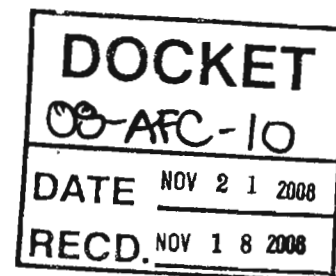


CALIFORNIA ENERGY COMMISSION

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

November 21, 2008

Ms. Kerry Sullivan, Director
San Joaquin County Community Development Department
Planning Division
1810 East Hazelton Avenue
Stockton, CA 95205

RE: Lodi Energy Center (08-AFC-10)

Dear Ms. Sullivan:

On September 10, 2008, Northern California Power Agency (Applicant) submitted an Application for Certification (AFC) to the California Energy Commission to construct, own, and operate the Lodi Energy Center (LEC), a 255-megawatt (MW) combined-cycle electrical generating facility in the city of Lodi. The proposed project would be located on Assessor's Parcel Number 055-130-16, between the city of Lodi's White Slough Water Pollution Control Facility (WPCF) and the 49-MW NCPA Combustion Turbine Project #2 (STIG plant); the San Joaquin County Mosquito and Vector Control facility is to the south. The gas pipeline that would service the project would be located in an area zoned General Agriculture by San Joaquin County. On November 20, 2008, the AFC was accepted as complete.

Energy Commission Licensing Process

The Energy Commission has the exclusive authority to license all new thermal power plants and additions, 50 MW or greater in the state (Pub. Resources Code, §§ 25110, 25120, and 25500). The Energy Commission's license takes the place of other state, regional, and local permits (e.g., conditional use permit and variance), and other entitlements that would otherwise be required. 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 that would serve the project. The Energy Commission is the lead agency under the California Environmental Quality Act (CEQA) for all AFCs and has a certified regulatory program under CEQA.

As part of the licensing process, the Energy Commission must determine whether a proposed facility complies with all applicable state, regional, and local laws, ordinances, regulations, and standards (LORS) (Pub. Resources Code, § 25523(d)(1)). The Energy Commission must either find that a project conforms to all applicable LORS or make specific findings that a project is needed for public convenience and necessity even where the project is not in conformity with all applicable LORS (Pub. Resources Code, § 25525). For the Energy Commission to determine whether a proposed power plant project would comply with applicable LORS we seek out and welcome input from other state, regional, and local agencies.

Ms. Sullivan
November 21, 2008
Page 2

We are interested in working with you and your staff to understand the county's position related to land use, the Williamson Act, and any other aspects of the project that may be of concern to your agency (Title 20, California Code of Regulations section 1714.5). We would like to incorporate the county's input and address any concerns it may have in our Preliminary Staff Assessment (PSA). We expect to release the PSA for public review and comment early next year.

Land Use

The gas pipeline for the project would be located in an area zoned General Agriculture by San Joaquin County. The AFC states that minor utility services are a permitted use in the General Agriculture zone and major utility uses are permitted subject to site approval in the General Agriculture zone. The AFC further states that the proposed gas pipeline would cross seven parcels that are under Williamson Act contracts and Farmland Security Zones. The parcels affected by the gas line are Assessor's Parcel Numbers (APN) 055-180-06, 055-190-02, 055-190-03, 055-220-05, 055-220-35, 055-220-39, and 055-220-40.

Specifically, we would like to know whether the county considers the gas pipeline a minor or major utility use and what conditions or approvals (if any) the county would place on the project, were it the permitting agency. In addition, we would like to know whether there is any section in the county's general plan or Title 9 that would prohibit or allow gas pipelines on parcels in the Williamson Act.

We request that San Joaquin County provide a letter by December 22, 2008 addressing the land use and Williamson Act issues noted above. In your review of the AFC, if you have any other issues or concerns, or need additional time to respond, please let us know. Please contact Paula David, Community Resources Unit Supervisor, by phone at (916) 654-4228 or by email at pdavid@energy.state.ca.us should you have any questions or need additional time.

Sincerely,



Dale Edwards, Manager
Environmental Protection Office
Siting, Transmission and Environmental
Protection Division

cc: Docket (08-AFC-10)
Proof of Service List