

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

IN THE MATTER OF:

APPLICATION FOR CERTIFICATION FOR THE
CVP SENTINEL ENERGY PROJECT
BY THE CVP SENTINEL, L.L.C

DOCKET No. 07-AFC-3

NOTICE OF PUBLIC SITE VISIT AND INFORMATIONAL HEARING

On June 25, 2007, CVP Sentinel, LLC, (CVP Sentinel) submitted an Application for Certification (AFC) to the California Energy Commission to construct and operate a simple-cycle (peaking) power plant. The CVP Sentinel Project (Sentinel) is a proposed nominally rated 850 megawatt (MW) electrical generating facility that would encompass 37 acres of land situated within unincorporated Riverside County, California, adjacent to the Palm Springs northern city limits. The proposed project consists of eight natural gas-fired General Electric (GE) LMS100 combustion turbine generators (CTGs) operating in simple-cycle mode. The project will supply quick-start peaking capacity, energy, and ancillary services into the California Independent System Operator's (CAISO) Los Angeles Basin Local Capacity Requirement Area. The CAISO has identified this region as one needing additional peaking capacity to meet resource adequacy requirements and ensure grid reliability.

The California Energy Commission has exclusive jurisdiction to license this project and is considering the proposal under a twelve-month review process established by Public Resources Code section 25540.6.

PLEASE TAKE NOTICE that the Energy Commission has designated a Committee of two commissioners to conduct proceedings on the application. The Committee has scheduled a public Site Visit and Informational Hearing to discuss the proposed project as described below:

FRIDAY, OCTOBER 5, 2007
Site Visit begins at 12:15 p.m.
Public Informational Hearing begins at 1:45 p.m.

CARL MAY CENTER
11711 WEST DRIVE
DESERT HOT SPRINGS, CA

Wheelchair Accessible
(Map Attached)

DOCKET	
07-AFC-3	
DATE	SEP 14 2007
RECD.	SEP 14 2007

Prior to the Informational Hearing, members of the public are invited to join the Committee on a tour of the proposed site. The Applicant will provide transportation to the project site from the Carl May Center and back. For reservations, please contact the Energy Commission's Public Adviser's Office, at (916) 654-4489 or 1-800-822-6228 or e-mail at: [\[pao@energy.state.ca.us\]](mailto:pao@energy.state.ca.us). Please make your reservation on or before October 1, 2007, so that we can assure you a space.

Background

On June 25, 2007, the Energy Commission began review of the proposed Sentinel Project. The review process will take approximately twelve months. During the review period, the Energy Commission will determine whether the proposed project complies with applicable laws related to public health and safety, environmental impacts, and engineering requirements. The informational hearing scheduled by this Notice is sponsored by the Energy Commission to inform the public about the project and to invite public participation in the review process.

Project Description

The proposed project site is located approximately 1.3 miles east of State Route (SR) 62 (also referred to as Twenty-nine Palms Highway), 1.7 miles north of Interstate 10 (I-10), and 1.3 miles west of Indian Avenue. Powerline Roads North and South run along the south side of the property. Access to the site will be available from Dillon Road north onto the proposed access road to the project site. Access to Dillon Road is from the Dillon Road exit off SR 62 and from the Indian Avenue exit off I-10.

The main project features will consist of a 37-acre power plant site, a 14 acre construction laydown area, 3,250 feet of new transmission lines (in a configuration that follows property lines to the Devers substation), and 2.6 miles of new natural gas pipeline. The site is situated approximately 8 miles northwest of the center of Palm Springs and 4.5 miles west of the center of Desert Hot Springs.

The 37-acre proposed power plant site is currently vacant, with the exception of an unoccupied dwelling unit at the southeastern corner of the site. The surrounding area is primarily characterized by industrial use with extensive development of wind energy and transmission infrastructure. Southern California Edison's (SCE) Devers substation is approximately 700 feet to the west of the proposed project site and the 135 MW Indigo Energy Facility is approximately 1.8 miles to the southeast. The nearest current residence to the power plant site is approximately 330 feet to the east. CPV Sentinel has an option to acquire this property. According to the Applicant, the project site was selected to optimize nearby access to a natural gas fuel supply line and tie-in location to the SCE transmission system at the Devers substation, as well as to minimize environmental impacts.

The proposed power plant site is zoned W-2 (Controlled Development Area) and designated as PF (Public Facilities) in the Riverside County General Plan. Electrical power-generating facilities are permitted uses within this zoning district and General Plan designation.

Electricity generated by the proposed project will be delivered via a 3,250-foot new transmission line connecting the project switchyard to the Devers substation at the 220 kilovolt (kV) bus. It is currently anticipated that SCE will execute contracts with CPV Sentinel under which SCE will be responsible for final design, engineering, construction, operation, and maintenance of the new transmission line to the Devers substation. SCE would need to obtain a Certificate of Public Convenience and Necessity (CPCN) from the California Public Utilities Commission (CPUC) for the transmission line. The environmental review and permitting of the new transmission line are part of the Energy Commission proceeding.

Fuel will be supplied to the Sentinel project by a 2.6-mile long extension of a 24 inch-diameter natural gas line extending from the Indigo Energy Facility.

The proposed project will use a cooling tower for LMS100 intercooler and oil cooling. The Applicant is proposing that water for power plant operations will be provided by the Mission Springs Water District (MSWD). The AFC states that reclaimed water would be supplied by the MSWD's Horton Wastewater Treatment Plant (WWTP) located approximately five miles from the project site. Wastewater from the Horton WWTP would be treated to tertiary levels by a newly constructed tertiary treatment system funded by the MSWD. The expansion of the wastewater treatment plant is an independent project formerly planned by the MSWD and it will conduct its own environmental review of the expansion. The Applicant has proposed that reclaimed water will be sent to existing percolation ponds located adjacent to the Horton WWTP, where it will percolate into the underlying Coachella Valley Groundwater Basin (Basin) and be banked for later use by the proposed project. As stated in the AFC, the Applicant is proposing that the Horton WWTP would supply, on average, 1,500 acre-feet per year (AFY) of reclaimed water. Of this, the proposed project operations would use a maximum of 1,100 AFY. The project proposes to access its banked water supply via onsite or nearby wells that overlie the same Basin. The proposed project will also include installing a 3,200-foot long potable water line extension from a current municipal water line existing along Dillon Road. Potable water would be used for drinking, eyewash stations, showers, and sanitary needs.

The proposed project will use a zero liquid discharge (ZLD) system, comprised of membrane-based wastewater treatment processes (microfiltration and reverse osmosis) coupled with a crystallizer system. This process will result in zero liquid wastewater discharge from the power plant.

Assuming Sentinel receives a license from the Energy Commission, the Applicant has proposed that construction of the project would start in 2008. Pre-operational testing of the power plant could begin in 2010 and full commercial operation would be expected to begin that same year.

The engineering and environmental details of the proposed project are contained in the Application for Certification (AFC). Copies of the AFC are available at the local public agencies that are involved in the review process and at the following libraries: Riverside County Library System - Desert Hot Springs Library and Palm Springs Public Library.

Copies are also available at the Energy Commission's Library in Sacramento, the California State Library in Sacramento, and at public libraries in Eureka, Fresno, San Francisco, Los Angeles, and San Diego. In addition, copies will be distributed to those public agencies that would normally have jurisdiction except for the Energy Commission's exclusive authority to certify sites and related facilities.

Purpose of the Informational Hearing

The power plant licensing process, which incorporates requirements equivalent to the environmental impact report process of the California Environmental Quality Act, considers all relevant engineering and environmental aspects of the proposed project. The licensing review provides a public forum allowing the Applicant, Commission staff, governmental agencies, adjacent landowners, and members of the general public to discuss the advantages and disadvantages of the project, and to propose changes, mitigation measures, and alternatives as necessary.

The Informational Hearing scheduled in this Notice provides an opportunity for members of the community in the project vicinity to obtain information, to offer comments, and to view the project site. The Applicant will explain plans for developing the project and the related facilities. Energy Commission staff will explain the administrative licensing process and Staff's role in reviewing the application.

Proposed Schedule and Issue Identification Report

To assist participants in understanding the project, Applicant and Staff shall each file a proposed schedule for conducting the certification process, and Staff shall file an Issue Identification Report ("Report") summarizing any potential issues. The proposed schedules and Staff's Report shall be filed no later than **3 p.m., September 27, 2007**. At the Informational Hearing, the parties shall indicate whether anticipated data responses would resolve issues of concern which may be raised in Staff's Report.

Copies of these documents will be posted on the Energy Commission's Internet web page at: [<http://www.energy.ca.gov/sitingcases/sentinel/index.html>].

Public Adviser and Public Participation

Members of the public may participate in all aspects of the review process in a variety of ways. The Commission's Public Adviser's Office is available to assist the public in participating in the exemption process. This office may be reached at 916-654-4489 or 800-822-6228 or email: [pao@energy.state.ca.us].

If you have a disability and need assistance to participate in this event, contact Lourdes Quiroz well in advance of the hearing at 916-654-5146 or e-mail: [lquiroz@energy.state.ca.us].

Information

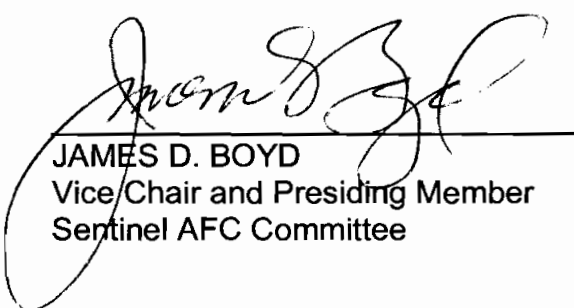
Technical questions concerning the project should be addressed to Bill Pfanner, Energy Commission Project Manager, at (916) 654-4206, or by e-mail at [bpfanner@energy.state.ca.us].

Questions of a legal or procedural nature should be directed to Kenneth Celli, the Hearing Officer, at (916) 651-8893, or e-mail: [kcelli@energy.state.ca.us].


Media inquiries should be directed to Claudia Chandler, Assistant Executive Director for Media and Public Communications at (916) 654-4989 or e-mail at: [mediaoffice@energy.state.ca.us].

Information concerning the status of the project, as well as notices and other relevant documents, may be viewed on the Energy Commission's Internet web page at: [<http://www.energy.ca.gov/sitingcases/sentinel>].

Dated September 14, 2007, at Sacramento, California.

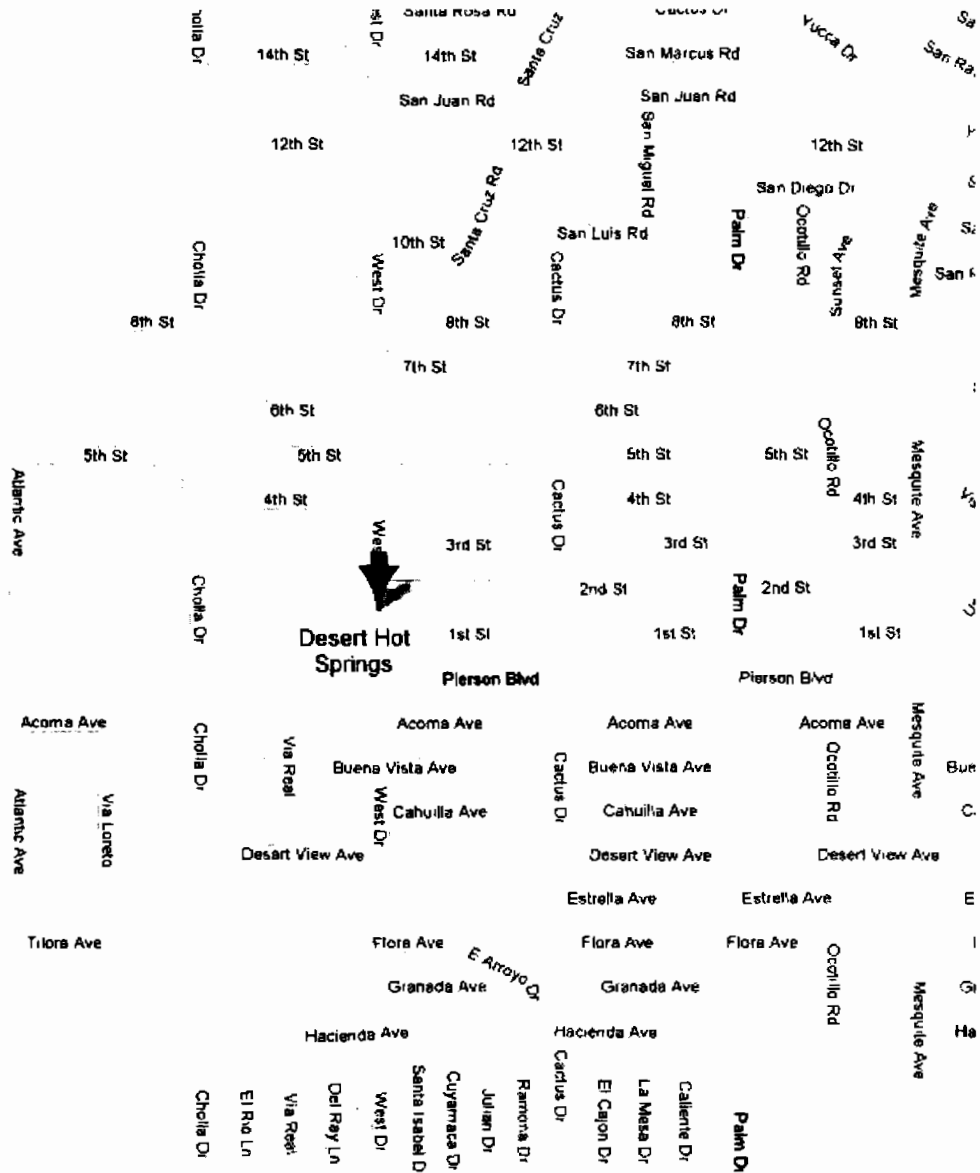


JAMES D. BOYD
Vice Chair and Presiding Member
Sentinel AFC Committee



JACKALYNE PFANNENSTIEL
Chairman and Associate Member
Sentinel AFC Committee

Proof of Service List (Revised on N/A)
filed with Original Document. Mailed from
Sacramento on 9/14/07.



FRIDAY, OCTOBER 5, 2007
Site Visit begins at 12:15 p.m.
Public Informational Hearing begins at 1:45 p.m.

CITY OF DESERT HOT SPRINGS
CARL MAY CENTER
11711 WEST DRIVE
DESERT HOT SPRINGS, CA

Wheelchair Accessible

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

APPLICATION FOR CERTIFICATION
FOR THE **CPV SENTINEL ENERGY
PROJECT**
Power Plant Licensing Case

Docket No. 07-AFC-3
PROOF OF SERVICE
(Established 8/29/07)

INSTRUCTIONS: All parties shall 1) send an original signed document plus 12 copies OR 2) mail one original signed copy AND e-mail the document to the web address below, AND 3) all parties shall also send a printed OR electronic copy of the documents that shall include a proof of service declaration to each of the individuals on the proof of service:

CALIFORNIA ENERGY COMMISSION
Attn: Docket No. 07-AFC-3
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.state.ca.us

APPLICANT

CPV Sentinel, LLC
Mark O. Turner, Director
Competitive Power Ventures, Inc.
55 2nd Street, Suite 525
San Francisco, CA 94105
mturner@cpv.com

APPLICANT'S CONSULTANTS

Dale Shileikis - URS Corporation
221 Main Street, Suite 600
San Francisco, CA 94105-1916
dale_shileikis@urscorp.com

COUNSEL FOR APPLICANT

Michael J. Carroll
LATHAM & WATKINS LLP
650 Town Center Drive, 20th Floor
Costa Mesa, CA 92626-1925
michael.carroll@lw.com

INTERESTED AGENCIES

Larry Tobias
Ca. Independent System Operator
151 Blue Ravine Road
Folsom, CA 95630
LTobias@caiso.com

Electricity Oversight Board
770 L Street, Suite 1250
Sacramento, CA 95814
esaltmarsh@eob.ca.gov

INTERVENORS

None to date

ENERGY COMMISSION

JAMES D. BOYD
Presiding Member
jboyd@energy.state.ca.us

JACKALYNE PFANNENSTIEL
Associate Committee Member
jpfannen@energy.state.ca.us

Kenneth Celli, Hearing Officer
kcelli@energy.state.ca.us

Bill Pfanner, Project Manager
Bpfanner@energy.state.ca.us

Caryn Holmes, Staff Counsel
cholmes@energy.state.ca.us

Public Adviser's Office
pao@energy.state.ca.us


DECLARATION OF SERVICE

I, Maggie Read, declare that on September 14, 2007, I deposited copies of the attached Notice of Public Information Hearing and Site Visit in the United States mail at Sacramento, California with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

OR

Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the Proof of Service list above.

I declare under penalty of perjury that the foregoing is true and correct.



Hearing Advisors Office