

Memorandum

Date: February 21, 2007
 Telephone: (916) 653-1245

To: Jackalyne Pfannenstiel, Presiding Member
 Jeffrey Byron, Associate Member

From: California Energy Commission – James W. Reede, Jr., Ed.D
 1516 Ninth Street Project Manager
 Sacramento, CA 95814-5512

DOCKET 06-AFC-4	
DATE	FEB 21 2007
RECD.	FEB 21 2007

Subject: **VERNON POWER PLANT PROJECT (06-AFC-4) STATUS REPORT #2**

Pursuant to the Committee Scheduling order, the following is staff's second status report on the proposed Vernon Power Plant project (VPP).

Staff filed Round #2 Data Requests on February 2, 2007. Staff had filed its Issue Identification Report and identified various unresolved issues and the need for additional information in a number of areas on October 6, 2006. The applicant has not yet filed all of the Data Responses to the Round #1 Data Requests which staff filed on October 6, 2006. Consequently, staff has not received all requested data committed to by the applicant and subsequently will not meet the Committee's Preliminary Staff Assessment publication date of March 2007.

Intervenor Communities for a Better Environment filed eighty-seven data requests on February 16, 2007. The applicant's responses are of interest to staff. After review of all responses, staff may seek additional information for a complete analysis.

Issue Update

Staff is continuing to analyze the potential traffic safety issues resulting from intermittent ground-hugging plumes that were discussed during the November 30, 2006, workshop. Staff has concerns regarding an additional plume issue. The owner of a food production facility adjacent to the proposed VPP wrote to the Commission on November 27, 2006, expressing concerns about potential significant impacts of the cooling tower plume related to health, safety, and contamination of the food production process. The applicant has not addressed the potential impacts of the cooling tower plumes on traffic or the food processing plant, and in the applicant's Status Report #2, rejected staff's mitigation suggestions of moving the cooling tower to the south end of the project site and/or installing plume abatement technology. This issue will be discussed in detail in the PSA with the appropriate recommendations.

Status of Discovery

Staff now believes that most of the issues identified in the October 6, 2006 staff filings, with the exception of air quality, public health, transmission system engineering, and cooling tower plumes have been addressed. Staff has requested information from the applicant regarding when certain outstanding items will become available and has not received a definitive response. These items are listed below:

1. PM2.5 emissions mitigation strategy; DR AQ-3
2. Local air impacts mitigation strategy for criteria pollutants and air toxics; DR AQ-4

PROOF OF SERVICE (REVISED 2/16/07) FILED
 ORIGINAL MAILED FROM SACRAMENTO ON 2-21-07
 [Signature]

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3. Air quality cumulative impact assessment; DR AQ-10
4. Additional health characterization studies of Maywood and/or Huntington Park residents; November 30, 2006, Workshop Request; DR PH-49 and
5. Issuance date of South Coast Air Quality Management District (SCAQMD) Preliminary Determination of Compliance (PDOC).

Schedule

The applicant was to have provided all Round #1 Data Responses on November 9, 2006. Responses are still outstanding. The Round #2 Data Responses are due March 5, 2007. The CBE-issued Data Responses are not due until March 19, 2007. Since the progress on the PSA has slipped by approximately three and a half months due to lack of timely receipt of information, the schedule for filing of the PSA is estimated to be late April or early May. This is predicated on the applicant filing complete data responses by late March, and receipt of preliminary determinations from all local, state, and federal agencies, including the PDOC from the SCAQMD.

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

APPLICATION FOR CERTIFICATION
FOR THE VERNON POWER PLANT PROJECT
BY THE CITY OF VERNON

DOCKET NO. 06-AFC-4
PROOF OF SERVICE LIST
(REVISED 1/19/07)

INSTRUCTIONS: All parties shall (1) file a printed, original signed document plus 12 copies OR file one original signed document and e-mail the document to the Docket address below, **AND** (2) all parties shall also send a printed OR electronic copy of the document, plus a proof of service declaration, to each of the entities and individuals on the proof of service list:

CALIFORNIA ENERGY COMMISSION
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ENERGY COMMISSION

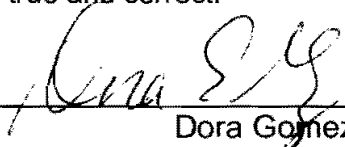
DECLARATION OF SERVICE

I, Dora Gomez, declare that on February 21, 2007, I deposited the required copies of the attached Status Report 2 for the Vernon Power Plant Project (06-AFC-4) in the United States mail at Sacramento, California with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above. I declare under penalty of perjury that the foregoing is true and correct.

OR

Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the Proof of Service list above.

I declare under penalty of perjury that the foregoing is true and correct.



Dora Gomez