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Project Title:	Palmdale Energy Project (Formerly Palmdale Hybrid Power Plant) - Compliance
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<b>Document Title:</b>	Palmdale Energy Project Status Report No. 1, Nov. 1, 2015
<b>Description:</b>	Status Report No. 1 for the Palmdale Energy Project, November 1, 2015
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## Memorandum

Date: December 1, 2015 Telephone: (916) 654-4611

File: 08-AFC-9C

To: Commissioner Karen Douglas J.D., Palmdale Energy Project Amendment Presiding Member

Commissioner Janea A. Scott J.D., Palmdale Energy Project Amendment Associate Member

Kenneth Celli, Hearing Officer

From: California Energy Commission - Eric Veerkamp, Compliance Project Manager

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**Subject:** Palmdale Energy Project Amendment PEP (08-AFC-9C)

**STATUS UPDATE No. 1 (November 2015)** 

### Data Requests/Responses

On October 30, 2015, Data Request set 1 (Nos. 1-63) was docketed by staff.

Technical staff made formal data requests in the following areas:

Air Quality and Greenhouse Gasses Soil and Water Resources

Cultural Resources Transmission System Engineering

Hazardous Materials Waste Management

Public Health Worker Safety and Fire Protection

Socioeconomics

Data responses to Data Requests Set 1 were received on November 30, 2015. One additional Data Request for Waste Management requesting an update to the Phase I Environmental Site Assessment was docketed on November 25, 2015 as Data Request Set 2 (No. 64). The data request was inadvertently omitted from Set 1. The due date for this data response is December 28, 2015.

In addition to the formal data requests, staff received an email from the applicant on October 15, 2015, responding to informational inquiries from Socioeconomic and Alternatives staff. Staff is continuing to work drafting the Preliminary Staff Assessment (PSA).

### **Data Response Workshop**

A data response workshop is tentatively planned for the 2<sup>nd</sup> or 3<sup>rd</sup> week of December. While dependent on the content of the data responses received on November 30, 2015, it is likely that discussion during the workshop would be in the areas of Air Quality and Greenhouse Gasses, Cultural, Hazardous Materials, Public Health, Socioeconomics, Soil and Water, Transmission System Engineering, and Worker Safety. Staff will be prepared to discuss any other technical area that may require discussion; however, the petitioner and staff believe, based on the

information at hand, that any discussion of technical areas beyond those listed above would be minor.

#### **Staff Issues/Other items**

### Air Quality

On October 6, 2015, staff docketed the Antelope Valley Air Quality Management District (AVAQMD) letter, dated September 22, 2015 notifying staff of their receipt of the PEP application package, and deeming it in need of substantive review. Following the informational hearing, we received an email from Mr. Bret Banks of the AVAQMD notifying us that they expect to complete the PDOC by December 18, 2015.

In the November 30, 2015 data responses, the applicant stated that a portion of their emissions reduction credits (ERCs) would be in the form of paving of unpaved roads. They stated that they would provide a protocol to the AVAQMD in January 2016 which would be the basis for computing the ERCs associated with paving roads and that they would provide quantified road paving ERCs approximately 60 days after the protocol is approved. Staff is concerned that even when both the Determination of Compliance is filed and the petitioner's Data Responses are more fully reviewed, there will be unresolved issues relating to the ERC's, among other issues, that would make the Preliminary Staff Assessment inconclusive in the area of air quality, or delayed to April 2016.

#### **Cultural Resources**

On August 24, 2015, Cultural staff docketed a letter inviting tribal entities to consult on the Palmdale Energy Project. On October 22, 2015 a letter from Caitlin Gulley of the Fernandeño Tatavium Band of Mission Indians was docketed. The letter, acknowledging the consultation process, stated that due to the potential effect to cultural and archaeological resources, the applicant should be required to submit a new Application for Certification rather than a Petition to Amend. On November 2, 2015, Caitlin Gulley sent an email requesting that monitoring be incorporated into the project.

#### **Soil and Water Resources**

Staff requested Water Supply Assessments from the Palmdale Water District on September 28, 2015, the Los Angeles County Waterworks District on September 29, 2015, and lastly from the City of Palmdale on November 9, 2015. Staff found that there was some confusion on which water agencies would be serving the PEP, leading to the November 9, 2015 request to the City of Palmdale. On Wednesday December 2, 2015, Energy Commission staff is traveling to Palmdale to meet with the various water oversight agencies.

## Transmission System Engineering

Staff indicated the CAL-ISO on-line tracking system projects that their required interconnection study related to the increase in output associated with the PEP will not be completed until approximately mid-January 2016. Staff will need 30 days after receiving the study to complete their PSA.

# Schedule

The California Independent System Operator (CAL-ISO) is estimated to take until the middle of January 2016 to complete the required interconnection study. Whichever of the two studies between the AVAQMD and CAL-ISO takes the longest to complete would determine the schedule for a complete PSA.

cc: Docket (08-AFC-9C) Proof of Service List Mail list # 7318c