

Memorandum

Date: April 14, 2008
Telephone: (916) 654-4679

To: Chairman Jackalyn Pfannenstiel, Presiding Member
Vice Chair James Boyd, Associate Member

From: California Energy Commission – Christopher Meyer
1516 Ninth Street
Sacramento, CA 95814-5512
Project Manager

| | |
|---------------|-------------|
| DOCKET | |
| 07-AFC-4 | |
| DATE | APR 14 2008 |
| RECD. | APR 14 2008 |

Subject: **CHULA VISTA ENERGY UPGRADE PROJECT (07-AFC-4) STATUS REPORT 3**

Pursuant to the Committee Scheduling Order dated December 7, 2007, the following is staff's Status Report 3 for the proposed Chula Vista Energy Upgrade Project (CVEUP).

Current Activity and Issues for Resolution

Staff has been working to complete the Preliminary Staff Analysis (PSA) phase of the Application for Certification (AFC) process for the proposed CVEUP. The applicant provided responses to the Energy Commission staff's data requests on December 12, 2007, January 25, 2008, and March 7, 2008. Staff has received additional information from the San Diego Air Pollution Control District (SDAPCD) and the California Independent System Operator (CA-ISO) since the last status report on February 14, 2008. An electronic version of the Preliminary Determination of Compliance (PDOC) was received from the SDAPCD on March 6, 2008 and the CA-ISO Final Interconnection Facilities Study was received on April 2, 2008, including the downstream impacts information required by staff to complete the Transmission System Engineering section for the PSA.

The proposed laydown areas for the project are outside the boundary of the Chula Vista Subarea Plan Boundary, but within the Multiple Species Conservation Plan (MSCP) 75 – 99 percent Conservation Area – Habitat Preserve. The Energy Commission's Land Use and Biological Resources staff together continue to work on the issue of land use compatibility resulting from recent changes in the City of Chula Vista's general plan for the area and the designation of the two existing laydown areas.

On January 31, 2008, the city provided limited responses to the questions posed by Energy Commission staff in its December 26, 2007 letter regarding the project's conformance with the city LORS. The city has requested additional time to respond definitively to staff's questions on Land Use, Visual Resources, and Traffic and Transportation. Staff has proceeded with the completion of the PSA and the city will be able to provide additional information and comments at the PSA workshop and/or prior to the filing of the Final Staff Assessment (FSA).

The Environmental Health Coalition (EHC), an intervener in the AFC process, filed a second set of data requests (Data Requests #36-54) with the applicant on February 13, 2008 and a third set (Data Requests #55-56) on March 13, 2008. The applicant responded to the EHC Data Requests #36-54 on February 29, 2008 and Data Requests #55-56 on April 2, 2008. Staff is currently reviewing the data responses. In addition to the formal data requests and data responses, EHC sent a letter to the City of Chula Vista City Manager on March 3, 2008

PROOF OF SERVICE (REVISED 1/3/02) FILED WITH
ORIGINAL MAILED FROM SACRAMENTO ON 4/14/08
MS

outlining the EHC's position on City of Chula Vista General Plan Policy E6.4. The Energy Commission staff is currently reviewing the General Plan and the information provided in the letter.

Schedule

Delays in the completion of the PDOC by the SDAPCD until March 6, 2008 delayed the completion of the Air Quality section of the PSA until April 4, 2008 and are impacting the Siting Committee's proposed schedule. The receipt of the Final Interconnection Facilities Study from the CA-ISO on April 2, 2008 delayed the completion of the Transmission System Design section of the PSA until April 11, 2008. In addition, the unusually heavy workload facing the Energy Commission staff will also impact the schedule. Assuming the ability to gain a obtain a priority status in the PSA review process, staff anticipates filing the PSA on April 23, 2008 and plans to hold the PSA workshop prior to May 9, 2008.

The following table summarizes the currently proposed schedule.

**Current Proposed Schedule
 Chula Vista Energy Upgrade Project**

| Projected Schedule | Event |
|--|--|
| September 26, 2007 | AFC data adequate |
| November 29, 2007 | Informational Hearing and Site Visit |
| November 7, 2007 | Staff transmits Data Request Set 1 |
| December 7, 2007 | Applicant provides Data Responses – Set 1 |
| December 19, 2007 | Applicant provides supplemental Data Response (#42) |
| December 21, 2007 | Parties file Status Report 1 |
| January 17, 2008 | Data Response and Issue Resolution Workshop 1 |
| February 22, 2008 (Latest received April 2, 2008) | Local, state and federal agency draft determinations and Air District PDOC |
| April 23, 2008 | Staff files Preliminary Staff Assessment (PSA) |
| May 8, 2008 | PSA Workshop |
| June 6, 2008 | Local, state and federal agency final determinations and Air District FDOC |
| To Be Determined | Staff files Final Staff Assessment (FSA) |

(Shaded events have already taken place)

cc: Docket (07-AFC-4)
 Proof of Service List

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

Application for Certification
For the **CHULA VISTA ENERGY
UPGRADE PROJECT**

Docket No. 07-AFC-4

PROOF OF SERVICE
(Revised: 1/3/08)

INSTRUCTIONS: All parties shall either (1) send an original signed document plus 12 copies or (2) mail one original signed copy AND e-mail the document to the address for the Docket as shown below, AND (3) all parties shall also send a printed or electronic copy of the document, which includes a proof of service declaration to each of the individuals on the proof of service list shown below:

CALIFORNIA ENERGY COMMISSION
Attn: Docket No. 07-SPPE-1
1516 Ninth Street, MS-14
Sacramento, CA 95814-5512
docket@energy.state.ca.us

APPLICANT

Harry Scarborough
Vice President
MMC Energy Inc.
11002 Ainswick Drive
Bakersfield, CA 93311
hscarborough@mmcenergy.com

COUNSEL FOR APPLICANT

Jane Luckhardt, Esq.
Downey Brand Law Firm
555 Capitol Mall, 10th Floor
Sacramento, CA 95814
jluckhardt@downeybrand.com

APPLICANTS CONSULTANT

Douglas M. Davy, Ph.D.
Senior Project Manager
CH2M Hill
2485 Natomas Park Drive, Suite 600
Sacramento, CA 95833
ddavy@ch2m.com

INTERESTED AGENCIES

Larry Tobias
Ca. Independent System Operator
151 Blue Ravine Road
Folsom, CA 95630
LTobias@caiso.com

APPLICANTS ENGINEER

Steven Blue
Project Manager
Worley Parsons
2330 E. Bidwell, Suite 150
Folsom, CA 95630
Steven.blue@worleyparsons.com

Electricity Oversight Board
770 L Street, Suite 1250
Sacramento, CA 95814
esaltmarsh@eob.ca.gov

INTERVENORS

California Unions for Reliable Energy
(CURE)
c/o Marc D. Joseph
Gloria Smith
Suma Peesapati
Adams Broadwell Joseph & Cardozo
601 Gateway Boulevard, Suite 1000
South San Francisco, CA 94080
mdjoseph@adamsbroadwell.com
gsmith@adamsbroadwell.com
speesapati@adamsbroadwell.com

City of Chula Vista, California
c/o Charles H. Pomeroy
Caren J. Dawson
McKenna, Long & Aldridge, LLP
444 South Flower Street
Los Angeles, CA 90071
cpomeroy@mckennalong.com
cdawson@mckennalong.com

* **Environmental Health Coalition**
Diane Takvorian & Leo Miras
401 Mile of Cars Way, Suite 310
National City, CA 91950
DianeT@environmentalhealth.org
LeoM@environmentalhealth.org

ENERGY COMMISSION

Jackalynne Pfannenstiel, Chair
Presiding Committee Member
jpfannen@energy.state.ca.us

James D. Boyd, Vice Chair
Associate Committee Member
jboyd@energy.state.ca.us

Raoul Renaud
Hearing Officer
rrenaud@energy.state.ca.us

Chris Meyer
Project Manager
cmeyer@energy.state.ca.us

Kevin Bell
Staff Counsel
kbell@energy.state.ca.us

Public Adviser's Office
pao@energy.state.ca.us

DECLARATION OF SERVICE

I, Maria Sergoyan, declare that on April 14, 2008, deposited copies of the attached Chula Vista Energy Upgrade Project (07-AFC-4) Status Report 3 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.

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.



Maria Sergoyan