

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION
OF THE STATE OF CALIFORNIA

APPLICATION FOR CERTIFICATION FOR THE
VERNON POWER PLANT PROJECT
BY THE CITY OF VERNON

DOCKET NO. 06-AFC-4
(AFC ACCEPTED 09/14/06)

ORDER DENYING REQUESTS OF PARTIES

On January 18, 2008, staff for the California Energy Commission (Staff) timely filed its *Status Report #4*, pursuant to the *Committee Notice of Cancellation of Status Conference*, dated November 2, 2007. Applicant filed its *Status Report #9*, and responded to the Staff on January 22, 2008.

The Staff document identifies numerous issues in the case which Staff characterizes as unresolved. These include matters involving air quality, public health, cooling tower plumes, and waste management. Staff refers to a lack of progress toward certification based on these issues and asks us to suspend the proceeding, "...until the Applicant has demonstrated that it can successfully resolve all significant permitting issues, most notably the ability to obtain sufficient emissions reduction credits."

Applicant counters that Staff has misinterpreted South Coast Air Quality Management District (SCAQMD) Rule 1309.1 – Priority Reserve. Applicant asserts that it is not required to have a long-term power sales agreement in place as a pre-requisite to continued Commission review. Further, Applicant points out its efforts in the areas of waste management and community outreach. In other areas of dispute, Applicant alleges that its disagreements with Staff are appropriate for analysis in the Preliminary Staff Assessment (PSA) rather than as a basis for suspension of the case. Applicant also requests that the Committee direct Staff to issue a bifurcated PSA on all issues except air quality.

We are convinced that Applicant is continuing to pursue the City of Vernon Application for Certification, and that Staff has not stated adequate grounds to suspend the case over Applicant's objection. In addition, to grant Applicant's request for a bifurcated PSA would complicate the Staff analysis and deny the public a comprehensive analysis of the project as a whole. Both requests of the parties are therefore **DENIED**.

Dated February 8, 2008, at Sacramento, California.

Original Signed by
JACKALYNE PFANNENSTIEL
Chair and Presiding Member
Vernon AFC Committee