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DOCKET

09-AFC-4

DATE	DEC 03 2010
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December 3, 2010

California Energy Commission
Docket Unit
1516 Ninth Street
Sacramento, CA 95814-5512

Subject: **CCGS, LLC'S REQUEST FOR SCHEDULING ORDER
OAKLEY GENERATING STATION
DOCKET NO. (09-AFC-4)**

Enclosed for filing with the California Energy Commission is the original of **CCGS, LLC'S REQUEST FOR SCHEDULING ORDER**, for the Oakley Generating Station Docket No. (09-AFC-4).

Sincerely,


Ashley Y Garner

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STATE OF CALIFORNIA

Energy Resources
Conservation and Development Commission

In the Matter of:

Application for Certification for the
OAKLEY GENERATING STATION

DOCKET NO: 09-AFC-4

**CCGS, LLC'S REQUEST FOR
SCHEDULING ORDER**

Contra Costa Generating Station LLC (CCGS), hereby requests the Committee update the current schedule for the Oakley Generating Station (OGS) 09-AFC-4. CCGS wishes to express its gratitude to the Committee for scheduling the upcoming status conference to discuss the importance and priority of this project. The Committee last issued a Scheduling Order for this case on November 23, 2009.

OGS is currently awaiting California Energy Commission (CEC) Staff's publication of the Preliminary Staff Assessment (PSA). Our understanding is that the only information that was outstanding for Staff to complete the PSA was the Bay Area Air Quality Management District's (BAAQMD) Preliminary Determination of Compliance (PDOC). On October 29th, 2010, the BAAQMD supplied a copy of the PDOC to the CEC Staff. The PDOC was issued publically immediately thereafter with the comment period scheduled to close on December 7, 2010.

CCGS has a Purchase and Sale Agreement with Pacific Gas & Electric Company (PG&E) for the OGS, which is scheduled to be approved by the California Public Utilities Commission (CPUC) on December 16, 2010. The OGS has broad community support, is on previously disturbed land, and will employ General Electric's new state-of-the-art Rapid Response combined-cycle technology with far lower emissions than many of those projects that have been permitted in recent years. The Rapid Response technology is highly desirable for renewables integration.

It is imperative for the OGS to begin construction in late May of 2011 in order to qualify for a current grandfathering exemption contained in the Prevention of Significant Deterioration (PSD) Tailoring Rule. Currently, because the OGS's emissions are below regulatory thresholds, it is not required to obtain a federal PSD Permit. The PDOC reflects this determination. EPA adopted the Tailoring Rule which applied PSD requirements to Greenhouse Gas Emissions, which were previously not regulated by the PSD process. The Tailoring Rule allows projects such as OGS, which prior to the Tailoring Rule were not required to obtain a PSD Permit, an exemption if the OGS has begun "actual construction" by July 1, 2011. "Actual construction" under the current EPA Guidance would require physical permanent construction of an emitting unit, such as pouring foundations. Unfortunately, contracting, engineering or grading would not constitute "actual construction" under the current guidance. The purpose of the exemption was to allow projects that had already commenced the air permitting process to avoid being caught in a regulatory change that would require it to start over. The reasoning behind the exemption was to allow sufficient time for air permitting that had begun to be completed. CCGS filed its AFC and air permit application in June, 2009.

While the Commission has been working on the renewable energy projects, the OGS has been given low priority. Now that the majority, if not all, the renewable energy projects are permitted, OGS requests the Committee give the OGS high priority status and adopt a Scheduling Order with the following dates.

December 17, 2010	Staff Publishes PSA
On or before January 10, 2010	Staff holds PSA Workshop
30 days after receipt of FDOC	Staff Publishes FSA

Once the PSA Workshop is completed, we request the Committee require the parties to submit status reports and proposed schedules for the remainder of the proceedings. CCGS thanks the Committee for its consideration and will be prepared to work cooperatively to achieve a Final Decision within a timeframe that would allow it to meet the definition of "actual construction" by July 1, 2011.

Dated: December 3, 2010

Respectfully Submitted,

Original Signed
Scott A. Galati
Counsel to CCGS, LLC



**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 *OAKLEY GENERATING STATION***

**Docket No. 09-AFC-4
PROOF OF SERVICE
(Revised 11/17/2010)**

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DECLARATION OF SERVICE

I, Ashley Y Garner, declare that on December 3, 2010, I served and filed copies of the attached **CCGS, LLC'S REQUEST FOR SCHEDULING ORDER**, dated **December 3, 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:

[\[http://www.energy.ca.gov/sitingcases/contracosta/index.html\]](http://www.energy.ca.gov/sitingcases/contracosta/index.html). 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-4
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
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.



Ashley Y Garner