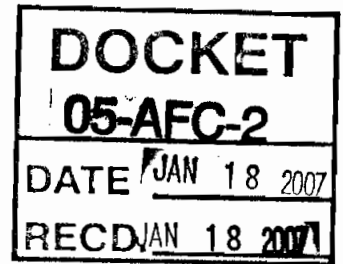


STATE OF CALIFORNIA
Energy Resources Conservation
And Development Commission



In the Matter of:

Application for Certification
for the Walnut Creek Energy Park

Docket No. 05-AFC-2

**ENERGY COMMISSION STAFF'S RESPONSE TO
WALNUT CREEK ENERGY, LLC'S MOTION FOR SCHEDULING ORDER**

On December 28, 2006, staff issued the Preliminary Staff Assessment (PSA) of the Walnut Creek Energy Park (WCEP) Application for Certification (AFC). In the PSA, staff suggested that the applicant consider submitting evidence of additional emission reduction credits (ERCs) and other supporting information prior to release of the Final Staff Assessment (FSA). (PSA, p. 4.1-50.) On January 16, 2006, Walnut Creek Energy, LLC (WCE) filed a motion requesting the Siting Committee to issue a scheduling order directing staff to file the FSA within 30 days after the South Coast Air Quality Management District (SCAQMD) issues its Final Determination of Compliance (FDOC).

Staff has always intended, barring any unforeseen circumstances, to issue its FSA within 30 to 45 days after receiving the SCAQMD FDOC. The language recommending that WCE submit additional ERCs was intended simply to provide guidance to the applicant as to what additional information could be required for staff to conclude WCEP had mitigated its air quality impacts to a less than significant level. In light of proposed changes to SCAQMD's Priority Reserve rule and statements made concerning the need for local mitigation, staff believed that the recommended action items would be helpful. Staff's intent is not to "hold the project hostage," as applicant has erroneously interpreted.

Proof of Service (Revised ^{2/23/06}) filed with original.
Mailed from Sacramento on 1/18/2007.

Given the above stated commitment staff does not believe a scheduling order is necessary. However, if a scheduling order were to be issued, it would be issued by the Walnut Creek Energy Project AFC Committee. Staff assumes that the applicant's reference to the "Siting Committee" was actually to the Walnut Creek Energy Project AFC Committee, which is directly overseeing review of the WCEP AFC. The Siting Committee, on the other hand, provides oversight and policy direction on siting matters in general, but not on individual siting cases where a committee has been assigned.

DATED: January 18, 2007

Respectfully submitted,

A handwritten signature in black ink, appearing to read "L M Decarlo", written over a horizontal line.

LISA M. DECARLO
Senior Staff Counsel

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION
OF THE STATE OF CALIFORNIA

APPLICATION FOR CERTIFICATION
FOR THE WALNUT CREEK ENERGY PARK
(WCEP)

DOCKET NO. 05-AFC-2

(Revised 2/23/06)

INSTRUCTIONS: All parties shall 1) send an original signed document plus 12 copies OR 2) mail one original signed copy AND e-mail the document to the web address below, AND 3) all parties shall also send a printed OR electronic copy of the documents that shall include a proof of service declaration to each of the individuals on the proof of service:

DOCKET UNIT

Send the original signed document plus the required 12 copies to the address below.

CALIFORNIA ENERGY COMMISSION
DOCKET UNIT, MS-4
Attn: Docket No. 99-AFC-8C
1516 Ninth Street
Sacramento, CA 95814-5512

* * * *

In addition to the documents sent to the Commission Docket Unit, also send individual copies of any documents to:

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INTERESTED AGENCIES

No agencies to date.

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DECLARATION OF SERVICE

I, Julie Mumme, declare that on January 18, 2007, I deposited copies of the attached in the United States mail at Sacramento, CA with first class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above. Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. I declare under penalty of perjury that the foregoing is true and correct.



Julie Mumme

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