



**Contra
Costa
County**

To: Board of Supervisors

From: John Kopchik, Director, Conservation & Development Department

Date: July 13, 2021

Subject: Ameresco Renewable Natural Gas Processing Facility and Pipeline Project CDLP18-02022

RECOMMENDATION(S):

1. OPEN the public hearing on the Ameresco Renewable Natural Gas Processing Facility and Pipeline Project, RECEIVE public testimony, and CLOSE the hearing.
2. FIND that the mitigated negative declaration (MND SCH #2020100267) prepared for the Ameresco Renewable Natural Gas Processing Facility and Pipeline Project adequately analyzes the Project's environmental impacts, that there is no substantial evidence that the Project will have a significant effect on the environment, and that the mitigated negative declaration reflects the County's independent judgment and analysis.
3. ADOPT the mitigated negative declaration for the Project.
4. ADOPT the mitigation monitoring program for the Project.
5. DIRECT the Department of Conservation and Development to file a CEQA Notice of Determination with the County Clerk.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **07/13/2021** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: July 13, 2021

Contact: Stanley Muraoka,
925-655-2876

Monica Nino, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc:

RECOMMENDATION(S): (CONT'D)

6. SPECIFY that the Department of Conservation and Development, located at 30 Muir Street, Martinez, California, is the custodian of the documents and other material that constitutes the record of proceedings upon which the decision of the Board of Supervisors is based.

7. APPROVE the Ameresco Renewable Natural Gas Processing Facility and Pipeline Project.

8, APPROVE the findings in support of the Project.

9. APPROVE the Project conditions of approval.

10. APPROVE a land use permit (LP18-02022) and an amendment to the existing Keller Canyon Landfill LUP (LP89-2020) to allow for the construction and operation of a renewable natural gas processing facility and pipeline at the Keller Canyon Landfill.

FISCAL IMPACT:

None. The applicant has paid the initial deposit and is obligated to pay supplemental fees to cover any and all additional costs associated with processing the application.

BACKGROUND:

Project Description. Keller Canyon Landfill (KCL) is required by permit and regulation to collect and control landfill gas to minimize impacts to the community and environment. The gas collection and control system is expanded regularly as KCL continues to dispose of waste, and the volume of landfill gas (LFG) generated increases. As required by Keller Canyon Landfill Land Use Permit LP89-2020 Condition of Approval (COA) 31.7 for Methane Recovery, KCL is required to explore use of the LFG as a fuel commodity.

Consistent with LP89-2020 COA 31.7, the Keller Canyon Landfill Company has contracted with Ameresco to utilize the LFG for energy production or other beneficial uses as allowed by regulations. Ameresco owns and operates an existing landfill gas-to-energy (LFGTE) power plant with a peak capacity of 3.8 megawatts at the KCL. Since 2009, Ameresco has operated the LFGTE power plant to process the LFG by filtration and drying to create fuel used to fire internal combustion generators to produce electricity. At present, the volume of LFG generated at KCL exceeds the fuel demands of the LFGTE plant, and the excess LFG is destroyed in an existing KCL enclosed flare facility located adjacent to the LFGTE plant.

Ameresco is proposing a renewable natural gas processing facility and pipeline (RNGPFP) that includes construction and operation of a new renewable natural gas (RNG) processing facility (RNGPF) and an underground transmission pipeline. The proposed RNGPF would be constructed in the landfill area west of the LFGTE plant. The

RNGPF would significantly reduce LFG flows to the existing KCL enclosed flare facility. The new RNGPF would operate independently of the existing LFGTE plant and would significantly increase the utilization of LFG for energy. The RNGPF would process LFG to sufficient quality to allow it to be placed into the regional natural gas network.

The footprint of the new RNG processing equipment would cover an area of approximately 48,000 square feet (1.1 acres) on a new level pad of approximately 84,000 square feet (1.9 acres). The new RNGPF would operate 24 hours per day/7 days per week and its operation would be overseen by two operators for 40 hours per week. Most of the equipment would be less than 10 feet in height, except for the proposed enclosed flare, and a few larger pieces of equipment that would vary in height from 25 to 35 feet. The proposed enclosed flare would be approximately 50 feet in height, similar to the two existing flares at the KCL enclosed flare facility.

The RNG pipeline would carry the RNG from the new RNGPF to a proposed PG&E metering station located near the eastern edge of KCL property, and ultimately connect with existing PG&E Line 191-1. The design of the pipeline would meet or exceed all regulatory requirements and industry standards. The RNG pipeline would start at the RNGPF located on a portion of the KCL Primary Project Area, traverse through the KCL-owned portion of the Special Buffer Area (SBA), and into the contiguous PG&E-owned utility corridor.

The RNG pipeline would connect to an interconnect station to be owned and operated by Ameresco. The interconnect station would be located adjacent to a PG&E metering station described above, and both would be enclosed in an approximately 100 square foot area surrounded by a fence. The estimated total pipeline length is approximately 15,050 feet (2.9 miles). The pipeline would be buried underground with 48 inches of minimum cover and would be a four-inch diameter steel-wrapped pipe designed for operation at an estimated pressure of 400 pounds per square inch, which is less than 10 percent of the pipe yield strength (SMYS).

The Board of Supervisors approval of the Project would include approval of a land use permit issued to Ameresco and an amendment to the existing KCL land use permit to allow for the construction and operation of a renewable natural gas processing facility and pipeline at the KCL.

Site/Area Description. The Ameresco RNGPFP is located almost entirely on KCL property. The KCL property is approximately 2,345 acres, which consists of an active KCL landfill use area of approximately 1,596 acres and a KCL-owned portion of the SBA of approximately 750 acres located directly east of, and contiguous with, the active KCL landfill area. Along with open space, active landfill operations occur within the active KCL landfill area. Landfill activities encompass 375 acres, and the permitted landfill disposal footprint covers 244 acres.

The SBA is conserved open space that serves to “buffer” or isolate the landfill from surrounding land uses and is reserved for uses consistent with open space, agriculture, and non-waste disposal landfill infrastructure as determined by Contra Costa County. The SBA includes two non-KCL parcels that are not part of the RNGPFP project.

A portion of the RNG transmission pipeline would be in PG&E property east of, and contiguous to, the SBA. The PG&E property is open space land that serves as a north-south utility corridor that contains large electrical transmission lattice towers, overhead high-voltage electrical transmission lines, and an underground natural gas transmission pipeline, Line 191-1.

The Ameresco RNGPFP would be located on the following KCL-owned and PG&E-owned parcels.

- Active KCL Landfill Area, APN 094-360-008, 094-360-019
- Special Buffer Area, APN 094-360-020, 094-360-022
- PG&E Utility Corridor, APN 094-080-012

Land immediately surrounding the Ameresco RNGPFP includes the above described active KCL area and SBA, and the adjoining PG&E utility corridor. The Concord Hills open space is adjacent to KCL to the south and southeast. The nearest developed non-landfill land uses are single-family residences located off the KCL property approximately 0.33 mile north-northwest of the proposed RNGPF; single-family residences located about 0.40 mile west of the proposed project site west of Bailey Road; and single-family residences and the City of Pittsburg Water Treatment Plant located east of the RNGPF and adjacent to the PG&E utility corridor.

County Planning Commission. On June 23, 2021, the County Planning Commission held a public hearing on the Ameresco RNGPFP Project. The City of Pittsburg and Discovery Builders each submitted written comments to staff and the CPC prior to the hearing, and each had a representative provide public testimony at the hearing. After taking all public testimony, the CPC closed the hearing. Subsequently, the CPC unanimously passed a motion to recommend approval of the Project by the Board of Supervisors. Subsequent to the CPC hearing, the Discovery Builders submitted additional comments by email. The comment letters and email are included in Attachment 7 together with staff responses to the comments.

Reasonably Foreseeable Project. As discussed in the CPC staff report, the public review period for the draft MND started on October 7, 2020, and ended on December 23, 2020. Discovery Builders submitted its first comment letter 42 days after the close of the 78-day public review. Discovery Builders submitted its second letter on June 23, 2021 prior to the CPC hearing. Discovery Builders contends in its two letters that residential development of Stoneman Park is reasonably foreseeable and must be included in the MND. Pursuant to CEQA Guidelines Section 15145: *“If, after thorough investigation, a Lead Agency finds that a particular impact is too speculative for evaluation, the agency*

should note its conclusion and terminate discussion of the impact.” Section VII.A of the CPC staff report discusses Stoneman Park and explains that the Stoneman Park parcel is designated in the City of Pittsburgh General Plan as “Park” and that it is not reasonably foreseeable that the site would be redesignated for residential development. Nevertheless, as discussed in the Final MND Section IV.10 (Summary Responses – Cumulative Impacts), Stoneman Park is included in the proposed projects in the KCL vicinity, noting that this potential residential development will require a City of Pittsburgh General Plan Amendment, Rezone, and subdivision, that the planning process for the development is in its early phases, and that the timeframe for implementation is unknown. Thus, given that the timeline for Stoneman Park is unknown, it is reasonably foreseeable that RNGPGP would be constructed and operating by the time Stoneman Park is approved by the City of Pittsburgh.

Conditions of Approval. As discussed previously, the Keller Canyon Landfill operates under approved KCL Land Use Permit LP89-2020, and is required by COA 31.7 to explore use of landfill gas as a fuel commodity. Further, pursuant to LP89-2020 COA 20.13, the installation of a methane recovery system is required along with the construction of a gas collection system to enable utilization of landfill gas. The existing Ameresco LFGTE power plant implements the requirement to utilize landfill gas. The Ameresco power plant, as approved by Land Use Permit LP01-2115, is subject to Section 36 of the LP89-2020 permit that are specific to the construction and operation of the power plant. Following this precedent, the Ameresco RNGPFP Project proposed for approval under Land Use Permit CDLP18-02022 further implements COA 31.7. Thus, COAs specific to construction and operation of the RNGPFP would be added to the LP89-2020 permit as new Section 37. Further, Ameresco together with Keller Canyon Landfill would be responsible for complying with other Keller Canyon Landfill COAs included in the LP89-2020 permit. The Conditions of Approval for Land Use Permit CDLP18-02022, including the amended KCL Land Use Permit LP89-2020 are included in Attachment 2.

Environmental Review. Pursuant to the Guidelines for California Environmental Quality Act (California Code of Regulations, Title 14, Chapter 3, Sections 15000 – 15387), Conservation and Development staff prepared an Initial Study assessment of potentially significant adverse environmental impacts that could result from the proposed Ameresco RNGPFP Project.

In its preliminary review of the proposed RNGPFP pursuant to CEQA Guidelines Section 15060, staff found that the RNG processing facility would be located within the active KCL landfill area adjacent to the existing Ameresco LFGTE power plant, would not generate substantial traffic on Bailey Road or other local roadways, would utilize existing excess landfill gas and would reduce air pollution and greenhouse gas emission, would be consistent with the greenhouse gas emissions reduction goals in the County Climate Action Plan, and would implement the Renewable Energy Resource Goal 8-k and Policy 8-52 in the General Plan Conservation Element and the California Air Resources Board’s Low Carbon Fuel Standard. Regarding the underground RNG transmission pipeline, staff

found that the pipeline would not be visible, would not create any noise or odors, and would not otherwise be noticeable in operation.

Consistent with CEQA Guidelines Section 15063, County staff prepared an Initial Study to determine if the proposed Ameresco RNGPFP could have a significant effect on the environment. Staff determined that application of County-required mitigation measures to reduce or preclude geotechnical risks on the project, and application of measures as appropriate to address potential construction period impacts to biological resources, cultural resources, and noise, would reduce all potential significant impacts to less than significant levels. Pursuant to CEQA Guidelines Section 15070, staff prepared a mitigated negative declaration because, although the proposed project could have potentially significant adverse environmental impacts, with implementation of mitigation measures that have been agreed to by the applicant, the project would not result in significant environmental impacts. As analyzed in the MND, the most likely potential pipeline failure is leakage and not catastrophic rupture. Moreover, federal, State, and PG&E requirements include design safeguards and monitoring to effectively identify any potential leakage, and to shut down the system.

A draft Mitigated Negative Declaration/Initial Study (MND) was prepared and published for the proposed project (see Attachment 8). The 78-day public review period started on October 7, 2020, and ended on December 23, 2020. Written comments from eight commenters were received during the public review period for the draft MND.

In response to some of the comments received from the City of Pittsburgh and other interested parties, Ameresco voluntarily revised the proposed RNGPFP, including changing three segments of the proposed underground RNG transmission pipeline. Segment 1 is a direct tie-in of the RNG pipeline to the existing PG&E Line 191-1. This tie-in to Line 191-1 would eliminate approximately 75 percent of the RNG pipeline proposed for installation within PG&E property as described in the draft MND. The deleted portion of the RNG pipeline was proposed to run northeast across PG&E property and then north parallel to the existing PG&E Line 191-1, within 50 feet of existing residences in the City of Pittsburgh, to a tie-in with the STANPAC pipeline. In Segment 2, the RNG pipeline would be moved an additional 25 feet east of the property boundary with the proposed Stoneman Park development, resulting in a total physical separation of approximately 75 feet. Potential slope stability precludes moving the pipeline further east. Segment 3 includes a revision of the RNG pipeline route where it connects to the proposed RNG processing facility, to better separate it from existing and future underground utilities. The changes do not constitute a significant revision of the proposed project. Pursuant to CEQA Guidelines Section 15073.5(b)(1), a substantial revision means a new, avoidable significant impact is identified and mitigation measures or project revisions must be added to reduce the new impact to a less than significant level. The changes to the project proposed by Ameresco are neither caused by any significant impact nor create a new significant impact. The changes are in response to public comments, but do not address a significant impact. The changes further reduce impacts that are already less than significant or ensure that identified less than significant

impacts remain less than significant.

CEQA Guidelines Section 15073.5(c) states that recirculation of the MND is not required where (1) *“mitigation measures are replaced with equal or more effective measures”*, (2) *“new project revisions are added in response to written or verbal comments on the project’s effects identified in the proposed negative declaration which are not new avoidable significant effects”*, (3) *“measures or conditions of project approval are added after circulation of the negative declaration which are not required by CEQA, which do not create new significant environmental effects and are not necessary to mitigate an avoidable significant effect”*, or (4) *“new information is added to the negative declaration which merely clarifies, amplifies, or makes insignificant modifications to the negative declaration”*. The revisions to the proposed RNGPFP are consistent with Section 15073.5(c) and do not require recirculation of the MND.

A Final MND has been prepared that includes the written comments received on the draft MND during the public review period, responses to the comments received, and staff-initiated text changes, including minor corrections and technical changes related to revision of segments of the proposed RNG transmission pipeline and revised and/or deleted figures (see attachment 9). Neither the comments nor the staff responses to the comments result in any substantial changes to the draft MND, and the impacts, mitigation measures, and findings of the MND are unchanged. The text changes are not the result of any new significant adverse environmental impact, do not alter the effectiveness of any mitigation included in the pertinent section, and do not alter any findings in the section.

Pursuant to CEQA Section 15097, a Mitigation Monitoring Program has been prepared, based on the identified significant impacts and mitigation measures in the MND. The Mitigation Monitoring Program is intended to ensure that the mitigation measures identified in the MND are implemented. All mitigation measures listed in the Mitigation Monitoring Program are included in the CPC Approved Findings and COAs.

Conclusion. The Ameresco RNGPFP would be consistent with the LF Landfill and OS Open Space General Plan Land Use designations. The proposed project would implement Goal 8-k and Policy 8-52 of the General Plan Conservation Element related to methane recovery. The RNGPFP would use a substantial portion of LFG currently generated by the landfill. Without the proposed project, this energy source would be wasted by combustion in the landfill flares and higher emissions of air pollutants from the landfill site would be released into the local community. The new RNG processing facility would significantly increase the utilization of LFG for energy, by processing the landfill gas to sufficient quality to allow it to be placed into the regional natural gas network, whereby it has the potential to substantially reduce overall GHG emissions of heavy-duty vehicles such as trucks and buses.

The proposed project would be consistent with the surrounding area and would maintain the character of the active KCL landfill area, the SBA, and the PG&E utility corridor.

Completion of the MND identified potentially significant adverse environmental impacts, and mitigation measures that have been agreed to by the applicant, such that the project will not result in any significant environmental impact. Interested persons and agencies have submitted comments to staff that have been addressed in the CPC staff report and/or the Final MND and/or in Attachment 7 herein. Findings can be adopted to approve a land use permit for the proposed project in the A-3 Heavy Agricultural, A-4 Agricultural Preserve, and A-2 General Agricultural Districts. The CPC unanimously recommended that the Board of Supervisors approve Land Use Permit CDLP18-02022, based on the CPC Approved Findings and COAs.

CONSEQUENCE OF NEGATIVE ACTION:

If the recommended actions are not approved, the Ameresco Renewable Natural Gas Processing Facility and Pipeline at Keller Canyon Landfill will not be constructed. Without the proposed project, the excess landfill gas generated at Keller Canyon Landfill will be wasted by combustion in the landfill flares and higher emissions of air pollutants from the landfill site would be released into the local community. The landfill gas will not be utilized in the regional natural gas network, will not be used by heavy-duty vehicles such as trucks and buses, and will potentially increase overall greenhouse gas emissions contrary to the greenhouse gas emissions reduction goals in the County Climate Action Plan.

CHILDREN'S IMPACT STATEMENT:

The Project involves construction of a RNG processing facility with equipment that will cover an area of approximately 48,000 square feet and a four-inch diameter 2.85 miles long pipeline. Pursuant to Condition of Approval 37.6 of the Keller Canyon Landfill Permit LP89-2020, the project is required to comply with the requirements of the Child Care Ordinance

CLERK'S ADDENDUM

Speakers: Bob Dwell, Walnut Creek.

ADOPTED the recommendations with an amendment to Condition of Approval 68 G to insert the phrase "or alternative beings below" for clarity; ADDED a Condition of Approval as follows: Applicant shall deliver within 60 days of approval of the Land Use Permit a signed and negotiated Community Benefits Agreement requiring Ameresco to pay \$50,000 per year to the County while the Ameresco gas processing project and pipeline is operational. Funds shall be deposited in the Keller Canyon Mitigation Fund and disbursed by the County to fund projects benefitting the community according to the protocols in place for that Fund. The first payment shall be made one year from the date the project becomes commercially operational. Payments after the first annual payment shall increase each year by the change in the consumer price index.

ATTACHMENTS

Attachment 1-CDLP18-02022 CPC Staff Report - June 23, 2021

Attachment 2-CDLP18-02022 Findings, COAs BOS 7.13.21

Attachment 3-Parcel Page, General Plan Map, Zoning Map

Attachment 4-Project Plans

Attachment 5-Photographs of Project Site

Attachment 6-Agency Comments

Attachment 7-Public Comments

Attachment 8-November 2020 Draft MND SCH #2020100267

Attachment 9-June 2021 Final MND SCH #2020100267

Attachment 10-MMP for MND SCH #2020100267

Attachment 11- Presentation CDLP18-02022