October 01, 2012

Mr. Robert Worl Siting Project Manager California Energy Commission 1516 Ninth Street Sacramento, CA 95814-5512 DOCKETED
05-AFC-3

TN # 67418

OCT. 02 2012

Subject:

STATUS REPORT #17 FOR THE SUN VALLEY ENERGY PROJECT (05-AFC-3)

Dear Mr. Worl,

Pursuant to the terms of the Commission's Order Suspending Proceeding dated June 20, 2012, Valle Del Sol Energy, LLC submits Status Report #17 for the Sun Valley Energy Project. The Sun Valley Energy Project (SVEP) is a 500-megawatt natural gas-fired peaker plant that will be located in the City of Menifee, California. The site is located on 50 acres of former farm land 30 yards southwest of the Valley Substation and will feature five General Electric LMS-100 gas turbines.

At this time, Valle del Sol owns the required VOC ERCs to meet the South Coast Air Quality Management District's (SCAQMD) requirements for air pollutant emission offsets, and, we continue to work with the SCAQMD to develop an offset strategy that will meet their requirements for PM₁₀ and SO_x ERCs. The Walnut Creek Energy Park recently found a solution to allow the Walnut Creek project to meet District requirements and proceed to construction. Replacing Huntington Beach Units 3 and 4 with Walnut Creek will provide air quality and reliability benefits to Southern California. Similarly, the SVEP would like to be a part of the transition to more efficient and reliable operation for Southern California. We will continue to work toward a solution that will allow the SVEP to proceed.

Sincerely,

Valle Del Sol Energy, LLC

CC:

Service List

Jane Luckhardt, Downey Brand



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA

1516 NINTH STREET, SACRAMENTO, CA 95814 1-800-822-6228 – www.energy.ca.gov

APPLICATION FOR CERTIFICATION For the SUN VALLEY ENERGY PROJECT (SVEP)

Docket No. 05-AFC-03 PROOF OF SERVICE

(Revised 8/16/2012)

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DECLARATION OF SERVICE

I, Lois Navarrot, declare that on October 2, 2012, I served and filed a copy of the attached **Status Report #17 for the Sun Valley Energy Project (05-AFC-3)**, dated October 1, 2012. This document is accompanied by the most recent Proof of Service list, located on the web page for this project at: www.energy.ca.gov/sitingcases/sunvalley/index.html.

The document has been sent to the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit or Chief Counsel, as appropriate, in the following manner:

| (Checl | k all that Apply) | |
|----------|--|--|
| For se | rvice to all other parties: | |
| X | Served electronically to all e-mail addresses on the Proof of Service list; | |
| AND | Served by delivering on this date, either personally, or for mailing with the U.S. Postal Service with first-class postage thereon fully prepaid, to the name and address of the person served, for mailing that same day in the ordinary course of business; that the envelope was sealed and placed for collection and mailing on that date to those addresses marked "hard copy required" or where no e-mail address is provided. | |
| For fili | ng with the Docket Unit at the Energy Commission: | |
| Χ | by sending an electronic copy to the e-mail address below (preferred method); OR | |
| | by depositing an original and 12 paper copies in the mail with the U.S. Postal Service with first class postage thereon fully prepaid, as follows: | |
| | CALIFORNIA ENERGY COMMISSION – DOCKET UNIT Attn: Docket No. 05-AFC-3 1516 Ninth Street, MS-4 Sacramento, CA 95814-5512 docket@energy.state.ca.us | |
| OR, if | filing a Petition for Reconsideration of Decision or Order pursuant to Title 20, § 1720: | |
| | Served by delivering on this date one electronic copy by e-mail, and an original paper copy to the Chie Counsel at the following address, either personally, or for mailing with the U.S. Postal Service with first class postage thereon fully prepaid: | |
| | California Energy Commission Michael J. Levy, Chief Counsel 1516 Ninth Street MS-14 Sacramento, CA 95814 michael.levy@energy.state.ca.us | |

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, that I am employed in the county where this mailing occurred, and that I am over the age of 18 years and not a party to the proceeding.

| /s/ | |
|---------------|--|
| Lois Navarrot | |

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