LATHAM&WATKINS LP

September 16, 2008

Caryn Holmes, Esq. Staff Counsel California Energy Commission 1516 9th Street, MS14 Sacramento, CA 95814-5512 650 Town Center Drive, 20th Floor Costa Mesa, California 92626-1925 Tel: +1.714.540.1235 Fax: +1.714.755.8290 www.hv.com

FIRM / AFFILIATE OFFICES

Barcelona New Jersey
Brussels New York

Chicago Northern Virginia
Dubai Orange County

Frankfurt Parts
Hamburg Rome
Hong Kong San Diego
London San Francisco

Los Angeles Shanghai
Madrid Sillcon Valley
Milan Singapore

Moscow Tokyo Munich Washington, D.C.

File No. 030137-0012

DOCKET 07-AFC-3 DATE SEP 1 6 2008 RECD. SEP 1 6 2008

Re:

CPV Sentinel Energy Project - Docket No. 07-AFC-03

Dear Caryn:

I am following up on a brief discussion that occurred during the Preliminary Staff Assessment Workshop for the CPV Sentinel Energy Project on September 3, 2008 regarding the CEC's request that the applicant merge the parcels that comprise the project site into a single legal lot.

The CPV Sentinel Energy Project site consists of three separate Assessor's Parcel Numbers (APNs) (668-130-005, 668-130-007, and 668-140-001). As indicated in the Application for Certification, Applicant had anticipated merging the parcels by obtaining a Certificate of Parcel Merger with the Riverside County Planning Department. The Preliminary Staff Assessment concluded that the proposed CPV Sentinel Project would be in compliance with the Subdivision Map Act after recording the merger with the County Recorder.

Applicant subsequently has learned that, due to complicated ownership structures, a parcel merger poses a number of difficulties including complex tax implications. Applicant would like to maintain separate parcels but record a lot tie agreement, or a Covenant and Agreement To Hold Property as One Parcel, among the parcels. Such agreements, which typically are executed for the purpose of creating a single building site, require the parcel owners to covenant with the County that the real property at issue shall be held as one parcel and no portion shall be sold separately. The covenant runs with the land and is binding upon the current owners, future owners, encumbrances, successors, heirs or assignees, and continues in effect until released by the authority of the County upon request and evidence that the agreement is no longer required by law.

LATHAM-WATKINSIP

As a practical matter, all parcels already are tied together by a common ground lease between Applicant and the owners of the parcels. Applicant believes that a lot tie agreement as described above would accomplish the goal of a parcel merger and satisfy the Commission's land use requirements. Thank you for your attention to this matter.

Best regards,

Best regards,
Michael Canvoll
(PEZ) Michael J. Carroll

of LATHAM & WATKINS LLP

cc:

John Kessler, CEC Mark Turner, CPV Dale Shileikis, URS Kathy Rushmore, URS

STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

In the Matter of:)	Docket No. 07-AFC-3
Application for Certification, for the CPV SENTINEL ENERGY PROJECT)	ELECTRONIC PROOF OF SERVICE LIST
) _)	(July 24, 2008]

Transmission via electronic mail and by depositing one original signed document with FedEx overnight mail delivery service at Costa Mesa, California with delivery fees thereon fully prepaid and addressed to the following:

DOCKET UNIT

CALIFORNIA ENERGY COMMISSION

Attn: DOCKET NO. 07-AFC-3 1516 Ninth Street, MS-15 Sacramento, California 95814-5512 docket@energy.state.ca.us



Transmission via electronic mail addressed to the following:

APPLICANT

Mark Turner

Project Manager
CPV Sentinel, LLC
55 Second Street, Suite 525
San Francisco, California 94105
mturner@cpv.com

Dale Shileikis

Vice President
URS Corporation
221 Main Street, Suite 600
San Francisco, CA 94105-1917
dale shileikis@urscorp.com

CPV SENTINEL ENERGY PROJECT CEC Docket No. 07-AFC-3

Kathy Rushmore

URS Corporation
221 Main Street, Suite 600
San Francisco, CA 94105-1917
Kathy Rushmore@URSCorp.com

INTERESTED AGENCIES

California ISO
P.O. Box 639014
Folsom, CA 95763-9014
e-recipient@caiso.com

Mohsen Nazemi

South Coast Air Quality Management District 21865 E. Copley Drive Diamond Bar, California 91765-4182 mnazemi1@agmd.gov

ENERGY COMMISSION

James D. Boyd Presiding Member jboyd@energy.state.ca.us

Jackalyne Pfannenstiel
Associate Committee Member
jpfannen@energy.state.ca.us

Kenneth Celli Hearing Officer kcelli@energy.state.ca.us

John Kessler Siting Project Manager jkessler@energy.state.ca.us

Caryn Holmes Staff Counsel cholmes@energy.state.ca.us

Public Adviser pao@energy.state.ca.us

CPV SENTINEL ENERGY PROJECT CEC Docket No. 07-AFC-3

DECLARATION OF SERVICE

I, Paul Kihm, declare that on September 16, 2008, I deposited a copy of the attached:

LETTER FROM MICHAEL CARROLL TO CARYN HOLMES

with FedEx overnight mail delivery service at Costa Mesa, California with delivery fees thereon fully prepaid and addressed to the California Energy Commission. I further declare that 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. Executed on September 16, 2008, at Costa Mesa, California.

aul Kihm