CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET SACRAMENTO, CA 95814-5512 DOCKET
06-AFC-10

DATE OCT 0 5 2007

RECD. OCT 1 2 2007



October 5, 2007

TO: AGENCY DISTRIBUTION LIST

REQUEST FOR AGENCY COMMENTS ON THE FINAL STAFF ASSESSMENT FOR THE STARWOOD POWER PROJECT (06-AFC-10)

On November 17, 2006, Starwood Power-Midway, LLC, submitted an Application for Certification (AFC) to construct and operate a nominal 120 megawatt (MW) natural gas-fired simple-cycle (peaking) power plant, the Starwood Power Project (SPP), in an unincorporated area of western Fresno County at 43627 West Panoche Road.

In summary this Final Staff Assessment (FSA) finds that:

- The project is in conformance with all Laws, Ordinances, Regulations and Standards (LORS) with the exception of land use consistency with the Fresno County General Plan and zoning.
- With the proposed conditions of certification included in the various technical areas, the project's construction and operation impacts can be mitigated to a level less than significant.

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications for construction and operation of thermal electric power plants, 50 MW and greater, proposed for construction in California. The 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. The Energy Commission is the lead agency under the California Environmental Quality Act (CEQA), but produces several environmental and decision documents rather than an Environmental Impact Report.

The FSA contains the California Energy Commission staff's final environmental and engineering evaluation of the Panoche Energy Center and will serve as staff's testimony during evidentiary hearings.

The Energy Commission Committee assigned to the SPP proceedings will consider and weigh the testimony or comments or recommendations of all interested parties, including Energy Commission staff, the applicant, intervenors, 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, intervenors, local, state and federal agencies are encouraged to participate in these hearings. The Energy Commission will issue notices at least ten days prior to any scheduled hearings. If you are not currently receiving these notices and want to be placed on the mailing list, please contact Terry Piotrowski, Project Secretary, at (916) 653-4677 or e-mail your request to Tpiotrow@energy.state.ca.us.

October 5, 2007 Page 2

AGENCY PARTICIPATION

Your agency is encouraged to participate and assist in ensuring that all technical areas of interest to your agency have been adequately addressed. We request that you review the enclosed FSA for the areas for which your agency would normally be responsible except for the Energy Commission's permitting authority. Please provide any written comments to Che McFarlin, Project Manager, by <u>October 26, 2007</u>. Staff will address any information gathered and comments received on the FSA as appropriate in supplemental testimony prior to evidentiary hearings. You may also present your comments at the upcoming hearings.

If you have questions or would like additional information on how to participate in the Energy Commission's review of the project, please contact Che McFarlin at (916) 651-0965, or by e-mail at cmcfarli@energy.state.ca.us. The FSA, information on the status of the project, copies of notices, and other relevant documents are available on the Energy Commission's Internet web site at: http://www.energy.ca.gov/sitingcases/starwood.

Sincerely

Roger E. Johnson

Siting and Compliance Office Manager

Enclosure