

CALIFORNIA ENERGY COMMISSION

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

DOCKET
07-AFC-3



DATE 10/22/08

RECD. 10/22/08

NOTICE OF AVAILABILITY
FINAL STAFF ASSESSMENT
FOR THE CPV SENTINEL ENERGY PROJECT
APPLICATION FOR CERTIFICATION (07-AFC-3)

This notice is to inform you of the availability of the Final Staff Assessment (FSA) for the CPV Sentinel Energy Project (CPV Sentinel) Application for Certification (07-AFC-3). The FSA was published on October 10, 2008.

With the exception of Air Quality which is currently undetermined, Energy Commission staff believes that as currently proposed, including the applicant's and the staff's proposed mitigation measures and the staff's proposed conditions of certification, the CPV Sentinel project would comply with all applicable laws, ordinances, regulations, and standards (LORS). Staff's preliminary conclusions (with the exception of Air Quality) are that significant adverse direct, indirect or cumulative impacts are not likely to occur in any of the other technical areas. The issues that staff has identified as either being complex or undetermined, are summarized as follows:

Air Quality

A significant development occurred since the time that staff prepared the Preliminary Staff Assessment affecting the applicant's plans for mitigating project air emissions. The applicant can no longer purchase emission reduction credits from the South Coast Air Quality Management District's Priority Reserve because of a recent ruling from the Superior Court of Los Angeles County. In response to a lawsuit filed by the Natural Resources Defense Council and other groups, the court decided to prevent the District from making emission reduction credits in the Priority Reserve available to power plants without conducting more analysis under the California Environmental Quality Act (CEQA). Therefore, staff cannot complete its Air Quality analysis to determine whether the project would avoid significant adverse impacts and would conform to LORS with respect to Air Quality. Staff expects to prepare and file supplemental analysis and testimony for Air Quality at such time as the applicant identifies its proposed emission reduction credits.

Soil and Water

With respect to the potential for significant impacts associated with the project's extraction of groundwater, staff believes the applicant's proposal to import new water into the Mission Creek Groundwater Sub-basin (MCGS) for recharge at 108% of the project's use would avoid contributing to the depletion of groundwater in a basin that is already in overdraft. In addition, to ensure that there are no temporary effects on other groundwater users in the basin, staff has proposed a number of conditions of certification that require recharge activities to occur on a schedule that results in no change in groundwater levels at residential wells and the 330-acre Willow Hole Conservation Area, which hosts several state and federally-protected plant and animal species.

With respect to the project's conformance with LORS including the Energy Commission's 2003 IEPR policy on water use for power plant cooling, the CPV Sentinel project as proposed would accomplish conservation of a greater quantity of water than the project would use (approximately 150% of the project's maximum water use, and 300% of the project's average water use). Although staff remains concerned that water conserved under the Water Supply Plan is not of a higher quality than the project's source of supply, staff notes that the Water Supply Plan would result in conservation of fresh water far in excess of that conserved in two previous siting cases, the Panoche Energy Center and Starwood-Midway projects, which would conserve 109% and 100+% of higher quality water respectively, compared to those projects' maximum annual water use. Given that the Energy Commission has found that conservation of a higher quantity and quality of water can be used to support a finding of compliance with the policy, staff concluded that it is reasonable to find that conservation of a significantly greater quantity of water than used by the project can also support a finding of conformity with the policy.

The FSA contains the Energy Commission staff's environmental and engineering evaluation of the CPV Sentinel project and will serve as staff's testimony during evidentiary hearings. The Energy Commission Committee assigned to the CPV Sentinel Energy Project proceedings will consider and weigh the testimony, comments, or recommendations of all interested parties, including Energy Commission staff, the applicant, interveners, public, and other local, state, and federal agencies, before issuing the Presiding Member's Proposed Decision (PMPD) for consideration by the full Energy Commission. The public, interveners, and local, state and federal agencies are encouraged to participate in these hearings. The Energy Commission has scheduled the first hearing for 9:00 AM on November 3, 2008 in Hearing Room A at the California Energy Commission in Sacramento as announced in a separate notice.

The FSA is available for review at the following local libraries:

Riverside County Library System
Desert Hot Springs Library
11691 West Drive
Desert Hot Springs, CA 92240

Palm Springs Public Library
300 South Sunrise Way
Palm Springs, CA 92262

The FSA is also available on the Internet (see below). However, if you would like a paper copy or CD of the FSA, please fill out the enclosed form and return it to California

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Energy Commission, Attention: Maria Sergoyan, Siting Project Secretary, at (916) 651-9410, or by e-mail at msergoya@energy.state.ca.us.

If you desire information on how to participate in the Energy Commission's review of the project, please contact the Energy Commission Public Adviser, Elena Miller, at (916) 654-4489 or toll free in California at (800) 822-6228. Technical or project schedule questions should be directed to John Kessler, Energy Commission Project Manager, at (916) 654-4679 or at jkessler@energy.state.ca.us. The status of the project, an electronic copy of the Application for Certification, the FSA, copies of notices, and other relevant documents are also available on the Energy Commission's web site at www.energy.ca.gov/siting_cases/sentinel/index.html.

If you need reasonable accommodation in terms of assistance, please contact Lourdes Quiroz of the Administrative Services Division at (916) 654-5146, or e-mail Lourdes at lquiroz@energy.state.ca.us. News media inquiries should be directed to Assistant Executive Director, Susanne Garfield, at (916) 654-4989.

Sincerely,

Original Signature in Dockets

EILEEN ALLEN

Siting and Compliance Office Manager

Date

Enclosure

Mailed to lists:

7240 - General

7241 - Property Owners

Please send me a paper copy / CD (circle one) of the California Energy Commission staff's Final Staff Assessment for the CPV Sentinel Energy Project (CPV Sentinel) Application for Certification (07-AFC-3).

Name:

Address:

City/State/Zip:

FOLD HERE

California Energy Commission
Attention: Maria Sergoyan
1516 Ninth Street, MS-15
Sacramento, CA 95814-5512

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