Memorandum

June 17, 2008 Telephone: (916) 654-4679

Vice Chair James Boyd, Presiding Member To:

Commission Chairman, Jackalyne Pfannenstiel, Associate Member

California Energy Commission - Bill Pfanner
1516 Ninth Street
Sacramont Color From:

Sacramento, CA 95814-5512

JUN 1 7 2008 RECD. JUN 1 7 2008

Subject: CPV Sentinel Energy Project (07-AFC-3) STATUS REPORT #5

Per the Hearing Officer's request, staff is submitting Status Report #5 for the CPV Sentinel Energy Project (CPV Sentinel).

Current Project Status

- On June 12, 2008, staff conducted a workshop in Sacramento to review the groundwater modeling prepared by the applicant. This workshop has been continued to June 20th to allow the applicant to provide additional information requested by Energy Commission staff.
- On June 27, 2008, staff has scheduled an additional groundwater workshop (if needed) in Sacramento to complete discussions on groundwater modeling and any other remaining issues involving the applicant's Revised Water Supply Plan.

Project Issues

The Energy Commission staff is completing its analysis of the CPV Sentinel applicant's Revised Water Supply Plan and has hired the consulting firm of HydroFocus to provide a level of technical expertise in groundwater modeling beyond the scope of existing Energy Commission staff. At the workshop held on June 12, 2008, the applicant presented the model developed for the CPV Sentinel project's proposed groundwater use. The groundwater flow model was developed to evaluate the net effects of project-specific pumping and recharge volume and timing variations of the relative groundwater levels in the Mission Creek subbasin.

The Energy Commission staff and its consultant, HydroFocus, are currently conducting an independent evaluation of the applicant's model and conclusions on potential groundwater impact. Staff is working with the applicant to fully understand the groundwater model's construction, assumptions, parameters, and results. The groundwater issue is still being evaluated, and, depending on final information submittals and conclusions, could delay publication of the PSA.

Schedule

Staff has added a groundwater modeling specialist to the project team (John Fio of HydroFocus) to provide an analysis of the project's potential impacts to groundwater quality and quantity. At this time, staff anticipates the earliest publication of the PSA would be in mid July 2008, which is a four month slip from the March 12, 2008 PSA publication date identified in the original Committee Schedule. Factors affecting the schedule have been the complexity of the applicant's original water supply plan, filing of the Revised Water Supply Plan and corresponding staff review, and staff's high workload of gas-fired and renewable siting projects. The outcome of the pending groundwater workshops and the final submission of groundwater modeling information requested by staff could result in a delay to the publication of the PSA.

Staff is not opposed to a Status Conference if the Committee and applicant believe it would be beneficial.

cc: Docket (07-AFC-3)

Proof of Service List

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

APPLICATION FOR CERTIFICATION
FOR THE CPV SENTINEL ENERGY
PROJECT
Power Plant Licensing Case

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:

CALIFORNIA ENERGY COMMISSION Attn: Docket No. 07-AFC-3 1516 Ninth Street, MS-4 Sacramento, CA 95814-5512 docket@energy.state.ca.us

APPLICANT

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PROOF OF SERVICE
(Revised 10/15/07)

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DECLARATION OF SERVICE

I, <u>Christina Flores</u>, declare that on <u>June 17, 2008</u>, I deposited copies of the attached <u>Status Report #5</u> in the United States mail at <u>Sacramento</u>, <u>CA</u> 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.

Christipa Flores

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