

## CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET  
SACRAMENTO, CA 95814-5512

August 11, 2008

TO: AGENCY DISTRIBUTION LIST

**REQUEST FOR AGENCY COMMENTS ON THE PRELIMINARY STAFF  
ASSESSMENT FOR THE CPV SENTINEL ENERGY PROJECT (07-AFC-3)**

 <b>DOCKET</b> <b>07-AFC-3</b>	
<b>DATE</b>	AUG 11 2008
<b>RECD.</b>	AUG 13 2008

The enclosed Preliminary Staff Assessment (PSA) contains the California Energy Commission staff's initial engineering and environmental evaluation of the CPV Sentinel Energy Project (CPV Sentinel) Application for Certification (07-AFC-3). With the exception of Soil and Water Resources, staff finds that the CPV Sentinel project would comply with all applicable laws, ordinances, regulations and standards. With the exception of Biological Resources and Soil and Water Resources, staff's preliminary conclusions are also that significant adverse direct, indirect or cumulative impacts are not likely to occur. The issues associated with the two technical areas in which staff is continuing its analysis, are summarized as follows:

- **Biology** – Staff has tentatively determined that operational-related impacts due to the use of groundwater in the Mission Creek Groundwater Subbasin may have significant direct and cumulative impacts on the mesquite hummocks vegetation community in the Willow Hole Conservation Area and the special-status species it supports. Staff is currently investigating whether this impact can be mitigated to a less than significant level. These mitigation measures could include a particular groundwater recharge schedule, participation by the applicant in a USFWS-sponsored deep irrigation system for the Willow Hole Conservation Area, and/or an alternative water supply.
- **Soil and Water** – The completion of staff's analysis of the proposed water supply plan is subject to obtaining and evaluating documentation indicating that the fresh water planned for importation and recharge into the Mission Creek Subbasin identified in the applicant's Implementation Plan is reasonably available and would be a reliable supply over the 30-year life of the project, and has been subject to appropriate California Environmental Quality Act review. Staff is also further considering the appropriate thresholds of significance for evaluating the applicant's water supply plan in light of local, regional and statewide water supply and water quality issues, including regional overdraft conditions.

On June 25, 2007, CPV Sentinel, LLC submitted an Application for Certification (AFC) to the California Energy Commission to construct and operate a simple-cycle (peaking) power plant. The CPV Sentinel Energy project (CPV 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 (California ISO) Los Angeles Basin Local Capacity Requirement Area. The California ISO has identified this region as one needing additional peaking capacity to meet resource adequacy requirements and ensure grid reliability.

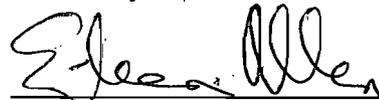
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We request that you review the enclosed PSA for the areas for which your agency would normally be responsible but for the Energy Commission's permitting authority. Please provide any written comments to John Kessler, Siting Project Manager by Friday, August 29, 2008. You may also present your comments at a public workshop on the PSA that will be conducted on a date to be determined, and which will be noticed separately. Comments received will be used for preparing the Final Staff Assessment, which will be staff's testimony in evidentiary hearings.

If you desire information on technical or project schedule issues, or how to participate in the Energy Commission's review of the project, your questions should be directed to John Kessler at (916) 654-4679 or at [jkessler@energy.state.ca.us](mailto:jkessler@energy.state.ca.us). The status of the project, an electronic copy of the AFC, copies of notices, and other relevant documents are also available on the Energy Commission's web site at <http://www.energy.ca.gov/sitingcases/sentinel/index.html>.

Sincerely,



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EILEEN ALLEN

Siting and Compliance Office Manager

Enclosure  
Mailed to list:  
7242 - Agency