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File No. 030137-0012

LATHAM & WATKINS LLP

July 25, 2008

DOCKET 07-AFC-3
DATE JUL 25 2008
RECD. JUL 31 2008

VIA FEDEX

CALIFORNIA ENERGY COMMISSION
Attn: Docket No. 07-AFC-3
1516 Ninth Street, MS-4
Sacramento, California 95814-5512

Re: CPV Sentinel Energy Project: Docket No. 07-AFC-3

Dear Sir/Madam:

Pursuant to California Code of Regulations, title 20, sections 1209, 1209.5, and 1210, enclosed herewith for filing please find Applicant's Proposed Revised Schedule.

Please note that the enclosed submittal was also filed today via electronic mail to your attention.

Very truly yours,


Susan V. Low
Secretary to
Michael J. Carroll
of Latham & Watkins LLP

Enclosure

cc: CEC 07-AFC-3 Proof of Service List (w/encl. via e-mail)
Michael J. Carroll, Esq. (w/ encl.)

Michael J. Carroll
LATHAM & WATKINS LLP
650 Town Center Drive, Suite 2000
Costa Mesa, CA 92626
(714) 540-1235
Counsel to Applicant

STATE OF CALIFORNIA
ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

In the Matter of:) Docket No. 07-AFC-3
)
Application for Certification,)
for the CPV SENTINEL ENERGY PROJECT) APPLICANT'S PROPOSED REVISED
by CPV Sentinel, LLC) SCHEDULE
)
)
)
)
)

As directed in the Notice of Status Conference dated July 9, 2008, Applicant hereby provides its proposed revised schedule.

Background

In its recent staff reports, Applicant has expressed grave concerns regarding the extent to which staff review of the project is behind schedule. Relative to the Scheduling Order issued by the Committee on October 15, 2007, project review is now almost five months behind schedule. Applicant understands that modification of the proposed water supply plan for the project has necessarily resulted in some delay in staff's review of the project. However, Applicant is deeply concerned about the extent of the delay in issuance of a Preliminary Staff Assessment ("PSA"). The revised water supply plan was docketed on February 19, 2008 – over five months ago. Under the CEC's standard twelve-month schedule, five months from data adequacy is the time period allotted for production of an entire PSA on a new Application for Certification. Thus, five months is an unduly long period of time for review of the project's proposed water supply plan.

Applicant understands that issuance of the PSA is imminent, and appreciates staff's recent efforts in this regard. Looking forward to the remainder of the CEC proceedings, for the reasons set forth below, it is imperative that every effort be made to make up for time that has been lost.

Applicant's Obligations Under Its Power Purchase Agreement

As the Committee is aware, Applicant has been awarded two power purchase agreements ("PPAs") from Southern California Edison ("SCE") for the full output of the project. The first PPA, which is for five LMS 100 MW units, requires the project to be commercially available by August, 2010. In order to meet this schedule, Applicant must release construction of the first five units of the project by no later than February, 2009. In order to release construction of the first five units by February, 2009, Applicant must have its final CEC certification by the end of the year. Applicant's failure to meet this schedule will mean that SCE will not have approximately 500 MWs of peaking capacity for the 2010 summer peak season – capacity that it has told the California Public Utilities Commission is critically necessary to meet system reliability for that season, and Applicant will itself be subject to severe financial penalties which could jeopardize the viability of the project altogether.

Proposed Schedule

In light of the foregoing, and in recognition of the fact that the PSA has been painstakingly prepared, Applicant recommends the following schedule for the remainder of the CEC proceedings:

Preliminary Staff Assessment:	July 31
PSA Workshop:	August 15
Final Determination of Compliance:	August 29
Final Staff Assessment:	September 15
Evidentiary Hearings:	October 1
Presiding Member's Proposed Decision:	November 15
PMPD Hearing:	December 1
Final Decision:	December 17

DATED: July 25, 2008

Respectfully submitted,



Michael J. Carroll
of LATHAM & WATKINS LLP
Counsel to Applicant

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

In the Matter of:)	Docket No. 07-AFC-3
)	
Application for Certification, for the CPV SENTINEL ENERGY PROJECT)	ELECTRONIC PROOF OF SERVICE LIST
)	
)	[July 25, 2008]
_____)	

Transmission via electronic mail and by depositing one original signed document with FedEx overnight mail delivery service at Costa Mesa, California with delivery fees thereon fully prepaid and addressed to the following:

DOCKET UNIT

CALIFORNIA ENERGY COMMISSION

Attn: DOCKET NO. 07-AFC-3
1516 Ninth Street, MS-4
Sacramento, California 95814-5512
docket@energy.state.ca.us

Transmission via electronic mail addressed to the following:

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CPV SENTINEL ENERGY PROJECT
CEC Docket No. 07-AFC-3

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CPV SENTINEL ENERGY PROJECT
CEC Docket No. 07-AFC-3

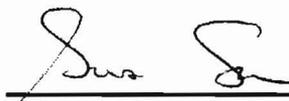
DECLARATION OF SERVICE

I, Susan V. Low, declare that on July 25, 2008, I deposited a copy of the attached:

APPLICANT'S PROPOSED REVISED SCHEDULE

with FedEx overnight mail delivery service at Costa Mesa, California with delivery fees thereon fully prepaid and addressed to the California Energy Commission. I further declare that 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. Executed on July 25, 2008, at Costa Mesa, California.



Susan V. Low

Docket Optical System - FW: Docket No. 07-AFC-3

From: <SUSAN.LOW@LW.com>
To: <docket@energy.state.ca.us>
Date: 7/29/2008 9:17 AM
Subject: FW: Docket No. 07-AFC-3
CC: <mturner@cpv.com>, <dale_shileikis@urscorp.com>, <Kathy_Rushmore@URSCorp.com>, <LTobias@caiso.com>, <mnazemil@aqmd.gov>, <jboyd@energy.state.ca.us>, <jpfannen@energy.state.ca.us>, <kcelli@energy.state.ca.us>, <bpfanner@energy.state.ca.us>, <cholmes@energy.state.ca.us>, <pao@energy.state.ca.us>, <MICHAEL.CARROLL@LW.com>, <Marc.Campopiano@lw.com>, <PAUL.KIHM@LW.com>
Attachments: revis001.PDF; lette001.PDF

Some of you have e-mailed me that you were unable to open the letter and that I should re-send it. As I was out of the office yesterday, I am resending it now. Hopefully, you will have no problem opening any of the attached documents. Thank you.

Pursuant to California Code of Regulations, Title 20, Sections 1209, 1209.5 and 1210, attached please find a PDF copy of Applicant's Proposed Revised Schedule.

<<revis001.PDF>> <<lette001.PDF>>

Susan Low
Legal Secretary

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 For more information please go to <http://www.lw.com/docs/irs.pdf>

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