LATHAM & WATKINS LLP

November 24, 2009

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File No. 039610-0003

VIA FEDEX

CALIFORNIA ENERGY COMMISSION Attn: Docket No. 08-AFC-9 1516 Ninth Street, MS-4 Sacramento, California 95814-5512

> Re: City of Palmdale Hybrid Power Plant Project: Docket No. 08-AFC-9

Dear Sir/Madam:

Pursuant to California Code of Regulations, title 20, Sections 1209, 1209.5, and 1210, enclosed herewith for filing please find Applicant's Status Report No. 7 for the above-referenced Project.

Please note that the enclosed submittal was filed today via electronic mail to your attention and to all parties on the attached proof of service list.

Very truly yours,

Paul E. Kihm Senior Paralegal

Enclosure

08-AFC-9 Proof of Service List (w/encl., via e-mail and U.S. Mail) cc:

Michael J. Carroll, Esq. (w/encl.)

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STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

In the Matter of:) Docket No. 08-AFC-9
APPLICATION FOR CERTIFICATION, FOR THE PALMDALE HYBRID POWER PROJECT BY THE CITY OF PALMDALE) APPLICANT'S STATUS REPORT NO. 7)
)
)

On behalf of the City of Palmdale ("Applicant") and pursuant to the Revised Committee Schedule issued on October 23, 2009, we hereby submit this Status Report No. 7.

The Revised Committee Scheduling Order, issued on October 23, 2009, identifies November 16, 2009 as the Preliminary Staff Assessment (PSA) publication deadline. In its Status Report No. 6, Staff was unequivocal in its commitment and ability to meet this deadline: "[S]taff has informed the applicant that it will publish the PSA by November 16th, 2009." However, the PSA was not published by November 16, 2009, and in its Status Report No. 7, Staff states that it now anticipates publication of the PSA "sometime in late December or early January."

The Energy Commission has recently committed to expediting the review of solar projects based on the recently released Renewable Energy Action Team (REAT) "Milestones to Permit California Renewable Portfolio Standard Energy Projects by December, 2010." The expedited schedule for solar projects requires Energy Commission Staff to finish its one-step Staff Assessment for renewable energy projects by February 19, 2010.

The REAT was formed following the Governor's Executive Order S-14-08 (November 17, 2008), which expedites the permitting of renewable energy projects needed to meet California's interconnected mandates for renewable energy generation and greenhouse gas reductions. The REAT is tasked with streamlining permitting for renewable energy projects under federal and state regulatory programs and improving coordination between the Energy Commission and the California Department of Fish & Game.

The Palmdale Hybrid Power Project (PHPP) is exactly the type of innovative, renewable energy project that the REAT was created to expedite. The PHPP is located within the boundaries of the REAT "Desert Renewable Energy Conservation Plan (DRECP)" area. At 50 megawatts of solar energy, the PHPP has a larger renewable energy component than many of the projects contemplated by the REAT notice. Moreover, the PHPP Application for Certification ("AFC") has been data adequate and "in the queue" for well over a year. Many of the other projects considered by the REAT schedule have not even been deemed data adequate, much less undergone the review already been completed for the PHPP. Accordingly, the PHPP should be reviewed no less expeditiously than other projects contemplated by the REAT. The Applicant remains very concerned that processing of the PHPP AFC does not appear to be consistent with this prioritization.

DATED: November 24, 2009

Respectfully submitted,

Michael Carroll

LATHAM & WATKINS LLP

Counsel to Applicant

STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

In the Matter of:)	Docket No. 08-AFC-9
Application for Certification,)	PROOF OF SERVICE
for the CITY OF PALMDALE HYBRID POWER PLANT PROJECT)	(Revised October 1, 2009)
)	

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DECLARATION OF SERVICE

I, Paul Kihm, declare that on November 24, 2009, I served and filed copies of the attached:

APPLICANT'S STATUS REPORT NO. 7

to all parties identified on the Proof of Service List above in the following manner:

California Energy Commission Docket Unit

Transmission via electronic mail and by depositing the original with FedEx overnight mail delivery service at Costa Mesa, California, with delivery fees thereon fully prepaid and addressed to the following:

CALIFORNIA ENERGY COMMISSION

Attn: DOCKET NO. 08-AFC-09 1516 Ninth Street, MS-4 Sacramento, California 95814-5512 docket@energy.state.ca.us

For Service to All Other Parties

- Transmission via electronic mail to all email addresses on the Proof of Service list; and
- by depositing one paper copy with the United States Postal Service via first-class mail at Costa Mesa, California, with postage fees thereon fully prepaid and addressed as provided on the Proof of Service list to those addresses **NOT** marked "email preferred."

I further declare that transmission via electronic mail and U.S. Mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210.

I declare under penalty of perjury that the foregoing is true and correct. Executed on November 24, 2009, at Costa Mesa, California.

Paul Kihm

and kil