

DOCKETED

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STATE OF CALIFORNIA

Energy Resources
Conservation and Development Commission

In the Matter of:

Petition For Amendment for the
PALMDALE ENERGY PROJECT

DOCKET NO: 08-AFC-09C

**PALMDALE ENERGY, LLC's
PREHEARING CONFERENCE
STATEMENT**

INTRODUCTION

Palmdale Energy, LLC, in accordance with the Committee Order dated February 17, 2017, hereby files its Prehearing Conference Statement for its Petition For Amendment for the Palmdale Energy Project (PEP). Palmdale Energy, LLC is prepared to proceed to evidentiary hearing on all topic areas.

In accordance with the above referenced order, PSH presents its Prehearing Conference Statement, as follows:

1. **Subject Areas Complete And Ready to Proceed To Evidentiary Hearing**

Palmdale Energy, LLC believes that all subject areas (and/or disciplines) are complete and ready for adjudication at the Evidentiary Hearings.

2. **Subject Areas Where Palmdale Energy, LLC Proposes To Introduce Testimony In Writing Rather Than Through Oral Testimony**

Palmdale Energy, LLC proposes to introduce all of its testimony in writing rather than through oral testimony. Palmdale Energy, LLC will, however, have representatives available at the evidentiary hearing to answer questions from the Committee.

3. Subject Areas Not Complete and Not Ready To Proceed to Evidentiary Hearing

None.

4. Disputed Topic Areas Requiring Adjudication

Palmdale Energy, LLC and Staff have complete agreement on all subject areas with the language of one condition of certification relating to Biological Resources remaining open. Palmdale Energy, LLC filed Rebuttal Testimony on February 28, 2017 that proposed minor modifications to Condition of Certification **AQ-SC6**. Palmdale Energy, LLC withdraws the Rebuttal Testimony and therefore there no disputes relating to the subject area of Air Quality.

With respect to Biological Resources, Palmdale Energy, LLC and Staff have recently been informed by US Fish and Wildlife Service (USFWS), that due to new information concerning a listed bird species, it wishes to consult with the US EPA during its processing of Palmdale Energy, LLC's Prevention of Significant Deterioration (PSD) Permit process. The species in question is the southwestern willow flycatcher which was previously analyzed during the certification process for the original project and determined to not require formal USFWS consultation. The USFWS has informed Staff and Palmdale Energy, LLC that it is concerned with potential mortality of the species related to potential collisions with transmission lines. The USFWS explained that even though the transmission lines for the PEP remained unaffected by the Petition For Amendment, consultation is necessary due to new information becoming available from monitoring at other projects.

As the Commission is aware, the USFWS consultation process is not part of CEC jurisdiction as it is a federal process. However, in order to complete the Commission process, rather than dispute whether consultation is required or whether the transmission line creates potentially significant impacts to the species, Palmdale Energy, LLC proposes the following condition of certification framework to address the issue.

BIO-26 Prior to construction of the transmission line, the project owner shall pay the sum of \$XXX to either the fund created by the Desert Renewable Energy Conservation Plan (DRECP) to purchase nesting habitat for the willow flycatcher or to a fund designated by the US Fish and Wildlife Service in its Biological Opinion, to be used to purchase 5 acres of nesting habitat for the willow flycatcher and its subspecies.

Verification: 30 days prior to construction of the transmission line, the project owner shall provide proof of payment of \$XXX to the fund created by the Desert Renewable Energy Conservation Plan (DRECP) or to the fund designated by the USFWS in its Biological Opinion.

The amount of habitat is based on using the methodology identified and implemented by the USFWS Biological Opinion for the DRECP to predict mortality of willow flycatchers associated with renewable energy projects and their associated transmission lines. Palmdale Energy, LLC used the length of its transmission line and a 25 foot wide corridor to estimate the acreage of the actual transmission obstructions. This overestimates the impact of a transmission line and results in the potential mortality of one willow flycatcher over the life of the project. The Biological Opinion for the DRECP proposed mitigation of 5 acres of nesting habitat for each predicted mortality.

Based on Staff's response to this proposal, we may request the Committee to order a Staff Workshop to discuss the specific language of the condition immediately after completion of the PreHearing Conference currently scheduled for March 10, 2017.

5. Proposed Witnesses

Palmdale Energy, LLC does not propose live oral testimony.

6. Cross-Examination

Palmdale Energy, LLC does not propose to cross-examine any of Staff's witnesses.

7. Exhibit List

Table 1 is Palmdale Energy, LLC's Proposed Exhibit List.

8. Proposed Briefing Schedule

Palmdale Energy, LLC does not propose any legal briefs.

Dated: March 3, 2017

Respectfully Submitted,



Scott A. Galati
Counsel to Palmdale Energy, LLC

TABLE 1

Palmdale Energy LLC's (08-AFC-9C)
Exhibit List

Exhibit No.	Transaction No.	Date	Document Title	Topic
1	204459	4/30/2015	Palmdale Energy, LLC's Petition for Amendment , dated April 2015.	All
2	205394-1	7/20/2015	Palmdale Energy Project Revised Petition to Amend , dated July 2015.	All

3	205394-2	7/20/2015	Palmdale Energy Project RPTA Section 2 & 3 Figures , dated July 2015.	All
4	205394-3	7/20/2015	Palmdale Energy Project RPTA Section 4 & 6 Figures , dated July 2015.	All
5	205450	7/21/2015	RPTA Figure 2-7b Revised , dated July 2015.	Alternatives

6	205520	7/27/2015	RPTA Appendices , dated July 20, 2016.	All
7	206025	9/9/2015	Palmdale Energy LLC's Preliminary Drainage, Erosion, and Sediment Control Plan , dated August 27, 2015.	Soil & Water Resources
8	206335	10/13/2015	Palmdale Energy LLC's Supplemental Cumulative Air Quality Impact Analysis Report , dated October 2015.	Air Quality, Greenhouse Gases and Public Health

9	206378	10/16/2015	Applicant's Responses to Socioeconomic and Alternatives Inquiry , dated October 15, 2015.	Alternatives Socioeconomics
10	206386	10/16/2015	Palmdale Energy LLC's Supplemental Cumulative AQ Impact Analysis Report - AQ Modeling Files , dated October 16, 2015.	Air Quality, Greenhouse Gases and Public Health
11	206512	11/5/2015	Palmdale Energy LLC's Response to City of Lancaster Data Request Set No. 1 (1-13) - Appendices DR-2 & DR-3 , dated November 5, 2015.	Air Quality, Greenhouse Gases and Public Health

12	206521-1	11/5/2015	Palmdale Energy LLC's Response to City of Lancaster Data Request Set No.1 (1-13) , dated November 2015.	Air Quality, Greenhouse Gases and Public Health
13	206521-2	11/5/2015	Palmdale Energy LLC's Response to City of Lancaster Data Request Set No.1 (1-13) DR-5 (Part 1) , dated November 2015.	Air Quality, Greenhouse Gases and Public Health
14	206521-3	11/5/2015	Palmdale Energy LLC's Response to City of Lancaster Data Request Set No.1 (1-13) DR-5 (Part 2) , dated November 2015.	Air Quality, Greenhouse Gases and Public Health

15	206521-4	11/5/2015	Palmdale Energy LLC's Response to City of Lancaster Data Request Set No.1 (1-13) DR-5 (Part 3) , dated November 2015.	Air Quality, Greenhouse Gases and Public Health
16	206521-5	11/5/2015	Palmdale Energy LLC's Response to City of Lancaster Data Request Set No.1 (1-13) DR-5 (Part 4) , dated November 2015.	Air Quality, Greenhouse Gases and Public Health
17	206521-6	11/5/2015	Palmdale Energy LLC's Response to City of Lancaster Data Request Set No.1 (1-13) DR-5 (Part 5) , dated November 2015.	Air Quality, Greenhouse Gases and Public Health

18	206521-7	11/5/2015	Palmdale Energy LLC's Response to City of Lancaster Data Request Set No.1 (1-13) DR-5 (Part 7) , dated November 2015.	Air Quality, Greenhouse Gases and Public Health
19	206523-1	11/6/2015	Palmdale Energy LLC's Response to City of Lancaster Data Request Set No.1 (1-13) , dated November 2015.	Air Quality, Greenhouse Gases and Public Health
20	206523-2	11/6/2015	Palmdale Energy LLC's Response to City of Lancaster Data Request Set No.1 (1-13) DR-5 (Part 6) , dated November 2015.	Air Quality, Greenhouse Gases and Public Health

21	206651	11/17/2015	<p align="center">Palmdale Energy LLC's Presentation for 11/16/15 Site Visit, Scoping Meeting & Informational Hearing, dated November 16, 2015.</p>	Project Description
22	206797	11/30/2015	<p align="center">Palmdale Energy LLC's Response to CEC Staff Data Request Set No.1 (1-63), dated November 2015.</p>	<p>Air Quality, Greenhouse Gases and Public Health Cultural Resources Hazardous Materials Management Socioeconomics Soil & Water Resources Transmission System Engineering Worker Safety & Fire Protection</p>

23	206914	12/10/2015	Palmdale Energy LLC's Response to CEC Staff Data Request Set No.2 (64) , dated December 2015.	Waste Management
24	206928	12/11/2015	Palmdale Energy LLC's Response to CEC Staff Data Request Set One (1-63) Air Quality Modeling Files , dated November 30, 2015.	Air Quality, Greenhouse Gases and Public Health
25	207318	1/14/2016	Palmdale Energy LLC's Supplemental Response to Data Request 32, Off-site Ammonia Consequence Analysis , dated January 2016.	Air Quality, Greenhouse Gases and Public Health

26	208550	1/22/2016	Palmdale Energy LLC's Supplemental Response to CEC Staff Data Request 62 , dated January 22, 2016.	Worker Safety & Fire Protection
27	210130	2/2/2016	Palmdale Energy LLC's Preliminary Fire Protection Plan in Response to CEC Staff Data Request 61 , dated February 2016.	Worker Safety & Fire Protection
28	210166	2/5/2016	Palmdale Energy LLC's Responses to Workshop Queries (1-8) , dated February 2016.	Air Quality, Greenhouse Gases and Public Health Soil & Water Resources Transmission System Engineering Worker Safety & Fire Protection

29	210167	2/5/2016	<p>Antelope Valley Air Quality Management District's Preliminary Determination of Compliance for Palmdale Energy Project, dated February 3, 2016.</p>	Air Quality, Greenhouse Gases and Public Health
30	210171	2/5/2016	<p>Palmdale Energy LLC's Supplemental Response to California Energy Commission Staff Data Request 55 and 58, dated February 5, 2016.</p>	Transmission System Engineering
31	210183	2/5/2016	<p>Palmdale Energy LLC's Response to CEC Staff Data Request Set No.3 (65-68), dated February 2016.</p>	Air Quality, Greenhouse Gases and Public Health

32	210185	2/5/2016	Palmdale Energy LLC's Supplemental Response to CEC Staff Data Request 46 , dated February 5, 2016.	Socioeconomics
33	210321	2/16/2016	Rule 1406 PERC Data Collection Protocol for the Palmdale Energy Project , dated February 15, 2016.	Air Quality, Greenhouse Gases and Public Health
34	210363	2/17/2016	Letter from SoCal Gas Regarding Gas Sulfur Content , dated March 2, 2015.	Air Quality, Greenhouse Gases and Public Health

35	210410	2/18/2016	Palmdale Energy LLC's Response to WSQ-2 Typical Filter House Evaporative Cooler Assembly Diagram , dated February 18, 2016.	Public Health
36	210587	3/2/2016	Palmdale Energy LLC's Revised Paved ERC Data Collection Protocol , dated February 25, 2016.	Air Quality, Greenhouse Gases and Public Health
37	210594	3/2/2016	Palmdale Energy LLC's Revised Supplemental Response to California Energy Commission Staff Data Request 55 and 58 , dated March 2, 2016.	Air Quality, Greenhouse Gases and Public Health

38	210610	3/4/2016	<p>Palmdale Energy LLC's Revised Transmission System Engineering Drawings, dated March 4, 2016.</p>	Transmission System Engineering
39	210662	3/9/2016	<p>Palmdale Energy Response to Transmission System Equipment Rating Questions, dated March 9, 2016.</p>	Transmission System Engineering
40	210693	3/11/2016	<p>Project Owner Responses to Miscellaneous Inquiries from Air Quality Staff, dated March 11, 2016.</p>	Air Quality, Greenhouse Gases and Public Health

41	210783	3/18/2016	Palmdale Energy LLC's Revised One-Line Drawing No. A01 Revision E , dated March 17, 2016.	Transmission System Engineering
42	210797	3/21/2016	Palmdale Energy LLC's Revised Supplemental Response to California Energy Commission Staff Data Request 55 , dated March 21, 2016.	Transmission System Engineering
43	211045	4/14/2016	Palmdale Energy LLC's Initial Comments on the Preliminary Staff Assessment , dated April 14, 2016.	All

44	211168	4/21/2016	Palmdale Energy Project Subpart TTTT Compliance Calculations , dated April 2015.	Air Quality, Greenhouse Gases and Public Health
45	211174	4/21/2016	Palmdale Energy LLC's Revised Emissions Offset Package , dated April 21, 2016.	Air Quality, Greenhouse Gases and Public Health
46	211264	4/27/2016	Palmdale Energy LLC's Final Comments on the Preliminary Staff Assessment , dated April 27, 2016.	All

47	211451	5/12/2016	<p style="text-align: center;">Antelope Valley Air Quality Management District's Preliminary Determination of Compliance - Rev A for Palmdale Energy Project, dated May 11, 2016.</p>	Air Quality, Greenhouse Gases and Public Health
48	211479-1	5/13/2016	<p style="text-align: center;">Preliminary ERC RACT Review for the Palmdale Energy Project, dated May 13, 2016.</p>	Air Quality, Greenhouse Gases and Public Health
49	211479-2	5/13/2016	<p style="text-align: center;">Preliminary ERC RACT Review for the Palmdale Energy Project – AVAQMD RACT Matrix, dated May 13, 2016.</p>	Air Quality, Greenhouse Gases and Public Health

50	211488	5/16/2016	Antelope Valley Air Quality Management District Road Paving Protocol Approval for Palmdale Energy Project , dated May 16, 2016.	Air Quality, Greenhouse Gases and Public Health
51	211662	5/27/2016	Palmdale Energy LLC Air Cooled Condensers Plume Analysis , dated May 2016.	Traffic & Transportation
52	212458	7/25/2016	Antelope Valley Air Quality Management District's Final Determination of Compliance , dated July 22, 2016.	Air Quality, Greenhouse Gases and Public Health

53	212922	8/24/2016	Antelope Valley Air Quality Management District's Revised Final Determination of Compliance , dated August 23, 2016.	Air Quality, Greenhouse Gases and Public Health
54	213215	8/31/2016	Proposed Offsets for PEP , dated July 6, 2016.	Air Quality, Greenhouse Gases and Public Health
55	214567	11/28/2016	Palmdale Energy LLC's Plume Vertical Velocity Assessment for the Air Cooled Condensers , dated November 2016.	Air Quality, Greenhouse Gases and Public Health Traffic & Transportation

56	215189	1/6/2017	Palmdale Energy LLC's Opening Testimony , dated January 6, 2017.	All
57	216277	2/28/2017	Email from J. Cagle Regarding Air Force Plant 42 , dated February 28, 2017.	Traffic & Transportation