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STATE OF CALIFORNIA
ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

IN THE MATTER OF:)	DOCKET NO. 08-AFC-08A
)	
APPLICATION FOR CERTIFICATION,)	STATUS REPORT NO. 1
FOR THE HYDROGEN ENERGY)	
CALIFORNIA PROJECT BY HYDROGEN)	
ENERGY CALIFORNIA LLC)	
)	

Pursuant to the Committee Scheduling Order for the Hydrogen Energy California Project (Project), issued on August 9, 2012, we hereby file this Status Report No. 1 on behalf of Hydrogen Energy California LLC (HECA or Applicant). This Status Report provides an overview of key activities by HECA since May 2012, when HECA submitted the Amended Application for Certification (08-AFC-8A).

As shown below, the Applicant is actively engaged in public outreach and agency coordination to facilitate review of the Project. The Applicant is quickly resolving all outstanding Data Requests by Staff for the California Energy Commission (CEC) and other parties. The Applicant expects that Staff will have adequate information to prepare the Preliminary Staff Assessment by October 24, 2012, as provided by the Committee Scheduling Order.

I. RESPONSES TO DATA REQUESTS

On July 20, 2012, Applicant received Staff's Data Requests A1-A123. On August 9, 2012, Applicant filed timely objections and requests for additional time to respond to certain of these Data Requests. On August 22, 2012, Applicant filed timely responses to the Data Requests A1-A123, except as noted in the stated objections and requests for additional time. *See* Docket No. 66876.

On August 2, 2012, Applicant received Data Requests from Intervener Sierra Club. On August 22, 2012, Applicant filed timely objections and requests for additional time for certain responses to the Sierra Club Data Requests. *See* Docket No. 66904.

On June 29, 2012, Applicant received Data Requests from AIR. Applicant filed timely responses to AIR Data Requests No. 1-3 on July 9, 2012. *See* Docket No. 66162. On July 27, 2012, Applicant filed timely responses to all of the AIR Data Requests from June 29, 2012 (No. 1-11). *See* Docket No. 66369.

II. AGENCY COORDINATION

On May 25, 2012, Applicant submitted applications for Federal Aviation Administration (FAA) Notice of Proposed Construction or Alteration. On June 25, 2012, the FAA issued Determinations of No Hazard to Air Navigation. *See* Docket No. 66029.

In June 2012, Applicant submitted an Authority to Construct Permit Application and Supplemental Information for the Prevention of Significant Deterioration Permit Application to the United States Environmental Protection Agency and San Joaquin Valley Air Pollution Control District. *See* Docket No. 65578.

On June 19, 2012, the Department of Energy published an “Amended Notice of Intent Modifying the Scope of the Environmental Impact Statement for the Hydrogen Energy California’s Integrated Gasification Combined Cycle Project, Kern County, CA.” *See* 77 Fed. Reg. 36519.

III. COORDINATION OF HECA AND OXY CO2 EOR PROJECTS

On June 6, 2012, Occidental of Elk Hills, Inc. (OEHI) provided a Monitoring, Reporting and Verification Plan to the CEC. *See* Docket No. 65750. In the same filing, OEHI submitted responses to Outstanding Information Needs Related to the Hydrogen Energy California Project numbered 51-55 from August 2011.

OEHI attended the Issues Identification Workshop on June 20, 2012 and representatives gave presentations and responded to questions on the Project and Monitoring, Reporting and Verification Plan. OEHI representatives also attended the July 12, 2012 Informational Hearing and Site Visit and Scoping Meeting at Elk Hills School in Tupman, CA. OEHI provided a site tour for CEC Staff on July 12, 2012.

OEHI is currently working on responding to the March 16, 2012 Data Requests issued jointly by the CEC staff and the Department of Conservation, Division of Oil, Gas, and Geothermal Resources (DOGGR). OEHI representatives met with DOGGR staff in early August to seek clarification on the data requests.

IV. PUBLIC OUTREACH

A number of public outreach activities have been completed by HECA in recent months, including the following:

- On May 31, 2012, HECA conducted a signing ceremony to enter into a Project Labor Agreement (PLA) with the National Building and Construction Trades Department, the State Building and Construction Trades Council of California, and the Kern, Inyo, Mono Counties Building and Construction Trades Council.

The agreement was announced in a press release, and over 20 local trade representatives attended the signing ceremony at the HECA Information Center in Buttonwillow.

- In May 2012, HECA provided a donation to the City of Tupman for purposes of building an eco-friendly park adjacent to the Elk Hills School.
- On June 11, 2012, HECA provided educational materials to the school boards of Buttonwillow School and Elk Hills School.
- On June 22, 2012, HECA hosted an informal meeting at its Information Center in Buttonwillow with the “Concerned Neighbors” group to discuss their specific issues, concerns and questions related to the HECA Project.
- On June 20, 2012, HECA participated in a CEC Issues Identification Workshop in Sacramento. In addition to the regulatory proceedings, Dan Schrag, the Sturgis Hooper Professor of Geology at Harvard University, Professor of Environmental Science and Engineering, and Director of the Harvard University Center for the Environment, provided an overview of carbon capture and sequestration as a critical climate mitigation technology and an overview of geologic sequestration with enhanced oil recovery. HECA videotaped Professor Schrag’s presentation as an educational tool for CEC staff reference and also posted the video on YouTube and the HECA website at www.heca.com for public educational purposes.
- In June 2012, HECA participated in the Workshop On California Opportunities For Carbon Capture, Utilization & Storage & Enhanced Oil Recovery: Challenges & Policy Requirements in Sacramento. Several regulatory agencies participated, including the California Public Utilities Commission, California Air Resources Board, California Department of Conservation, California Energy Commission and the U.S. Department of Energy.
- In June 2012, HECA published a newsletter for the local community and interested stakeholders. The newsletter included educational information on the Project, testimonials and a summary of recent community outreach activities. The newsletter was delivered to all residents of Cities of Buttonwillow and Tupman and via email to a list of over 1,200 interested stakeholders.
- On July 1, 2012, HECA hosted an informal luncheon and presentation to the Buttonwillow Chamber of Commerce.
- On July 12, 2012, HECA participated in the CEC Informational Hearing and Site Visit and DOE Public Scoping Meeting at the Elk Hills School in Tupman, CA. In advance of the hearing, HECA provided notice to every resident of Buttonwillow and Tupman and published newspaper advertisements in several local papers. The hearing was attended by approximately 150 local residents and interested stakeholders, including elected and appointed officials, neighbors, and

interest group leaders. The hearing provided an educational and input opportunity for attendees, including several posters and diagrams, informational hand-outs and fact sheets, HECA video and a site tour and map.

- In advance of the public hearing, HECA produced a series of communication materials describing the objectives, technology, and economic and environmental benefits of the HECA Project. All materials are posted on the HECA website and are available at the HECA Information Center in Buttonwillow, including: Implan Economic Impact Analysis, topical fact sheets, project video, informational brochure, posters and diagrams.
- On August 17, 2012, HECA was a bronze sponsor of the Kern Green Awards.
- HECA is a sponsor of the upcoming City of Buttonwillow Fall Farm Festival and the City of Buttonwillow School Parents Club 5K Run to be held on September 15, 2012. HECA will host an educational booth at the City of Buttonwillow Fall Festival to provide information and answer questions about the project from local residents.

DATED: August 31, 2012

Respectfully submitted,

/s/ Michael Carroll

Michael Carroll
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Counsel to Applicant

**STATE OF CALIFORNIA
ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION**

In the Matter of:)	Docket No. 08-AFC-08A
)	
REVISED APPLICATION FOR)	PROOF OF SERVICE
CERTIFICATION FOR THE HYDROGEN)	
ENERGY CALIFORNIA POWER PLANT)	(August 28, 2012)
PROJECT ("HECA"))	
_____)	

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HYDROGEN ENERGY CALIFORNIA PROJECT
CEC Docket No. 08-AFC-08A

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HYDROGEN ENERGY CALIFORNIA PROJECT
CEC Docket No. 08-AFC-08A

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HYDROGEN ENERGY CALIFORNIA PROJECT
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HYDROGEN ENERGY CALIFORNIA PROJECT
CEC Docket No. 08-AFC-08A

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DECLARATION OF SERVICE

I, Paul Kihm, declare that on August 29, 2012, I served and filed copies of the attached:

STATUS REPORT NO. 1

to all parties identified on the Proof of Service List above in the following manner:

California Energy Commission Docket Unit

☒ Transmission via electronic mail to:

CALIFORNIA ENERGY COMMISSION

Attn: DOCKET NO. 08-AFC-08A

1516 Ninth Street, MS-4

Sacramento, California 95814-5512

docket@energy.state.ca.us

For Service to All Other Parties

☒ Transmission via electronic mail to all email addresses on the Proof of Service list.

I declare under penalty of perjury that the foregoing is true and correct. Executed on August 29, 2012, at Costa Mesa, California.

/S/ Paul Kihm

Paul Kihm