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October 3, 2011

Melissa A. Foster Direct (916) 319-4673 mafoster@stoel.com

VIA EMAIL AND HAND DELIVERY

Hearing Officer Rauol Renaud California Energy Commission 1516 Ninth Street Sacramento, CA 95814 DOCKET

11-AFC-1

DATE OCT 03 2011

RECD. OCT 03 2011

Re: Water Enhancement and Applicant's Proposed Revised Schedule (11-AFC-1)

Dear Hearing Officer Renaud:

As a follow-up to our September 26, 2011 telephone conversation, Applicant Pio Pico Energy Center LLC ("Applicant") intends to submit a Water Enhancement to the California Energy Commission on or about October 28, 2011. Specifically, Applicant proposes an enhancement to the Pio Pico Energy Center ("PPEC") Application for Certification ("AFC") that further reduces the projected amount of process water needed for PPEC to operate, the amount of wastewater that PPEC will produce, and the method of wastewater disposal. This enhancement is based on the addition of wastewater treatment equipment to the project, which will allow more water to be recycled back to the process storage tank. Moreover, the wastewater discharge volume will be significantly reduced, thereby allowing it be trucked offsite for disposal in lieu of discharging to the local sewer system.

Applicant advised Eric Solorio, CEC Project Manager, about the forthcoming Water Enhancement. Mr. Solorio advised that the filing of the enhancement document will delay the PSA approximately seven weeks, to December 2, 2011.

Applicant also recently learned that in order for the San Diego Air Pollution Control District ("District") to issue a Preliminary Determination of Compliance ("PDOC") for the PPEC, certain compliance demonstrations will need to be further refined. Specifically, the refinement will require the District to obtain, process, and approve the meteorological data for calendar years 2009 and 2010, after which time Applicant's consultant, Sierra Research, will complete additional modeling. Sierra Research has indicated that the data should be available within the next few weeks. Based on the foregoing, Applicant anticipates that the PDOC will be issued



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during the first week of November 2011. Applicant is working closely with the District to refine the compliance demonstration.

In light of the foregoing, and pursuant to your request, Applicant has provided herewith a proposed revised schedule for you to present to the Committee.

If you have any questions regarding this correspondence or the proposed revised PPEC AFC schedule, please do not hesitate to contact me at (916) 319-4673.

Respectfully submitted,

Melissa A. Foster

MAF:kjh Enclosure

cc: Proof of Service List

PIO PICO ENERGY CENTER LLC'S APPLICANT'S PROPOSED REVISED SCHEDULE

Item	Activity	Calendar Day
1	Application for Certification determined to be Data Adequate at Commission Business Meeting	April 20, 2011
2	Staff files Issue Identification Report	May 6, 2011
3	Informational Hearing and Site Visit	May 16, 2011
4	Staff files 1st Round Data Requests	May 25, 2011
5	Applicant files Data Responses (round 1)	July 15, 2011
6	Data response and issue resolution workshop	July 29, 2011
7	Staff files Data Requests 72 and 73	September 30, 2011
8	Applicant files Data Responses to Data Requests 72 and 73	October 31, 2011
9	SDAPCD issues Preliminary Determination of Compliance (PDOC)	November 3, 2011
10	Preliminary Staff Assessment (PSA) filed	December 2, 2011
11	SDAPCD issues Final Determination of Compliance (FDOC)	December 21, 2011
11	Preliminary Staff Assessment workshop	December 22, 2011
12	Last day to file Public Comments on PSA	January 6, 2012
13	Final Staff Assessment filed	January 31, 2012
14	Prehearing Conference*	TBD
15	Evidentiary hearings*	TBD
16	Committee files Presiding Member's Proposed Decision*	TBD
17	Hearing on the PMPD*	TBD
18	Committee files errata or revised PMPD (if necessary)*	TBD
19	Commission issues final Decision	TBD

^{*}Items 14 through 19 will be scheduled by the Committee.

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA 1516 NINTH STREET, SACRAMENTO, CA 95814 1-800-822-6228 — www.energy.ca.gov

APPLICATION FOR CERTIFICATION
FOR THE PIO PICO ENERGY CENTER, LLC

Docket No. 11-AFC-1 PROOF OF SERVICE (Revised 5/15/11)

Pio Pico Energy Center, LLC

Letter to Rauol Renaud, Hearing Officer, California Energy Commission, dated October 3, 2011 Water Enhancement and Applicant's Proposed Revised Schedule

APPLICANT

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DECLARATION OF SERVICE

I, Judith M. Warmuth, declare that on October 3, 2011, I deposited copies of the aforementioned document and, if applicable, a disc containing the aforementioned document in the United States mail at 500 Capitol Mall, Suite 1600, Sacramento, California 95814, with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

AND/OR

Transmission via electronic mail, personal delivery and first class U.S. mail were 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.

Judith M. Warmuth