



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

File #: CONS 23-085, **Version:** 1

DATE: February 7, 2023

TO: Mayor and City Council

FROM: City Manager

SUBJECT

Adopt a Resolution Authorizing the City Manager to Execute a Coordination, Resiliency, and Action Agreement with Russell City Energy Company, LLC and Accepting and Appropriating Donations for a Fire Department Hazardous Materials Response Vehicle and for the Russell City Reparative Justice Project (RCRJP) Following the Explosion that Occurred at the Russell City Energy Center on May 27, 2021

RECOMMENDATION

That the City Council adopts a resolution (Attachment II) authorizing the City Manager to execute a Coordination, Resiliency, and Action Agreement (Attachment III) with Russell City Energy Company, LLC and accept and appropriate two donations to the City of Hayward:

- 1) \$20,000 appropriated to the General Capital Fund towards the Russell City Reparative Justice Project (RCRJP); and
- 2) \$150,000 appropriated to the Capital Fleet Replacement Fund towards a hazardous materials response vehicle for the Hayward Fire Department.

SUMMARY

The Russell City Energy Center (RCEC) is a 600-megawatt powerplant located in the Hayward industrial area. The plant is owned and operated by the Calpine Corporation and began commercial operations in 2013. On May 27, 2021, RCEC experienced a mechanical failure of the steam turbine generator that resulted in an explosion and fire (incident). The steam turbine generator experienced extensive damage and debris from the explosion flew from the site to surrounding areas, including the City's Water Pollution Control Facility (WPCF) and the City's Homeless Navigation Center.

On July 15, 2021, the California Energy Commission (CEC) voted to approve Calpine's petition for modifications to allow the facility to temporarily operate in simple-cycle mode, subject to certain limitations in the CEC's order. The CEC order found it was appropriate for the CEC to "exercise enhanced scrutiny over the facility" in light of the May 27, 2021 incident and that "it is reasonable for the public to have access to safety audits conducted pertaining to the operation of the facility, including the circumstances that gave rise to the petition." Additionally, the order directed the project owner to meet

with CEC staff and the Hayward City Fire Department within 30 days of the order “to discuss any needed modifications of [RCEC’s] standard operating procedures for first responders to implement when responding to incidents on site, including establishing a process for reimbursement of reasonable expenses.”

The Coordination, Resiliency, and Action Agreement that is the subject of this report is the result of over two years of investigations, meetings, and collaboration between the CEC, California Public Utilities Commission (CPUC), Calpine Corporation and RCEC staff, and City staff. The intent of the agreement is to document improvements made in the working relationship between the City and Calpine as well as create a mechanism for donations to the Fire Department for the purchase of a hazardous materials response vehicle and to the Russell City Reparative Justice Project (RCRJP). Upon execution of the agreement, City staff will work with Calpine on receipt and appropriation of the two donations.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Draft Coordination, Resiliency, and Action Agreement