



November 26, 2013

Dear Reader:

The U.S. Department of Energy (DOE) invites comments on the enclosed draft environmental assessment (EA) for the *Pacific Gas and Electric Company (PG&E) Compressed Air Energy Storage (CAES) Compression Testing Phase and Temporary Site Facilities, Kings Island, San Joaquin County, CA* (DOE/EA-1752D).

The DOE prepared this draft EA in accordance with the Council on Environmental Quality's National Environmental Policy Act (NEPA) implementing regulations (40 CFR Parts 1500-1508) and DOE's NEPA implementing procedures (10 CFR Part 1021). It evaluates the potential environmental impacts of DOE providing a financial assistance grant based on the American Recovery and Reinvestment Act of 2009 (ARRA) to PG&E in a cooperative agreement between PG&E and DOE. The project is co-funded by the federal DOE, California Public Utilities Commission, and the California Energy Commission. If PG&E receives the funding, the company proposes construction, operation, and closure of an injection and withdrawal well, and associated temporary site facilities required to conduct compression testing of a depleted gas field. The geological formation to be tested is located on King Island, San Joaquin County, California. The project would consist of pressure testing a CAES reservoir to further examine and confirm the geological suitability of the site and provide more detailed information for project engineering for possible future use as a CAES facility. The total cost of the compression-testing component of the project would be approximately \$20 to \$25 million.

This draft EA analyzes the potential environmental impacts of DOE's proposed action of providing ARRA funding for the PG&E CAES compression-testing project and of the No-Action Alternative. The draft EA also evaluates the resource areas DOE commonly addresses in EA's and identified no significant adverse environmental impacts from DOE's proposed action or PG&E's proposed project.

A notice of availability will be published in *The Record* (Stockton) and the *Lodi News-Sentinel*, (Lodi) newspapers on November 26, 27, and 28, 2013, to announce the beginning of the 35-day public review and comment period. Comments should be marked "PG&E Compressed Air Energy Storage Draft EA Comments" and sent to:

Mr. Joe Zambelli
U.S. Department of Energy
National Energy Technology Laboratory
3610 Collins Ferry Road
P.O. Box 880
M/S: I07
Morgantown, WV 26507-0880
Email: joseph.zambelli@netl.doe.gov

Requests for additional copies of the draft EA should be submitted to the above address. The document can also be found on DOE's National Energy Technology Laboratory (NETL) website at <http://www.netl.doe.gov/publications/others/nepa/ea.html>.

Individual names and addresses, including email addresses, received as part of the comment documents normally are considered part of the public record. Persons wishing to withhold names, addresses, or other identifying information from the public record must state this request prominently at the beginning of their comments. DOE will honor this request to the extent allowed by law. All submissions from organizations, businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses will be included in the public record and open to public inspection in their entirety.

The public comment period ends on December 31, 2013. DOE will consider late submissions to the extent practicable.

Sincerely,

A handwritten signature in cursive script that reads "Joe Zambelli".

Joe Zambelli
NEPA Document Manager