

Memorandum

Date: March 15, 2012
Telephone: (916) 651-0966

DOCKET	
11-AFC-3	
DATE	MAR 15 2012
RECD.	MAR 15 2012

To: Commissioner Karen Douglas, Presiding Member
Commissioner Carla Peterman, Associate Member

From: **California Energy Commission -** Eric Solorio
1516 Ninth Street Siting Project Manager
Sacramento, CA 95814-5512

Subject: **QUAIL BRUSH GENERATION PROJECT (11-AFC-3), STAFF'S STATUS REPORT #1**

Per the Committee's Scheduling Order dated March 5, 2012, staff hereby submits its Status Report #1 regarding the proposed Quail Brush Generation Project (QBGP).

ONGOING DISCOVERY

Staff has reviewed the overall data responses and is continuing to conduct discovery to develop more information. Staff is developing its Round 3 data requests and will continue to issue subsequent data requests in various technical areas, as the analysis requires. At this time, none of staff's information needs appear to require a response time beyond the July 6, 2012 date for data responses, proposed by the applicant in its February 27, 2012 letter. Staff is not opposed to the extension of time to respond, as requested by the applicant. Because this date is approximately 2 months after the originally-proposed date for submission of the biological surveys, staff is recommending an extension of the remainder of the project schedule.

Biological Resources

The applicant filed Supplement 2 to the Application for Certification (AFC) in February 2012 which provides a description of the new generation tie line route. This new route would be located in an area not previously surveyed for biological resources in 2011 and will now need to be surveyed in 2012.

Field surveys for the federally listed endangered Quino checkerspot butterfly (QCB) were begun in February. However a final OCB report may not be completed until May 2012. Staff has also requested vegetation mapping data, wetland delineation and U. S. Army Corps of Engineers final determination regarding jurisdiction. Staff has requested results of special-status plant and animal surveys and general floristic and wildlife surveys. The expected timeframe for receiving this material is early July 2012. Due to the anticipated delay in receiving these outstanding

submittals, staff does not anticipate it will be able to reach conclusions and complete the PSA until late August 2012.

Land Use

The land use issues remain the same as those identified in the Issues Identification Report dated January 13, 2012. The proposed QBGP is inconsistent with several of the City of San Diego's laws, ordinances, regulations, and standards (LORS). The project conflicts with: the East Elliott Community Plan, which designates the site as Open Space; the General Plan, which designates the site as Park, Open Space, and Recreation; and the Municipal Code, which designates the site's zoning as single-family residential (RS-1-8).

To bring the project into compliance with these LORS, the applicant would need to obtain a community plan amendment, general plan amendment, and rezone from the City of San Diego. The proposed project is also located within the City's Multi-Species Conservation Program (MSCP) Subarea Plan, with which it is incompatible. To make the project consistent with the Subarea Plan, the applicant would need to obtain from the City a boundary line adjustment of the Multi-Habitat Planning Area to exclude the project site.

Since publication of the Issues Identification Report, the applicant has begun the process of applying for a community plan and general plan amendment. The applicant's Initiative to Amend is scheduled for a public hearing at the March 15, 2012 City of San Diego Planning Commission meeting. At this meeting, the Planning Commission will decide whether to approve or deny the Initiative to Amend based on compliance with the initiative criteria. If the Planning Commission approves the Initiative to Amend, the applicant will shortly thereafter submit to the City of San Diego a formal application for the community plan and general plan amendment. Approval of the Initiative to Amend is necessary before filing the formal application for an amendment.

Further potential project issues identified in the Issues Identification Report include the project's compliance with the city's Environmentally Sensitive Lands Regulations and the project's consistency with the Mission Trails Regional Park Master Plan Update, which identifies a trail at the northeast corner of the project site. There are no status updates with regard to these issues. Energy Commission staff will continue to investigate these issues and coordinate with City of San Diego staff regarding the city's review of the proposed amendments, rezone, boundary adjustment, and project compliance with other city LORS. With regard to the Mission Trails Regional Park Master Plan Update, Commission staff is coordinating with the city's Park and Recreation Department and the Mission Trails Regional Park Citizens Advisory Committee on this issue.

Fire Protection and Socioeconomics

On January 25, 2012, staff received a comment letter from the City of Santee expressing concern about the role of the City of Santee in providing necessary emergency response for the proposed project.

The City of Santee noted in its letter that according to a reference in the Application for Certification (AFC), the City of San Diego's fire department (station #39) would serve the project. Santee contends that because the closest fire station to the project site is in the City of Santee, the Santee fire department would be expected to perform emergency response functions for the project. The City of Santee states there is no formal automatic aid emergency response agreement between the two cities that addresses response to medical emergencies, fires, or other catastrophic events. The City of Santee's Carlton Oaks Drive fire station is approximately 1.6 miles from the project site, while the City of San Diego's station #39 is approximately 6.5 miles from the project site. The City of Santee Fire Department requested that the role of their fire department be evaluated. Staff is addressing these comments and concerns through the discovery process.

COOPERATION WITH CITY OF SAN DIEGO

At the request of the City of San Diego, on March 15, 2012, the project manager and staff counsel attended a Planning Commission hearing regarding Quail Brush Genco LLC's submittal of several related applications to the City of San Diego. Staff has previously met with the city to discuss cooperation, resolve conflicts with existing land use designations and discuss city use of our environmental document that would result from the review of the AFC. If the Planning Commission accepts the Quail Brush Genco LLC's application on March 15, 2012, or a subsequently scheduled date, then staff will continue to cooperate with the city and likely issue several additional rounds of data requests based upon the joint information needs and then hold one or more joint workshops with the City of San Diego staff and the applicant.

PUBLIC COMMENT AND PUBLIC OUTREACH

Staff has received a significant number of public comment letters which voice concerns about the environmental impacts of the project, pose questions about the Energy Commission's site certification process and generally voice opposition to the proposed QBGP. In response to the large amount of public comment received early in the process and per the Committee's Scheduling Order, on March 22, 2012, staff will hold a public outreach workshop in order to continue developing a dialogue between staff, members of the public and agencies interested in the proposed project.

At the workshop, staff will first explain the Energy Commission's power plant site certification process then provide an overview of staff's technical approach to its environmental review of the AFC. Individual presentations will be made by staff with professional backgrounds in the following technical areas: air quality, biological resources, cultural resources, land use, public health, socioeconomics, soil resources, traffic & transportation, visual resources, water resources and worker safety & fire protection. Staff will answer questions from the public and or government agencies.

Considering the level of public interest in this project, staff anticipates the standard issue resolution workshops between the parties will be longer in duration and need to be held more frequently for this particular project.

SCHEDULE

Due to the recent developments described above, staff is hereby respectfully requesting the Committee to adopt staff's revised proposed schedule, attached on the following page.

Attachment (1): Staff's Revised Proposed Schedule

Cc: Proof of Service list

	ACTIVITY	Calendar Day
6	Applicant files Data Responses (round 1)	03-05-12 03-08-12
7	Status Reports due by 3:00 p.m.	03-15-12
8	Staff files Round 3 Data Requests	03-22-12
9	Staff holds a public outreach workshop	03-22-12
10	Applicant files Data Responses (round 2)	04-06-12
11	Status Reports due by 3:00 p.m.	04-16-12
12	Applicant provides Data Responses (round 3)	04-23-12
13	Data response and issue resolution workshop	04-27-12
14	Status Conference	04-30-12
15	Applicant submits supplemental information resulting from workshop	05-10-12
16	SDAPCD issues Preliminary Determination of Compliance (PDOC)	05-11-12
17	Status Reports due by 3:00 p.m.	05-15-12
18	Data response and issue resolution workshop	05-18-12
19	Status Conference	05-29-12
20	Applicant submits supplemental information resulting from workshop	06-08-12
21	Applicant submits Quino Checkerspot Butterfly survey report Applicant submits Comprehensive Biological Survey(s) Report	05-04-12 07-06-12
22	SDAPCD issues Final Determination of Compliance (FDOC)	07-20-12
23	Status Reports due by 3:00 p.m.	08-15-12
24	Status Conference (if needed)	TBD
25	Preliminary Staff Assessment filed	07-17-12 08-31-12
26	Preliminary Staff Assessment workshop(s)	07-31-12 09-14-12
27	Comments on PSA are due	08-16-12 10-01-12
28	Final Staff Assessment filed	09-14-12 10-29-12
29	Prehearing Conference*	TBD
30	Evidentiary hearings*	TBD
31	Committee files Presiding Member's Proposed Decision*	TBD
32	Hearing on the PMPD*	TBD
33	Committee files errata or revised PMPD (if necessary)*	TBD
34	Commission issues final Decision	TBD
*Items 24 and 29 thru 34 are scheduled by the Committee		



**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 *QUAIL BRUSH GENERATION PROJECT***

DOCKET NO. 11-AFC-3
PROOF OF SERVICE
(Revised 2/29/2012)

APPLICANT

Cogentrix Energy, LLC
C. Richard "Rick" Neff, Vice President
Environmental, Health & Safety
9405 Arrowpoint Boulevard
Charlotte, NC 28273
rickneff@coentrix.com

Cogentrix Energy, LLC
John Collins
Lori Ziebart
9405 Arrowpoint Blvd.
Charlotte, NC 28273
johncollins@coentrix.com
loriziebart@coentrix.com

APPLICANT'S CONSULTANTS

Tetra Tech EC, Inc.
Connie Farmer
Sr. Environmental Project Manager
143 Union Boulevard, Suite 1010
Lakewood, CO 80228
connie.farmer@tetrattech.com

Tetra Tech EC, Inc.
Barry McDonald
VP Solar Energy Development
17885 Von Karmen Avenue, Ste. 500
Irvine, CA 92614-6213
e-mail service preferred
barry.mcdonald@tetrattech.com

COUNSEL FOR APPLICANT

Bingham McCutchen LLP
Ella Foley Gannon
Camarin Madigan
Three Embarcadero Center
San Francisco, CA 94111-4067
e-mail service preferred
ella.gannon@bingham.com
camarin.madigan@bingham.com

INTERESTED AGENCIES

California ISO
e-mail service preferred
e-recipient@caiso.com

City of Santee
Department of Development
Services
Melanie Kush, Director of Planning
10601 Magnolia Avenue, Bldg. 4
Santee, CA 92071
mkush@ci.santee.ca.us

**ENERGY COMMISSION –
DECISIONMAKERS**

KAREN DOUGLAS
Commissioner and
Presiding Member
e-mail service preferred
kldougla@energy.state.ca.us

CARLA PETERMAN
Commissioner and
Associate Member
cpeterma@energy.state.ca.us

Raoul Renaud
Hearing Adviser
e-mail service preferred
rrenaud@energy.state.ca.us

Galen Lemei
Presiding Member's Adviser
e-mail service preferred
glemei@energy.state.ca.us

Jim Bartridge
Associates Member's Adviser
jbartrid@energy.state.ca.us

**ENERGY COMMISSION
STAFF**

Eric Solorio
Project Manager
esolorio@energy.state.ca.us

Stephen Adams
Staff Counsel
e-mail service preferred
sadams@energy.state.ca.us

Eileen Allen
Commissioners' Technical
Adviser for Facility Siting
e-mail service preferred
eallen@energy.state.ca.us

**ENERGY COMMISSION –
PUBLIC ADVISER**

Jennifer Jennings
Public Adviser's Office
e-mail service preferred
publicadviser@energy.state.ca.us

DECLARATION OF SERVICE

I, Diane Scott, declare that on March 15, 2012, I served and filed a copy of the **QUAIL BRUSH GENERATION PROJECT (11-AFC-3), STAFF'S STATUS REPORT #1**. This document is accompanied by the most recent Proof of Service list, located on the web page for this project at:
[\[http://www.energy.ca.gov/sitingcases/quailbrush/index.html\]](http://www.energy.ca.gov/sitingcases/quailbrush/index.html).

The document has been sent to the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit or Chief Counsel, as appropriate, in the following manner:

(Check all that Apply)

For service to all other parties:

- Served electronically to all e-mail addresses on the Proof of Service list;
- Served by delivering on this date, either personally, or for mailing with the U.S. Postal Service with first-class postage thereon fully prepaid, to the name and address of the person served, for mailing that same day in the ordinary course of business; that the envelope was sealed and placed for collection and mailing on that date to those addresses **NOT** marked "e-mail preferred."

AND

For filing with the Docket Unit at the Energy Commission:

- by sending an electronic copy to the e-mail address below (preferred method); **OR**
- by depositing an original and 12 paper copies in the mail with the U.S. Postal Service with first class postage thereon fully prepaid, as follows:

CALIFORNIA ENERGY COMMISSION – DOCKET UNIT

Attn: Docket No. 11-AFC-3
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.state.ca.us

OR, if filing a Petition for Reconsideration of Decision or Order pursuant to Title 20, § 1720:

- Served by delivering on this date one electronic copy by e-mail, and an original paper copy to the Chief Counsel at the following address, either personally, or for mailing with the U.S. Postal Service with first class postage thereon fully prepaid:

California Energy Commission
Michael J. Levy, Chief Counsel
1516 Ninth Street MS-14
Sacramento, CA 95814
mlevy@energy.state.ca.us

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, that I am employed in the county where this mailing occurred, and that I am over the age of 18 years and not a party to the proceeding.

Original Signed By:

Diane Scott
Siting, Transmission and Environmental Protection Division