CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET SACRAMENTO, CA 95814-5512 www.energy.ca.gov

March 27, 2008

DOCKET 07-AFC-3 DATE MAR 2 7 2008 RECD. HAR 2 7 2008

Mr. Lloyd Queen 9735 Valencia Desert Hot Springs, CA 92240

RE: Letters sent to Governor Schwarzenegger, dated December 10, 2007 and January 27, 2008

Dear Mr. Queen:

Thank you for taking the time to provide comments regarding the proposed CPV Sentinel Energy Project. The California Energy Commission's facility certification process carefully examines public health and safety, environmental impacts, and engineering aspects of proposed power plants and all related facilities, such as electric transmission lines and natural gas and water pipelines. This facility certification process is functionally equivalent to the Environmental Impact Report process under the California Environmental Quality Act (CEQA). During the licensing, the Energy Commission is the lead agency and has responsibility for the preparation of environmental documents. As part of our review process, the Energy Commission works closely with local, state and federal agencies to ensure the project's compliance with all applicable laws, ordinances, regulations and standards (LORS). Staff also examines the design, construction, operation, and closure of the proposed facility in relation to applicable LORS.

The state has adopted a policy that discourages the use of fresh water for cooling power plants. The Energy Commission's 2003 Integrated Energy Policy Report (IEPR) restates this policy as follows: "the Energy Commission will approve the use of fresh water for cooling purposes by power plants which it licenses only where alternative cooling technologies are shown to be 'environmentally undesirable' or 'economically unsound." The Energy Commission staff is currently in the fact-finding stage of our process. Staff shares your concern and will be assessing whether the project would cause a significant adverse impact to water resources in the region and whether the project complies with the policy in the Energy Commission's 2003 IEPR.

As of today, Energy Commission staff has sent two rounds of detailed requests for information to the CPV Sentinel project applicant. If you would like to review staff's data requests [along with the original Application for Certification (AFC)] you can find them on our website at: http://www.energy.ca.gov/sitingcases/sentinel/index.html. The website also contains staff's periodic status reports to the decision makers, the Energy Commissioners, on the project.

Our licensing process allows for and encourages public participation throughout the process of reviewing the AFC and up to the Energy Commission's final decision. In the coming months, Energy Commission staff will be preparing two iterations of its detailed

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analysis, the Preliminary Staff Assessment (PSA) and the Final Staff Assessment (FSA). We will also be conducting public workshops to discuss our analytical approach and solicit input from the public and governmental agencies. The public will receive at least ten days in advance notice of the workshops. I have added your name and address to our mailing list so you will receive via U.S. mail notices of future workshops and when the PSA and FSA are available for review. You can find notices of our workshops on the website (noted above) as well. You may also subscribe to our electronic listserver and receive automatic email notification of all documents that are posted on the website for the proposed project along with any notices of workshops and hearings for the project. You can access the listserver at the same website address listed above.

If you desire information on participating in the Energy Commission's review of the proposed project, please contact the Energy Commission's Public Adviser's Office at (916) 654-4489 or toll free in California, at (800) 822-6228. If you need any additional information or if you have any other questions, please feel free to contact Bill Pfanner, the Energy Commission's Project Manager for the CPV Sentinel project at (916) 654-4206, or by email at bpfanner@energy.state.ca.us.

Sincerely,

MELISSA JONES

Executive Director