



CITY OF HAYWARD

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Cover Memo

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DATE: May 24, 2022

TO: Mayor and City Council

FROM: City Manager
Fire Chief

SUBJECT

Presentation Regarding 2021 Explosion at Russell City Energy Center and Follow Up Investigation and Actions

RECOMMENDATION

That the City Council receives the presentation and provides comments.

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. No damage occurred at the WPCF but a large piece of debris fell through the roof of the Navigation Center trailer that serves as the common area and kitchen. Thankfully, the trailer was unoccupied at the time and there were no significant injuries resulting from the explosion.

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."

CEC, California Public Utilities Commission (CPUC), and City staff have been meeting bi-weekly as part of

a Joint Agency Working Group for the past year as the investigation and follow up actions have occurred. After any major incident at a powerplant in the State, the operator must commission a Root Cause Analysis (RCA) report. Calpine commissioned this report and it is included as Attachment II to this report. Upon review of the RCA, CEC and CPUC staff determined there were deficiencies in the report and commissioned a secondary gap analysis and investigation. That report was recently completed and is included as Attachment III to this report. CEC and CPUC staff presented this report and corrective actions to the CEC Business Meeting on April 26, 2022 (staff report included as Attachment I). The City Manager and Fire Chief also participated in that meeting and presented the collaborative work that has been done with the Calpine team to enhance first responder training and response to the plant.

Staff from the CEC and the City will be sharing that presentation (Attachment IV) again this evening with the City Council and Hayward community so that information about the 2021 explosion and corrective actions can be shared and discussed.

ATTACHMENTS

Attachment I	April 26, 2022 CEC Staff Report and Order
Attachment II	Calpine Redacted Root Cause Analysis
Attachment III	CEC Gap Analysis
Attachment IV	PowerPoint Presentation