State Of California

Memorandum

Date: October 24, 2002 Telephone: (916) 651-8839 File: 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 #7

This report is provided to update the Committee on staff's activities on the Inland Empire Energy Center Project since publication of Status Report #6 on September 17, 2002. Staff is currently working on the FSA, but staff requires additional information from Calpine on visual mitigation and the Final Determination of Compliance (FDOC) from the South Coast Air Quality Management District (SCAQMD) before the FSA can be completed.

Since Status Report #6, staff has received additional comments on the PSA from The Planning Center, on behalf of the Romoland School District, the California Department of Education, and the Riverside County Transportation Commission. No additional workshops have been held.

REMAINING ISSUES

AIR QUALITY

As noted in Status Report #6, the applicant's ERC package is still incomplete, especially for PM_{10} . They are currently reviewing options for obtaining necessary offsets, including the SCAQMD's 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 within three years. In addition, the SCAQMD has yet to issue the FDOC, which is now expected in early to mid-November. The delay is necessary to allow them to respond to comments from the Environmental Protection Agency (EPA) and the federal land management (FLM) agencies due to potential visibility and nitrogen deposition issues.

BIOLOGY

The United States Fish and Wildlife Service is concerned with Vernal Pool Fairy Shrimp habitat area adjacent to the project site and has yet to issue a letter of determination. Staff is also awaiting a determination from the FLMs regarding potential nitrogen deposition impacts. As noted above, SCAQMD is currently responding to FLM

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comments, and a determination from FLM is expected, although it is not clear if it will arrive prior to publication of the FDOC.

LAND USE

Staff is reviewing information provided by Calpine and comments received from the Romoland School District (RSD) and the California Department of Education (CDE) relating to the project's potential impacts on RSD. Both RSD and CDE continue to represent that the project impacts a potential new school site. Staff will address this issue in the FSA.

WATER

Staff is coordinating with the Regional Water Quality Board (RWQCB), Santa Ana Region, and the United States Army Corps of Engineers (ACOE) regarding potential stormwater discharge permit requirements for the IEEC project. The ACOE has asked Calpine to provide drainage plans, a site map delineating bed and bank features of concern, and proposed storm water facilities and drainage paths. Staff believes the issue can be resolved prior to publication of the FSA.

VISUAL

Staff previously indicated concern over the applicant's proposed landscape plan and their ability to achieve adequate visual mitigation of the project within five years. At this time, staff has yet to receive the applicant's visual data responses addressing their ability to achieve adequate visual mitigation of the project. The applicant was expected to file responses on October 4, 2002 but has indicated responses will be filed next week.

SCHEDULE

The information in the anticipated visual data responses and the FDOC are needed for staff to complete the FSA. Staff plans to publish the FSA within 30 days of receipt of complete data responses and the FDOC, consistent with the intent of the Committee's original schedule.

Staff will continue its efforts to complete the FSA in a timely manner and keep the Committee informed of any new development that may further impact the project schedule.

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