

CALIFORNIA ENERGY COMMISSION1516 NINTH STREET
SACRAMENTO, CA 95814-5512**STATE OF CALIFORNIA
ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION****DOCKET
01-AFC-5C****DATE** DEC 05 2007
RECD. DEC 11 2007

In the Matter of:)	Docket No. 01-AFC-5
Valero Cogeneration Project)	
)	Order No. 07-1205-8
)	ORDER TERMINATING
)	Certification for Phase II of the
)	Valero Cogeneration Project

On October 31, 2001, the Valero Cogeneration Project (VCP) was certified by the Energy Commission. VCP was to be built in two phases, each phase to consist of a separate 51 MW unit. Each phase was to be operational by December 31, 2002. Phase I of VCP was constructed and operational on October 18, 2002. VCP filed two separate petitions to extend the online date for Phase II, each of which was granted by the Commission. The Commission's Order granting the latest of those petitions (granted November 5, 2005) extended the online date for Phase II of VCP to no later than November 1, 2007.

On October 24, 2007, VCP submitted a letter to the Commission indicating a desire to allow the certification of Phase II to lapse. Having made no progress towards the construction of Phase II since the previous extension, VCP was not able to comply with the Commission's order that Phase II be on line by November 1, 2007.

CONCLUSION AND ORDER

There being no objection and good cause having been shown, the California Energy Commission hereby grants the request by Valero Cogeneration Project to allow the certification of Phase II of the Project to lapse. The Certification for Phase II of the Valero Cogeneration Project is hereby deemed to have lapsed and is hereby terminated.

IT IS SO ORDERED.

Date: December 5, 2007

STATE OF CALIFORNIA
ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

 JACKALYNNE PFANNENSTIEL, Chairman