

M e m o r a n d u m

To: Robert Weisenmiller, Commissioner, Presiding Member Date: August 6, 2010
 Karen Douglas, Chairman, Associate Member
 Kourtney Vaccaro, Hearing Officer

From: **California Energy Commission** – Alan Solomon Telephone: (916) 653-8236
 1516 Ninth Street Project Manager
 Sacramento, CA 95814-5512

Subject: **Watson Cogeneration Steam and Electric Reliability Project (09-AFC-1)
 STATUS REPORT #7**

Pursuant to the previous status report dated June 30, 2010, the following is staff's Status Report #7 for the proposed Watson Cogeneration Steam and Electric Reliability (BP Watson) Project.

Preliminary Staff Assessment

Staff has been working through the analysis phase of the Application for Certification (AFC) process for the proposed BP Watson project. With the exception of Air Quality, staff is finalizing the Preliminary Staff Assessment (PSA). The Air Quality technical review is incomplete pending receipt of the Preliminary Determination of Compliance (PDOC) from the South Coast Air Quality Management District (SCAQMD).

South Coast Air Quality Management District

The Air Quality section of the PSA cannot be completed until the PDOC is issued. The Energy Commission's air quality staff will complete work on their PSA section after the PDOC is issued. As of today, SCAQMD has indicated that the PDOC will be issued in September.

Staff will plan to publish the PSA 30-45 days after receipt of the PDOC, following the completion and review of the Air Quality section.

Schedule

Staff is working diligently given the current heavy workload issues in the Siting, Transmission and Environmental Protection Division and the Governor's Executive Order on renewable energy projects. The American Recovery and Reinvestment Act renewable energy projects are a priority and will require a great deal of staff time in the upcoming months.

Due to the delays in receipt of the PDOC and staff's heavy workload, publication of the PSA has been delayed. A more specific timeline will be proposed after the PDOC is issued.

Staff will publish another status report on September 30, 2010 to update any information regarding the PDOC and PSA.

DOCKET**09-AFC-1**DATE AUG 06 2010RECD. AUG 06 2010



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT
COMMISSION OF THE STATE OF CALIFORNIA
1516 NINTH STREET, SACRAMENTO, CA 95814
1-800-822-6228 – WWW.ENERGY.CA.GOV

APPLICATION FOR CERTIFICATION
FOR THE **WATSON COGENERATION
STEAM AND ELECTRICITY RELIABILITY
PROJECT**

Docket No. 09-AFC-1

PROOF OF SERVICE LIST
(Revised 2/8/10)

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DECLARATION OF SERVICE

I, Teraja` Golston, declare that on August 06, 2010, I served and filed copies of the attached (09-AFC-1) BP Watson – Status Report #7, dated August 06, 2010. 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/watson>].

The documents have 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;
 by delivering on this date, for mailing with the United States Postal Service with first-class postage thereon fully prepaid, to the name and address of the person served, for mailing that same day in the ordinary course of business; that the envelope was sealed and placed for collection and mailing on that date 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. 09-AFC-1
1516 Ninth Street, MS-4
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docket@energy.state.ca.us

I declare under penalty of perjury that the foregoing is true and correct, that I am employed in the county where this mailing occurred, and that I am over the age of 18 years and not a party to the proceeding.

Original Signature in Dockets
Teraja` Golston