

Memorandum

Date: March 11, 2009
Telephone: (916) 654-4640

To: Commissioner Jeffrey Byron, Presiding Member
Commissioner Art Rosenfeld, Associate Member

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

DOCKET	
08-AFC-9	
DATE	MAR 11 2009
RECD.	MAR 11 2009

Subject: **Palmdale Hybrid Power Project (08-AFC-9) STATUS REPORT 2**

Pursuant to the Committee Scheduling Order dated December 16, 2008, the following is staff's Status Report 2 for the proposed Palmdale Hybrid Power Project Station (PHPP).

Current Issues and Activities for Resolution

On March 3, 2009 the applicant filed data responses in the areas of alternatives, biological resources, cultural resources, land use and transmission system engineering. Staff is in the process of reviewing the data responses to identify any technical areas requiring additional information needed to complete staff's analysis.

The applicant included project revisions in the recent filing. These revisions include addition of a second (emergency) access road, relocation of detention basins, increase in acres for power plant site and decrease in acres of solar field, rerouting sanitary wastewater and potable water pipelines, relocating sections of transmission line, increase in the size of auxiliary boiler and stack heights, relocating ammonia storage tank and addition of a zero liquid discharge brine crystallizer. Additional time is needed for staff to evaluate these changes to determine if these project changes have the potential for significant impacts.

In addition, staff has identified a lack of information regarding the proposed project transmission corridor. Staff has addressed these issues in the upcoming round of data requests, but has concerns that there is a lack of coordination between the applicant and Southern California Edison, the California Department of Water Resources and the Los Angeles Department of Water and Power.

Discovery and Analysis

Staff has been working through the discovery and analysis phase and identified the following technical areas requiring additional information: air quality, alternatives, biological resources, cultural resources, traffic and transportation, transmission system engineering, visual plume modeling and waste management. A second round of data requests in these technical areas are being prepared for submittal mid-March with responses anticipated in mid-April.

Staff has recently been engaged in discussions with the applicant to negotiate the terms of Data Requests 86 and 87, regarding evaluation of potentially contaminated

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sites where transmission line construction will occur and recently came to an agreement. In addition, ongoing discussions and negotiations regarding Data Request 22, dealing with the assessment of the potential presence and locations of buried archaeological sites resulted in agreement between staff and the applicant.

A Preliminary Determination of Compliance (PDOC) for the Palmdale Hybrid Power Project was received from the Antelope Valley Air Quality Management District on February 12, 2009. Staff is reviewing the PDOC and preparing formal comments.

Schedule

Staff anticipates some delays in the schedule due to time extensions and unresolved issues. A recommendation addressing a revised schedule will be included in the next status report after staff has had the opportunity to review the applicant's responses to the second round of data requests.



**BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT
COMMISSION OF THE STATE OF CALIFORNIA
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**APPLICATION FOR CERTIFICATION
For the *PALMDALE HYBRID
POWER PROJECT***

Docket No. 08-AFC-9

PROOF OF SERVICE
(Revised 2/27/2009)

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DECLARATION OF SERVICE

I, Hilarie Anderson, declare that on March 11, 2009, I served and filed copies of the attached Status Report 2. 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:

[<http://www.energy.ca.gov/sitingcases/palmdale/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:

(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-9
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I declare under penalty of perjury that the foregoing is true and correct.

Original Signature in Dockets
Hilarie Anderson