

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov

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08-AFC-6	
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July 14, 2008

TO: AGENCY DISTRIBUTION LIST (STATE AND FEDERAL)

REQUEST FOR AGENCY PARTICIPATION IN THE REVIEW OF THE WILLOW PASS GENERATING STATION, APPLICATION FOR CERTIFICATION (08-AFC-6)

On June 30, 2008, the California Energy Commission received an Application for Certification (AFC) from Mirant Willow Pass, LLC to construct and operate Willow Pass Generating Station (Willow Pass). The proposed project would be a dry-cooled, natural gas-fired electric power facility located on 26-acre brown-field site within the existing Pittsburg Power Plant in Contra Costa County, California. Willow Pass would consist of two, Siemens Flex Plant 10 generating units operated in combined-cycle mode. The generating units would produce approximately 550-megawatts (MW).

As part of our review process, the staff of the Energy Commission works closely with local, state and federal agencies to ensure that all laws, ordinances, regulations and standards are addressed in the final decision of the California Energy Commission.

Project Description

Mirant Willow Pass, LLC's objectives for the proposed project are to construct and operate a new generating facility at an existing brown-field site, increase the reliability of the regional electricity grid, and produce quick-start electricity during times when renewable generation is not available.

Located in the City of Pittsburg, within Contra Costa County, California, the proposed project would be situated two miles west of the city center, within the Pittsburg Power Plant. The Pittsburg Power Plant site is currently occupied by seven generating units, four of which are still in operation. The proposed project would be located on a separate 26-acre parcel adjacent to existing generating units. The proposed project would occupy the southern 23.5 acres of the 26-acre parcel. The northern 2.5 acre portion of the parcel is bordered by the Suisun Bay.

The proposed project would use dry cooling technology to minimize water consumption. The project would use recycled water supplied by the Delta Diablo Sanitation District for plant process needs including power augmentation and combustion turbine inlet air evaporation, and landscape irrigation. Water pipelines, approximately five miles in length, would be constructed to bring recycled water from, and return process wastewater to Delta Diablo Sanitation District Water Treatment Plant. Potable water for domestic and sanitary uses would be supplied by the City of Pittsburg via a connection to an existing water line on the Pittsburg Power Plant property. Sanitary waste would be conveyed to Delta Diablo Sanitation District via existing sewer lines. There would be no withdrawals or discharges of process water to Suisun Bay. Mirant Willow Pass, LLC estimates that the proposed project would use 781 acre-feet of water per year.

The proposed project would burn pipeline quality natural gas delivered by PG&E via an onsite pipeline that is approximately 2,700 feet long. The pipeline would connect to the existing gas transmission line upstream of the Pittsburg Power Plant metering station.

One single-circuit 230-kV transmission line would be required to deliver the project electrical output to the PG&E transmission grid. The 230-kV circuit line from the project switch yard to the PG&E switchyard, adjacent to the Willow Pass site, would use six, 85 to 150 foot steel pole structures constructed of weathered or galvanized steel. One of these structures would be a new 150-foot transmission tower located within the PG&E switchyard. The five remaining structures would consist of double circuit poles within the Willow Pass site. The transmission line interconnection would be approximately 1,600 feet in length.

If approved, Willow Pass would begin construction in the fall of 2009, with commercial operation commencing in the summer of 2012.

Energy Commission's Facility Certification Process

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications to construct and operate thermal electric power plants, 50 MW and greater, in California. The Energy Commission's facility certification process carefully examines public health and safety, environmental impacts, and engineering aspects of proposed power plants and all related facilities, such as electric transmission lines and natural gas and water pipelines. The Energy Commission is the lead agency under the California Environmental Quality Act (CEQA), but it produces several environmental and decision documents rather than an Environmental Impact Report.

The first step in the review process is for Energy Commission staff to determine whether or not the AFC contains all the information required by our regulations. When the AFC is deemed data adequate, we will begin the data discovery and issue analysis phases. At that time, a detailed examination of the issues will occur.

Over the coming months, the Energy Commission will conduct a number of public workshops and hearings on the proposal to determine whether the proposed project should be approved for construction and operation and under what set of conditions. These workshops will provide the public as well as local, state and federal agencies the opportunity to ask questions about, and provide input on, the proposed project. The Energy Commission will issue notices for these workshops and hearings at least ten days prior to the meeting.

Agency Participation

During this data adequacy phase, we request that you review the sections of interest to your agency and determine whether the major issues of concern have been identified. At this time, we are only concerned that such issues are disclosed, not necessarily that they be discussed in detail. We request that you provide us with any written comments you may have regarding potential issues of concern by **August 1, 2008**. Please address your comments to Michelle Woods, Project Manager, 1516 9th Street, MS-15,

July 14, 2008

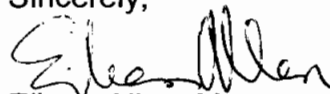
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Sacramento, CA 95814, or by email to mwoods@energy.state.ca.us. Your agency may also present its comments and recommendations in person at the Energy Commission's **August 13, 2008** Business Meeting. The limited purposes of that meeting will be to determine whether the AFC is data adequate in accordance with our regulations and to assign a committee of two Commissioners to oversee the proceeding.

When the AFC is accepted as data adequate, your participation in the proceeding will continue to be valuable and encouraged and will allow you to identify and try to resolve issues of concern to your agency. There may be specific requests for agency review and comment during the proceedings after the AFC has been determined to be data adequate. Local agencies may seek reimbursement for costs incurred in responding to these requests. However, comments provided in response to this request during data adequacy are not reimbursable under Energy Commission regulations.

Enclosed is a copy (CD) of the AFC in electronic format. If you would like to have a hard copy of the AFC sent to you, if you have questions, or if you would like additional information on how to participate in the Energy Commission's review of the proposed project, please contact Michelle Woods, Project Manager, at (916) 654-3836, or by email at mwoods@energy.state.ca.us. The status of the proposed project, copies of notices, electronic version of the AFC, and other relevant documents are also available on the Energy Commission's Internet web site at <http://www.energy.ca.gov/sitingcases/willowpass>. By being on the mailing list, you will receive notices of all project related activities and documents related to the proposed project's evaluation and review. You can also subscribe to receive e-mail notification of all notices at <http://www.energy.ca.gov/listservers>.

Sincerely,



Eileen Allen, Manager
Energy Facilities Siting and Compliance Office

Enclosure