

Memorandum

Date: March 5, 2009
Telephone: (916) 654-4894

To: Chairman Karen Douglas, Presiding Member
Vice Chairman James D. Byron, Associate Member
Hearing Officer, Ken Celli

DOCKET	
08-AFC-10	
DATE	MAR 05 2009
RECD.	MAR 05 2009

From: California Energy Commission – Rod Jones
1516 Ninth Street
Sacramento, CA 95814-5512
Project Manager

Subject: **LODI ENERGY CENTER PROJECT (08-AFC-10) STATUS REPORT 1**

Staff submits the following Status Report for the proposed Lodi Energy Center Project (LEC), pursuant to the Committee Scheduling Order dated January 21, 2009.

Current Issues and Activities for Resolution

Staff has been working through the discovery and analysis phase of the proposed LEC project Application for Certification (AFC). This has included two sets of data requests and corresponding data response and issue resolution/data request workshop. So far, there has been minimal public participation in the proceedings from the Lodi community other than the city staff who has attended both the informational hearing and the workshop.

The primary issues for which staff continues to work towards resolution are Land Use, Visual Resources and Water Resources.

Land Use:

Northern California Power Association (NCPA) continues to meet with the owner of the Kingdon Airport and the San Joaquin County Airport Land Use Commission (ALUC) regarding a request for consistency determination for the proposed natural gas pipeline that would be buried in the transition and runway approach zones of the Kingdon Airport. The applicant will provide an update to the Committee in their March status report. NCPA's request is not uncommon given that other airports such as the Sacramento International Airport, San Jose International Airport, and Los Angeles County Airport, have allowed buried natural gas lines within their protection zones.

Visual Resources:

The LEC would be visible from Interstate 5 (I-5), which is a county-designated scenic highway. The project would be located near the White Slough wildlife recreational area, and housing development to the south. Landscaping with visual screening measures plans are often included as part of the Energy Commission's power plant licensing approval. According to the applicant's data response (DR 48), and also reiterated at the workshop, no landscaping plan is being prepared for the project site. According to the applicant, the city of Lodi has indicated that no landscaping is required for the project, and the applicant believes that this is not a significant impact and would like to see an analysis. However, if staff determines in its new analysis that there is a significant impact, then a landscaping plan with visual screening would be required as a Condition of Certification.

PROOF OF SERVICE (REVISED 2/17/09) FILED WITH
ORIGINAL MAILED FROM SACRAMENTO ON 3/5/09

AA

Water Resources:

The LEC project proposes to use the city of Lodi's White Slough Water Pollution Control Facility as its water source. There is no back up water supply source. While the city of Lodi appears capable of meeting the needs of the project, staff has asked the applicant to identify a back up water supply source that could be utilized in the event of an emergency.

Air Quality:

Late data requests were submitted to the applicant during the workshop in the areas of interpollutant trading ratio and startup emissions. The applicant will be providing written responses to staff, which will be docketed and posted to the project website. Staff expects to receive the written response within the next week.

The applicant states that the emission reduction credit package for the project will be late because they are still in negotiations with the San Joaquin Valley Air Pollution Control District. No specific timeline was given as to when staff would receive the PDOC.

Waste Management

Per Data Request #55, staff has informed the applicant that from a legal perspective, a Phase I Environmental Site Assessment (ESA) would be required for the proposed natural gas pipeline because the pipeline is considered part of the project. The applicant has informed staff they are open to providing a modified Phase I ESA prior to construction of the pipeline.

Power Plant Reliability:

Per Data Request #26, the applicant mentioned an updated "will serve" water supply letter from the city of Lodi which it will provide to staff.

Cultural Resources

On March 2, 2009, cultural resources staff contacted the applicant as a follow-up to Data Request #15, which discusses ground disturbance as a concern (e.g., new access roads, etc.) caused by the installation of the proposed natural gas pipeline. The applicant indicated that they would prepare a supplement concerning the natural gas pipeline route after Pacific Gas and Electric has finalized it.

SCHEDULE:

Presently, assuming the PDOC is received in a timely manner and barring any unforeseen circumstances; staff does not anticipate a delay in the project schedule.

Committee's Schedule	Events or Filings
11/20/08	AFC data adequate
1/15/09	Informational Hearing and Site Visit
1/5/09	Staff transmits Data Request, Set 1
2/5/09	Applicant provides Data Responses, Set 1
2/23/09	Data Response and Issue Resolution Workshop 1
2/4/09	Staff transmits Data Request, Set 2
2/16/09	Applicant provides Data Responses, Set 2
3/5/09	Parties file Status Report 1
TBD	Local, state and federal agency draft determinations
4/15/09	Staff files Preliminary Staff Assessment (PSA)
4/30/09	PSA Workshop
4/24/09	Local, state and federal agency final determinations and Air District FDOC
6/1/09	Staff files Final Staff Assessment (FSA)
TBD	Evidentiary hearings*
TBD	Committee files proposed decision
TBD	Hearing on the proposed decision**
TBD	Committee files revised proposed decision*
TBD	Commission Decision*

TBD = To Be Determined



**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 *Lodi Energy Center***

DOCKET No. 08-AFC-10

**PROOF OF SERVICE
(Revised 2/17/09)**

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DECLARATION OF SERVICE

I, April Albright, declare that on March 5, 2009, I served and filed copies of the attached Lodi Energy Center Project (08-AFC-10) Status Report 1, dated March 5, 2009. The original document, filed with the Docket Unit, is accompanied by a copy of the most recent Proof of Service list, located on the web page for this project at: **[www.energy.ca.gov/sitingcases/lodi]**. The document has been sent to both the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit, in the following manner:

(Check all that Apply)

FOR SERVICE TO ALL OTHER PARTIES:

- sent electronically to all email addresses on the Proof of Service list;

- by personal delivery or by depositing in the United States mail at Sacramento, California with first-class postage thereon fully prepaid and addressed as provided on the Proof of Service list above to those addresses **NOT** marked "email preferred."

AND

FOR FILING WITH THE ENERGY COMMISSION:

- sending an original paper copy and one electronic copy, mailed and emailed respectively, to the address below (preferred method);

OR

- depositing in the mail an original and 12 paper copies, as follows:

CALIFORNIA ENERGY COMMISSION

Attn: Docket No. 08-AFC-10
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512

docket@energy.state.ca.us

I declare under penalty of perjury that the foregoing is true and correct.

Original signed by _____
April Albright