State Of California

Memorandum

Date:September 17, 2002Telephone:(916) 651-8839File:Inland Empire Energy Center

To: Commissioner Robert Pernell, Presiding Member Commissioner James Boyd, Associate Member

From: California Energy Commission - Jim Bartridge 1516 Ninth Street Sacramento, CA 95814-5512 Siting Project Manager

Subject: INLAND EMPIRE ENERGY CENTER PROJECT (01-AFC-17) STATUS REPORT #6

Since publication of the PSA, staff has conducted two workshops. On August 14th, 2002, staff conducted a workshop covering Biological Resources, Land Use, and Visual Resources. On August 26th, 2002, staff conducted a workshop covering Air Quality, Hazardous Materials, Public Health, and Traffic and Transportation. Staff has included a summary of the workshops with this status report.

Staff has received comments on the PSA from the Applicant, the Romoland School District, and the California Department of Transportation. Staff also received comments on the AFC from The Planning Center, on behalf of the Romoland School District, and expects to receive additional comments from The Planning Center on the PSA in the near future. Staff also expects to receive comments on the PSA from the California Department of Education in the near future.

REMAINING ISSUES

AIR QUALITY

The applicant's ERC package is still incomplete, especially for PM_{10.} They are currently reviewing a number of options for obtaining necessary offsets, including the South Coast Air Quality Management District's (SCAQMD) Priority Reserve Program. If offsets were obtained from the Priority Reserve, the applicant would be required to begin construction in one year, and be online w/in three years.

At the workshop on August 26, 2002, SCAQMD noted comments had not yet been received on the Preliminary Determination of Compliance (PDOC) from the U.S. Environmental Protection Agency (EPA) or the federal land management agencies. SCAQMD indicated that the Final Determination of Compliance (FDOC) would be unlikely to be published before mid-October in order to allow time to receive and respond to those comments.

The EPA subsequently issued their comments on the PDOC on September 5, 2002. Noting several deficiencies, the EPA registered concerns with the PDOC's Best Available Control Technology/ Lowest Achievable Emission Rate (BACT/LAER) Status Report #3 Page 2

analysis, SCAQMD's exemption of PM_{10} emissions from the project's cooling tower, the use of invalid PM_{10} and Reactive Organic Gases (ROG) offsets, and failure to require installation and operation if the NO_x Continuous Emission Monitoring System for IEEC's initial operation.

BIOLOGY

The United States Fish and Wildlife Service is concerned with Southern California Edison's (SCE) maintenance activities near a Vernal Pool Fairy Shrimp habitat area adjacent to the project site. Staff is working on a third party agreement to commit SCE to the project's proposed mitigation in these areas for the future construction and maintenance of IEEC's transmission line. Staff believes that the issue can be resolved prior to publication of the FSA.

LAND USE

The Romoland School District (RSD) is concerned with the proximity of the proposed plant to the existing Romoland elementary school, potential health and safety impacts to students, and potential future impacts to the proposed Ashby school site. RSD is trying to negotiate a financial settlement with Calpine on the issue.

In addition, staff is working with the Riverside County Integrated Project (RCIP), which is in the process of planning for the growth and development of Riverside County over the next five to ten years. The RCIP includes the development of a new General Plan, the creation of Habitat Conservation Plan areas, and four new transportation corridors. One proposed alternate corridor would bisect the northern half of the IEEC site. The review process for this alternate route is currently underway, and a Draft Environmental Impact Statement/Report was released for public review on July 17, 2002. Staff received a copy of this document after publication of the PSA, and will address the information as appropriate in the FSA.

VISUAL

Staff previously indicated concern over the applicant's proposed landscape plan and their ability to achieve full visual mitigation of the project within five years. Staff and the applicant's visual consultant discussed options and potential mitigation strategies at the PSA workshop. The applicant is reviewing landscaping options and will file responses shortly.

Staff is working to complete its analysis, and expects to publish the FSA 30 days after receipt of the additional information on visual mitigation and the FDOC.

Attachment

cc: Inland Empire Energy Center POS Docket 01-AFC-17