

650 Town Center Drive, 20th Floor
Costa Mesa, California 92626-1925
Tel: +1.714.540.1235 Fax: +1.714.755.8290
www.lw.com

LATHAM & WATKINS LLP

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DOCKET

08-AFC-9

DATE APR 05 2010

RECD. APR 06 2010

April 5, 2010

Caryn Holmes, Esq.
Senior Staff Counsel
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

Re: Palmdale Hybrid Power Plant (PHPP); 08-AFC-9

Dear Ms. Holmes:

During the Preliminary Staff Assessment Workshop held on March 16, 2010, the parties discussed the fact that Southern California Edison (SCE) had requested that the Applicant provide in its comments on the Preliminary Staff Assessment certain clarifications related to the proposed transmission line for the PHPP. The Applicant provided the requested clarifications on page 6 of its Supplemental Comments on Volumes 1 and 2 of the Preliminary Staff Assessment dated March 20, 2010. Attached to this letter are copies of e-mail correspondence between representatives of SCE and Inland Energy on behalf of the Applicant, which confirm that the clarifications set forth in Applicant's Supplemental Comments address the clarifications requested by SCE.

Please let me know if you have any questions regarding this issue.

Best regards,


Michael J. Carroll
of LATHAM & WATKINS LLP

Attachments

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

From: James.Kelly@sce.com [mailto:James.Kelly@sce.com]
Sent: Thursday, March 18, 2010 12:38 PM
To: Tom Barnett
Cc: Brian Bennett; Buck Johns; Cynthia.tito@sce.com; Drew.Brabb@sce.com; Tony Penna
Subject: Re: SCE Comments to the PHPP PSA

Tom- SCE concurs with the comments below.
Thanks, jk

From: Tom Barnett <tbarnett@inlandenergy.com>
To: "James.Kelly@sce.com" <James.Kelly@sce.com>
Cc: "Drew.Brabb@sce.com" <Drew.Brabb@sce.com>, "Cynthia.tito@sce.com" <Cynthia.tito@sce.com>, Brian Bennett <brian.bennett@me.com>, Tony Penna <tonypenna@inlandenergy.com>, Buck Johns <buckjohns@aol.com>
Date: 03/18/2010 11:14 AM
Subject: SCE Comments to the PHPP PSA

Jim:

Thank you for your comments on PHPP's PSA. After careful review of the clarifications you noted, and discussion with you, the Project will include in its comments on the PSA the four clarifications identified in SCE's comments so that the PSA will reflect SCE's current position accurately. Specifically, our comments will include the following:

- 1) SCE points out that the design for the Segment 2 (the 12 mile segment from Pearblossom to Vincent) transmission line has not been finalized and will not be finalized until the detailed ROW study is performed after the CEC Certificate to Construct is issued; therefore the design shown in the PSA is subject to modification.
- 2) SCE points out that only Segment 2 will be owned by SCE and it does not anticipate transferring ownership of the segment; furthermore it notes that, since SCE does not anticipate owning Segment 1, any reference to transfer of ownership of Segment 1 to SCE is inappropriate at this time.
- 3) SCE further clarifies that language currently in the PSA is confusing re how Segment 2 will be designed and owned; as noted earlier, regardless of final design, SCE will own all of

this 12 mile segment: both the circuits that serve DWR and the circuits that serve PHPP.

4) With regard to providing uninterrupted service to DWR during construction, SCE anticipates minimizing outages to DWR, but cannot confirm at this time that they will be avoided or eliminated altogether. PHPP's proposed DWR Permit Condition further addresses this point.

Please let me know if you concur with these comments. Thanks again for your cooperation.

Tom

Thomas M. Barnett
Executive Vice President
Inland Energy, Inc.
Ofc: (949) 856-2200
Cell: (949) 466-7317

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

In the Matter of:)	Docket No. 08-AFC-9
)	
Application for Certification, for the CITY OF PALMDALE HYBRID POWER PLANT PROJECT)	PROOF OF SERVICE
)	(Revised March 2, 2010)
)	
)	

APPLICANT

Thomas M. Barnett
Executive Vice President
Inland Energy, Inc.
3501 Jamboree Road
South Tower, Suite 606
Newport Beach, CA 92660
tbarnett@inlandenergy.com

Antonio D. Penna Jr.
Vice President
Inland Energy
18570 Kamana Road
Apple Valley, CA 92307
tonypenna@inlandenergy.com

Laurie Lile
Assistant City Manager
City of Palmdale
38300 North Sierra Highway, Suite A
Palmdale, CA 93550
llile@cityofpalmdale.org

APPLICANT'S CONSULTANTS

Sara Head
Vice President
AECOM
1220 Avenida Acaso
Camarillo, CA 93012
Sara.Head@aecom.com

PALMDALE HYBRID POWER PROJECT
CEC Docket No. 08-AFC-09

INTERESTED AGENCIES

Erinn Wilson

Staff Environmental Scientist

California Department of Fish and Game
18627 Brookhurst Street, #559
Fountain Valley, CA 92708
E-mail preferred
EWilson@dfg.ca.gov

Michael R. Plaziak

Manager

Lahontan Regional Water Quality Control Board
14440 Civic Drive, Suite 200
Victorville, CA 92392-2306
mplaziak@waterboards.ca.gov

Rick Buckingham

State Water Project

Power & Risk Office

3310 El Camino Avenue, LL-90
Sacramento, CA 95821
E-mail preferred
rbucking@water.ca.gov

Manuel Alvarez

SoCal Edison

1201 K Street

Sacramento, CA 95814

Manuel.Alvarez@sce.com

Robert J. Tucker

SoCal Edison

1 Innovation Drive

Pomona, CA 91768

Robert.Tucker@sce.com

Christian Anderson

Air Quality Engineer

Antelope Valley AQMD

43301 Division St, Suite 206

Lancaster, CA 93535

E-mail preferred

canderson@avaqmd.ca.gov

PALMDALE HYBRID POWER PROJECT
CEC Docket No. 08-AFC-09

Jeffrey Doll

Air Resources Engineer
Energy Section/Stationary Sources
California Air Resources Board
P.O. Box 2815
Sacramento, California 95812
E-mail preferred
jdoll@arb.ca.gov

California ISO
P.O. Box 639014
Folsom, CA 95763-9014
e-recipient@caiso.com

ENERGY COMMISSION

Jeffrey D. Byron

Commissioner and Presiding Member
CALIFORNIA ENERGY COMMISSION
1516 Ninth Street
Sacramento, California 95814-5512
jbyron@energy.state.ca.us

Anthony Eggert

Commissioner and Associate Member
CALIFORNIA ENERGY COMMISSION
1516 Ninth Street
Sacramento, California 95814-5512
aeggert@energy.state.ca.us

Kristy Chew

Advisor to Commissioner Byron
CALIFORNIA ENERGY COMMISSION
1516 Ninth Street
Sacramento, California 95814-5512
kchew@energy.state.ca.us

Paul Kramer

Hearing Officer
CALIFORNIA ENERGY COMMISSION
1516 Ninth Street
Sacramento, California 95814-5512
pkramer@energy.state.ca.us

PALMDALE HYBRID POWER PROJECT
CEC Docket No. 08-AFC-09

Felicia Miller

Project Manager
CALIFORNIA ENERGY COMMISSION
1516 Ninth Street
Sacramento, California 95814-5512
fmiller@energy.state.ca.us

Caryn Holmes

Staff Counsel
CALIFORNIA ENERGY COMMISSION
1516 Ninth Street
Sacramento, California 95814-5512
CHolmes@energy.state.ca.us

Jennifer Jennings

Public Adviser
CALIFORNIA ENERGY COMMISSION
1516 Ninth Street
Sacramento, California 95814-5512
Publicadviser@energy.state.ca.us

PALMDALE HYBRID POWER PROJECT
CEC Docket No. 08-AFC-09

DECLARATION OF SERVICE

I, Paul Kihm, declare that on April 5, 2010, I served and filed copies of the attached:

LETTER FROM MICHAEL CARROLL TO CARYN HOLMES

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

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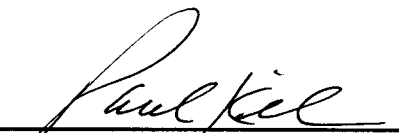
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Sacramento, California 95814-5512
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For Service to All Other Parties

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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 April 5, 2010, at Costa Mesa, California.



Paul Kihm