Memorandum

Date: August 22, 2008
Telephone: (916) 651-0965

To: Commissioner Jeffrey Byron, Presiding Member
Commissioner Arthur H. Rosenfeld, Associate Member

From: California Energy Commission – Che McFarlin
Project Manager
1516 Ninth Street
Sacramento, CA 95814-5512

Subject: CANYON POWER PLANT (07-AFC-9) STATUS REPORT #1

Recent Project Activity

On June 13, 2008, staff conducted a Data Response and Issues Resolution workshop in Anaheim. The workshop was continued to June 20th in Sacramento to allow staff and the applicant additional time to more fully address questions raised at the workshop.

On August 20, 2008, the applicant submitted a second set of data responses which staff is currently reviewing.

Air Quality Issue

In a suit brought against the South Coast Air Quality Management District (SCAQMD) by the National Resources Defense Council (NRDC), the Los Angeles Superior Court issued a decision that invalidates the SCAQMD's approval of Rule 1309.1 (Priority Reserve) and 1315 (Federal New Source Review Tracking System). The court's decision prohibits SCAQMD from undertaking any action to further implement those rules pending CEQA compliance.

The applicant is currently proposing to purchase PM10 offsets from the Priority Reserve. At this time staff is uncertain if these offsets will be available to the project. Therefore the status of the District's Preliminary Determination of Compliance (PDOC) for this project is unknown.

Schedule

Given the recent court decision staff is unable to suggest a schedule for PSA publication at this time.

cc: Docket (07-AFC-9)
Proof of Service List
BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA

APPLICATION FOR CERTIFICATION
For the CANYON POWER PLANT PROJECT

Docket No. 07-AFC-9

PROOF OF SERVICE
(REVISED 7/31/2008)

INSTRUCTIONS: All parties shall either (1) send an original signed document plus 12 copies or (2) mail one original signed copy AND e-mail the document to the address for the Docket as shown below, AND (3) all parties shall also send a printed or electronic copy of the document, which includes a proof of service declaration to each of the individuals on the proof of service list shown below:

CALIFORNIA ENERGY COMMISSION
Attn: Docket No. 07-AFC-9
1516 Ninth Street, MS-15
Sacramento, CA 95814-5512
docket@energy.state.ca.us

INSTRUCTIONS: All parties shall either (1) send an original signed document plus 12 copies or (2) mail one original signed copy AND e-mail the document to the address for the Docket as shown below, AND (3) all parties shall also send a printed or electronic copy of the document, which includes a proof of service declaration to each of the individuals on the proof of service list shown below:

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INTERVENORS

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DECLARATION OF SERVICE

I, Christina Flores, declare that on August 22, 2008, I deposited copies of the attached Status Report #1 in the United States mail at 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.

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

Christina Flores