Memorandum

Date: September 23, 2010 Telephone: (916) 654-4781

File: 09-AFC-3

To: Commissioner Jeffrey Byron, Presiding Member

Commissioner Robert Weisenmiller, Associate Member

Ken Celli, Hearing Officer

From: California Energy Commission - Craig Hoffman

1516 Ninth Street Siting Project Manager

Sacramento, CA 95814-5512

 DOCKET

 09-AFC-3

 DATE
 SEP 23 2010

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 SEP 23 2010

Subject: Mariposa Energy Project (09-AFC-3)
Issue Statement

Pursuant to the Committee Status Conference and Order dated September 13, 2010, the following is staff's recommendation on the preparation of a staff assessment, project schedule and any outstanding issues that may need to be resolved.

Staff Assessment

Staff is proposing that a Staff Assessment (SA) and Supplemental Staff Assessment (SSA) be prepared for the Mariposa project. The majority of technical staff have completed their analysis of the project and are prepared to provide written testimony on the project in the form of an SA. Several sections including Air Quality, Biological Resources, Cultural Resources, Land Use, Soils and Water Resources and Traffic and Transportation will need additional time to complete their initial analyses for the SA, and will need to provide any additional analysis and responses to public and agency comment in a subsequent SSA document. The SSA will also address outstanding information that is expected to be provided by other regulatory agencies that administer laws, ordinances, regulations, and standards that may be applicable to this project.

The timing of the publication of an SA and SSA is similar to a Preliminary/Final Staff Assessment format, and still allows for public workshops and additional staff review subsequent to the SA as necessary. During the comment period that follows the publication of the SA, staff will conduct one or more workshops to discuss its findings, proposed mitigation, and proposed conditions of certification. Based on the workshops and written comments, staff may refine its analysis, correct errors, and finalize conditions of certification to reflect areas where agreements have been reached with the parties and will then publish a SSA. The SSA will be a limited document representing revisions and additions rather than a document including each technical section.

The benefit of the preparation of a SA is that the Mariposa Committee may decide to hold an evidentiary hearing on any uncontested sections prior to the publication of the SSA. The Committee may also start preparing the Presiding Member's Proposed Decision based upon the testimony provided by staff.

Proposed Schedule

Staff's proposed schedule is provided below. Staff is proposing that the SA be published on October 20, 2010 with a public workshop on November 3, 2010. Based on the workshops and written comments, staff may refine its analysis, correct errors, and finalize conditions of certification to reflect areas where agreements have been reached with the parties and will then publish a SSA on December 20, 2010. This proposed schedule would allow the Committee to hold evidentiary hearings on uncontested sections prior to the publication of the SSA. Staff is providing a suggested schedule that includes Committee events. Suggested dates for Committee events are in **bold**.

ACTIVITY	DATE			
Staff files Staff Assessment (SA)	October 20, 2010			
Staff Assessment workshop	November 3, 2010			
Prehearing Conference	November 16, 2010			
Evidentiary Hearing on uncontested sections	November 30, 2010			
Staff files Supplemental Staff Assessment (SSA)	December 20, 2010			
Evidentiary hearings	January 11 – 12, 2011			
Presiding Members Proposed Decision (PMPD)	February 16, 2011			
Committee Hearing on PMPD	March 8, 2011			
Close of public comment period on PMPD	March 18, 2011			
Addendum/Revised PMPD	March 30, 2011			
Energy Commission Decision	April 6, 2011			

Outstanding Issues

To date, staff has held only two public data response and issue resolution workshops on the project. It is anticipated that the Mountain House Community and the three current interveners will be actively involved during the public workshops and hearings. Staff anticipates there could be public comments in numerous sections that may require a staff response with the potential for additional analysis. The SSA will incorporate these comments and analysis in a published document. Staff anticipates additional review in the following sections:

<u>Air Quality</u> – the Final Determination of Compliance is expected to be completed by the Bay Area Air Quality Management District by mid-November. Staff also anticipates comments from the interveners and public on this section.

<u>Biological Resources</u> – staff is currently working with the US Fish and Wildlife Service, California Department of Fish and Game and Army Corps of Engineers to verify the ratios and location of mitigation for this project.

<u>Land Use</u> – staff is expecting a letter from the Contra Costa County Airport Land Use Commission and anticipates comments from the public.

<u>Soil and Water Resources</u> – staff anticipates comments from the applicant, Byron Bethany Irrigation District and the Mountain House Community Services District on water use and supply. Staff anticipates comments from the public as well.

<u>Traffic and Transportation</u> - staff is expecting a letter from the Contra Costa County Airport Land Use Commission and anticipates comments from the public and other agencies. The California Pilots Association and California Transportation Agency Division of Aeronautics have been active in this proceeding and are expected to provide comments on the project in regard to thermal plume safety issues.

In addition, staff anticipates comments from the Mountain House Community in regard to Hazardous Materials, Public Health, Worker Safety and Fire Protection, and Visual Resources.

cc: Proof of Service List Docket 09-AFC-3



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA 1516 NINTH STREET, SACRAMENTO, CA 95814 1-800-822-6228 – WWW.ENERGY.CA.GOV

APPLICATION FOR CERTIFICATION
FOR THE *MARIPOSA ENERGY PROJECT*(MEP)

Docket No. 09-AFC-3

PROOF OF SERVICE (Revised 2/8/2010)

APPLICANT

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DECLARATION OF SERVICE

I, Hilarie Anderson, declare that on September 23, 2010, I served and filed copies of the attached <u>Issue Statement</u>. The original document, filed with the Docket Unit, is accompanied by a copy of the most recent Proof of Service list, located on the web page for this project at: [http://www.energy.ca.gov/sitingcases/mariposa/index.html]. The document has been sent to both the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit, in the following manner:

(Check all that Apply)

For service to a	all other	parties:
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- x _ sent electronically to all email addresses on the Proof of Service list;
- x by personal delivery or by depositing in the United States mail at Sacramento, CA. with first-class postage thereon fully prepaid and addressed as provided on the Proof of Service list above to those addresses **NOT** marked "email preferred."

AND

For filing with the Energy Commission:

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____depositing in the mail an original and 12 paper copies, as follows:

CALIFORNIA ENERGY COMMISSION

Attn: Docket No. 09-AFC-3 1516 Ninth Street, MS-4 Sacramento, CA 95814-5512 docket@energy.state.ca.us

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Hilarie Anderson	