

**BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT
COMMISSION OF THE STATE OF CALIFORNIA**

Application for Certification for the
Mirant Marsh Landing Generating Station
Project

Docket No. 08-AFC-3

DOCKET	
08-AFC-3	
DATE	<u>April 01 2009</u>
RECD.	<u>April 01 2009</u>

**SECOND STATUS REPORT OF
MIRANT MARSH LANDING, LLC**

April 1, 2009

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**SECOND STATUS REPORT OF
MIRANT MARSH LANDING, LLC**

In accordance with the Committee Scheduling Order dated December 31, 2008, Mirant Marsh Landing, LLC (“Mirant Marsh Landing”) submits its second status report in this proceeding. On May 30, 2008, Mirant Marsh Landing filed an Application for Certification (“AFC”) for the Marsh Landing Generating Station (“MLGS”), a 930 megawatt, natural gas-fired electricity generating facility to be located at a site within the existing site of the Contra Costa Power Plant. The project site is in the process of being annexed into the City of Antioch, California. The AFC was determined to be data adequate on September 24, 2008.

Mirant Marsh Landing continues to work diligently to submit the information that Commission staff requires for its analysis of the MLGS. To date, Mirant Marsh Landing has submitted:

- Responses to most of staff’s first set of data requests (Data Requests 1-54) on December 12, 2008;
- Responses to questions posed at the December 18, 2008 Data Response and Issue Resolution Workshop, along with responses to Waste Management Data Requests 46, 48 and 49, on February 12, 2009;
- Responses to Transmission System Engineering (“TSE”) Data Requests 41 (Category “C” Study) and 44 (Reactive Power Deficiency Analysis), prepared as an Updated System Impact Study (“Updated SIS”), on February 18, 2009;
- Responses to TSE Data Request 43 (Dynamic Stability Analysis), prepared as Appendix 10 to the Updated SIS, on March 4, 2009; and
- Results of Three Phase Fault Duty Analysis, prepared as Appendix 11 to Updated SIS, on March 10, 2009.

By letter dated December 2, 2008, Mirant Marsh Landing requested additional time to respond to Data Requests 8, 31, 37-45, and 48-49. While we have responded to all of the first set of data requests, some of the information requested by staff is not yet available, namely: Air Quality Data Request 8 (the requested documentation will be provided in the Bay Area Air Quality Management District's Preliminary Determination of Compliance); Soil and Water Resources Data Request 31 (this is a request for a Delta Diablo Sanitation District Board approved agreement for the recycled water supply, which remains in progress); and TSE Data Requests 37, 38, 39(a), 42 and 45 (these requested transmission analyses that can only be provided by the CAISO and Pacific Gas and Electric Company ("PG&E") as part of the interconnection process).

As follow up, Mirant Marsh Landing's third party transmission consultant is preparing clarifications and additional print versions of information contained in the TSE data responses already submitted to staff. Addressing issues in the area of TSE has been challenging due to the ongoing restructuring of the CAISO's process for handling applications for Large Generator Interconnection Agreements and the general unavailability of transmission analyses from the CAISO or PG&E during this interim period. Mirant Marsh Landing's transmission consultant has spent considerable time and effort to prepare detailed studies and analyses of the project's potential impacts to the transmission system, including some that appear to go beyond what the CAISO and PG&E normally conduct when approving interconnections, and beyond what staff has required in other siting cases. Mirant Marsh Landing intends to continue working with staff to resolve any remaining concerns and to assist staff in completing its analysis in this area. Mirant Marsh Landing will fully comply with all obligations and requirements of the CAISO process, and all necessary and required studies will be completed before interconnection work begins.

In the area of Waste Management, staff has previously expressed concern that testing and assessment, and possibly remediation, of Recognized Environmental Conditions in locations currently occupied by five fuel oil tanks and in other parts of the project site may delay construction. Mirant Marsh Landing has confirmed that the California Environmental Protection Agency Department of Toxic Substances Control will act as the oversight agency for any investigation and potential remediation activities that may be necessary at the project site.

Mirant Marsh Landing expects to work with staff to develop appropriate conditions of certification to ensure that any investigation and remediation activities that may be required are conducted in a coordinated and timely manner, do not delay project construction, and are sufficiently protective of worker and public health and the environment.

Mirant Marsh Landing appreciates the opportunity to submit this status report and looks forward to continuing progress toward achieving certification for the MLGS in a timely manner.

April 1, 2009

Respectfully submitted,



Lisa A. Cottle
Winston & Strawn LLP

Attorneys for Mirant Marsh Landing, LLC

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DECLARATION OF SERVICE

I, Lisa A. Cottle, declare that on April 1, 2009, I served and filed copies of the attached *Second Status Report of Mirant Marsh Landing, LLC*. The original document filed with the Docket Unit is accompanied by a copy of the most recent Proof of Service list, located at the web page for this project at <http://www.energy.ca.gov/sitingcases/marshlanding/index.html>. 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:

- For service to all other parties: Sent electronically to all email addresses on the Proof of Service list; and either by personal delivery or by depositing in the United States mail at San Francisco, California with first-class postage thereon fully prepaid and addressed as provided on the Proof of Service list above to those addresses **NOT** marked as "email preferred."

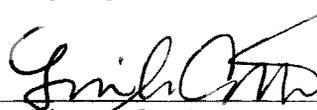
AND

- For filing with the Energy Commission: Sent an original paper copy and one electronic copy, mailed and emailed respectively, to the address below:

CALIFORNIA ENERGY COMMISSION

Attn: Docket No. 08-AFC-3
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.



Lisa A. Cottle



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT
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**APPLICATION FOR CERTIFICATION
FOR THE MARSH LANDING
GENERATING STATION**

Docket No. 08-AFC-3

PROOF OF SERVICE
(Revised 2/26/2009)

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