency | Permits and Other Approvals | Environmental Review/Consultation Requirements |
|---|---|---|
| FEDERAL | | |
| United States Environmental Protection Agency | <ul style="list-style-type: none"> • Spill Prevention Control and Countermeasure Plan (40 Code of Federal Regulations [CFR] 112) | <ul style="list-style-type: none"> • None |
| U.S. Department of Transportation | <ul style="list-style-type: none"> • Compliance with U.S. Department of Transportation regulations regarding transportation of hazardous substances on public highways (49 CFR) | <ul style="list-style-type: none"> • None |
| STATE | | |
| California Occupational Safety and Health Association | <ul style="list-style-type: none"> • Permit for demolition of building more than 36 feet high • Injury and Illness Prevention Program (8 California Code of Regulation 3203) | <ul style="list-style-type: none"> • None |
| LOCAL | | |
| City of Glendale | <ul style="list-style-type: none"> • Notice of Completion • Design Review Board Approval • Grading Permit • Fire Department Permit • Industrial Waste Discharge Permit • Electrical Permit • Building Permit | <ul style="list-style-type: none"> • CEQA lead agency responsible for processing and adopting the EIR. |



**FINAL ENVIRONMENTAL IMPACT REPORT
GRAYSON REPOWERING PROJECT**

INTRODUCTION
March 1, 2018

| Agency | Permits and Other Approvals | Environmental Review/Consultation Requirements |
|--|---|--|
| | <ul style="list-style-type: none"> • Mechanical Permit • Plumbing Permit • Hazardous Materials Business Plan & Release Response Plan | |
| South Coast Air Quality Management District (SCAQMD) | <ul style="list-style-type: none"> • SCAQMD – NESHAP 10-day notification prior to demolition • SCAQMD Regulation XXX: Title V Permits (Permit to Construct and Permit to Operate) • Verification of Emissions Reduction Credits/Offsets | <ul style="list-style-type: none"> • Responsible Agency |
| Los Angeles Regional Water Quality Control Board (RWQCB) | <ul style="list-style-type: none"> • General Permit for Stormwater Discharges Associated with Construction and Land Disturbance Activities • Industrial General Stormwater Permit • Stormwater Pollution Prevention Plan approval and discharge compliance oversight | <ul style="list-style-type: none"> • Responsible Agency |
| OTHER | | |
| Fernandeno Tataviam Band of Mission Indians and Soboba Band of Luiseno Indians | <ul style="list-style-type: none"> • EIR notification and invitation to consult in compliance with AB 52 | <ul style="list-style-type: none"> • AB 52 tribal notification/consultation |

Responsible agencies that may have discretionary approval authority over the Project, and trustee agencies having jurisdiction over natural resources affected by the Project which are held in trust for the people of the State of California, will have the opportunity to review and provide comments during the review period. Other agencies and the public may also provide comments.

1.5 REVIEW PROCESS AND AVAILABILITY OF THE DRAFT EIR

CEQA requires lead agencies to solicit and consider input from other interested agencies, citizen groups, and individual members of the public. This Draft EIR was released by the City for a 45-day public review period in accordance with Section 15087 of the CEQA Guidelines. A Notice of Completion/Notice of Availability of this Draft EIR for review was provided with copies of the Draft EIR to regional and local public agencies, interested groups and persons, the State Clearinghouse and Los Angeles County Clerk. In addition, the Notice of Completion/Notice of Availability and Draft EIR were made available on the City of Glendale's Project website at Graysonrepowering.com.



FINAL ENVIRONMENTAL IMPACT REPORT GRAYSON REPOWERING PROJECT

INTRODUCTION
March 1, 2018

This Draft EIR and supporting studies, are additionally available for review during business hours between 7:30 a.m. and 5:30 p.m. Monday through Thursday, and 8:00 a.m. to 5:00 p.m. on Fridays, or by appointment, at the City of Glendale Community Development Department, Planning Division (Planning Counter). Interested individuals, organizations, and public agencies can also provide written comments on this Draft EIR to the address listed below.

City of Glendale

Community Development Department, Planning Division
633 East Broadway, Room 103
Glendale, California 91206
Attention: Erik Krause, Interim Deputy Director

Comments may also be sent by facsimile to (818) 240-0392 or by email to ekrause@glendaleca.gov with "Grayson Repowering Project Draft EIR" in the subject line. Agency responses should include the name of a contact person within the commenting agency.

1.6 ORGANIZATION OF THE EIR

The principal objective of CEQA is that the environmental review process be a public one. To meet this objective, the EIR must inform members of the general public, decision makers, and technically oriented reviewers of the physical impacts associated with the Project.

The content and organization of this Draft EIR are designed to meet the requirements of CEQA, the State CEQA Guidelines, the City's local guidelines, as well as to present issues, analyses, mitigation, and other information in a logical and understandable way. A description of the organization of this Draft EIR and the content of each section is provided in the following.

Section 1.0, Introduction, provides information and a brief overview of the Project, the environmental review process, the availability of the Draft EIR, and the organization of the Draft EIR.

Section 2.0, Summary, presents an overview of the Project, purpose and need, benefits, objectives, alternatives, areas of controversy/issues to be resolved and summary of the environmental information, analysis, impacts, mitigation measures, and conclusions in this Draft EIR.

Section 3.0, Project Description, presents a description of the Project, which identifies the location of the Project site, the objectives of the Project, and the characteristics of the proposed repowering.

FINAL ENVIRONMENTAL IMPACT REPORT GRAYSON REPOWERING PROJECT

INTRODUCTION
March 1, 2018

Section 4.0, Environmental Impact Analysis, contains a detailed environmental analysis of the potential for the Project to result in significant environmental effects with respect to the topics evaluated in this EIR.

Section 5.0, Alternatives, discusses alternatives to the Project that have been developed and analyzed to provide additional information on ways to avoid or lessen the impacts. These alternatives include the “No Project Alternative,” required by the State CEQA Guidelines, along with four other alternatives.

Section 6.0, Other CEQA Topics, contains a discussion of other topics required by the State CEQA Guidelines to be included in an EIR, including the potential for the Project to induce additional growth, a discussion of any potentially significant irreversible environmental changes that could result from Project implementation and effects found not to be significant.

Section 7.0, Organizations and Persons Consulted, lists persons involved in the preparation of this Draft EIR or who contributed information incorporated into this Draft EIR.

Section 8.0, References, lists the principal documents, reports, maps, and other information sources referenced in this EIR.

Appendices provide information and technical studies that support the environmental analysis contained within the Draft EIR.

