

**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 FEB 04 2009

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

February 4, 2009

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Introduction

In accordance with the Committee Scheduling Order dated December 31, 2008, Mirant Marsh Landing, LLC (“Mirant Marsh Landing”) submits its first 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 (“CCPP”). 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.

This status report provides an update regarding progress toward (1) completing responses to data requests issued by Commission staff, (2) completing responses to questions posed at the December 18, 2008 Data Response and Issue Resolution Workshop (“Workshop”), and (3) resolving issues raised in staff’s Issues Identification Report dated October 31, 2008 (“Report”).

Discussion

1. Responses to Staff Data Requests

Staff issued its first set of data requests (Data Requests 1-54) on November 13 and 14, 2008. Mirant Marsh Landing submitted responses to most of the data requests on December 15, 2008. Some of those responses were discussed at the Workshop, leading to questions that Mirant Marsh Landing is in the process of answering as reported in section 2 below. By letter dated December 2, 2008, Mirant Marsh Landing requested additional time to respond to the remaining data requests.

Since then, Mirant Marsh Landing's transmission consultant has been working to complete transmission studies requested by staff in Data Request 41 (Category "C" study), Data Request 43 (Dynamic Stability Analysis) and Data Request 44 (Reactive Power Deficiency Analysis). The Category "C" study and the Reactive Power Deficiency Analysis should be complete by mid-February. The CAISO has raised concerns about releasing the studies due to the confidentiality of the underlying base cases and contingency files used to perform the studies. Mirant Marsh Landing is working with Commission staff and the CAISO to resolve those concerns and will submit the completed studies to the CAISO for review prior to submitting them to staff. Mirant Marsh Landing does not expect this to result in significant delay. The Dynamic Stability Analysis (Data Request 44) requires additional time and should be completed in early March.

In response to Data Request 46 (Waste Management), Mirant Marsh Landing had been working with Delta Diablo Sanitation District ("DDSD") since the Workshop to locate a Phase I Environmental Site Assessment ("ESA"), or equivalent information, for the site of the new water treatment facility that will be constructed to supply recycled water to the MLGS. DDSD recently notified Mirant Marsh Landing that it was unable to locate a Phase I ESA or its equivalent documentation for the site in question. Mirant Marsh Landing has engaged its consultant to prepare a Phase I ESA that covers the site of the DDSD water treatment facility, as well as the offsite linear route for the pipelines that will connect the water treatment facility with the MLGS. This Phase I ESA will be submitted with the responses to the Workshop questions.

Staff also asked for an estimated date for demolition of the fuel oil tanks on the project site, along with a schedule and work plan for investigation and possible remediation of soils in the vicinity of the tanks (Data Request 48), and in other areas of the project site (Data Request 49). Mirant Marsh Landing asked for additional time so that it could coordinate with the former owner of the project site, which retained responsibility for certain remediation activities at the project site. Mirant Marsh Landing has engaged in discussions with the former owner and is preparing additional information for submission to staff. This additional information will be submitted with the responses to the Workshop questions.

2. Workshop and Follow Up

Discussion at the Workshop focused on staff's questions in the areas of Soil and Water Resources, Waste Management, Biological Resources, and Transmission System Engineering. Mirant Marsh Landing is preparing responses to those questions, which should be ready for submission to staff no later than February 13, 2008.

3. Issues Identified in the Report

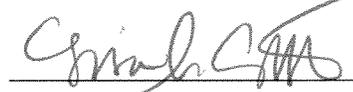
The Report identified potentially significant issues in the areas of Transmission System Engineering and Waste Management. Mirant Marsh Landing previously addressed these issues in its response dated December 15, 2008, but now takes this opportunity to provide an update on further progress. In the area of Waste Management, staff 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. As will be discussed in responses to the Workshop questions, Mirant Marsh Landing has made progress toward selecting an oversight agency and 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.

Conclusion

Mirant Marsh Landing appreciates the opportunity to submit this status report. Based on progress to date, the MLGS project remains on track to meet the schedule set forth in the Committee Schedule Order.

February 4, 2009

Respectfully submitted,



Lisa A. Cottle
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Attorneys for Mirant Marsh Landing, LLC

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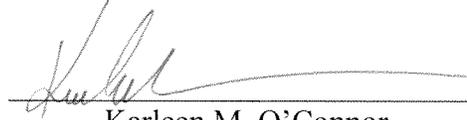
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PROOF OF SERVICE

I, Karleen M. O'Connor, declare that on February 4, 2009, I served the attached *First Status Report of Mirant Marsh Landing, LLC* via electronic mail and first class mail postage prepaid to all parties on the attached service list.

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



Karleen M. O'Connor

Service List (Docket No. 08-AFC-3)

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