

Memorandum

Date: October 15, 2007

Telephone: (916) 653-0062

To: Commissioner John L. Geesman, Presiding Member
Commissioner James D. Boyd, Associate Member

From: California Energy Commission – Jack W. Caswell, Project Manager
1516 Ninth Street
Sacramento, CA 95814-5512

Subject: COLUSA GENERATING STATION (06-AFC-9) STATUS REPORT #3

Pursuant to the Committee Status Report Order dated September 27, 2007, the following is staff's Status Report #3 for the proposed Colusa Generating Station (CGS). As a result of the Preliminary Staff Assessment (PSA) workshop, data requests, data responses and the applicant's changes to the Glenn-Colusa Canal Bridge location and design, staff is submitting the following information.

FINAL STAFF ANALYSIS COORDINATION ACTIVITIES

- Air Quality – All information requested by staff at the PSA workshop and in data requests has been provided by the applicant and staff has completed its Air Quality analysis for the CGS project.
- Land Use – The Colusa County Board of Supervisors has approved the applicant's request for land use amendments to the county's general plan, zoning, and height variance for the CGS project. As a result of the county's actions and responses to staff's informational requirements for land use, staff has now completed its land use analysis for the proposed project.
- Water Transfer Agreement – In a vote by the Colusa County Board of Supervisors on October 2, 2007, the final agreement for the transfer of water to the proposed project was completed. This 3-party water transfer agreement provided staff with the requested information as identified in the PSA workshop and Data Requests. However, staff is waiting for responses to staff's September 20, 2007, data requests regarding the work required for the new Glenn-Colusa Canal Bridge redesign and location.
- Worker Safety and Fire Protection/Hazardous Materials – The Maxwell Fire Protection District (MFPD) and the CGS applicant have been unable to agree to proposed mitigation measures as a result of the proposed project impacts. The CGS-proposed mitigation measures suggested to the fire protection district were provided to the Energy Commission in a supplemental document filed on

September 19, 2007. Staff does not anticipate progress on this issue. In agreement with the Fire Protection District and CGS applicant, staff has completed its FSA technical sections for Worker Safety & Fire Protection and Hazardous Materials. Staff has no recommendation on how the costs associated with the project impacts can be resolved. Both technical areas have unresolved mitigation costs requested by the MFPD requiring the Committee's direction.

Pending Final Staff Assessment Information

The CGS applicant filed changes to the project description on August 17, 2007. The changes to the project focused on the relocation and redesign of the Glenn-Colusa Canal Bridge located on Dirks Road east of the proposed project site. The proposed changes to this bridge location and design are requiring additional review and evaluation of previous assumptions by the Commission staff, Army Corps of Engineers (ACE), and the United States Fish and Wildlife Service (USFWS). During consultation with the ACE and USFWS conducted on September 25, 2007, the federal agencies identified areas that would require additional analysis to be provided by the CGS applicant.

Staff filed data requests on September 20, 2007, requesting additional information on the Glenn-Colusa Canal Bridge redesign. The data requests were in the technical areas of: biological resources, cultural resources and soils and water resources. Staff has not received responses to the data requests but anticipates the response by October 19, 2007.

Agency Coordination

The USFWS is requesting a Revised Biological Assessment (RBA) be submitted by the CGS applicant for further evaluation prior to being accepted as complete by the USFWS. This information request by the USFWS will require evaluation by the Commission staff as well. Currently, the applicant and USFWS are unable to provide dates to Commission staff for the filing of the requested information or when the USFWS will accept the RBA as complete. Staff will work toward resolving the information requirements identified by the USFWS with the CGS applicant.

As a result of the bridge redesign impacts to the Glenn-Colusa Canal, the ACE will now evaluate the proposed bridge project and issues and consider a 404 permit application for the proposed work that would occur within the canal water flow. The ACE requires a notice for the proposed project to be published for public review for a 30 day comment period. This comment period must be completed before the ACE will provide comments on the anticipated impacts of the bridge redesign and location to Commission staff. Staff requires some level of assurance that the proposed work can occur under the federal ACE permit process or an early indication of any issues that the ACE can identify. Staff is working with the CGS applicant and the ACE in order to get some indication of potential issues or areas of concern that could delay or affect this proposed project change.

Commissioner John L. Geesman, Presiding Member
Commissioner James D. Boyd, Associate Member
October 15, 2007
Page 3

SCHEDULE

Staff is currently working on preparing the FSA. Due to the project's recent bridge-related change, pending information mentioned above and the large number of siting projects at the Energy Commission, staff will be delayed in the publication of the FSA. Staff's current estimated timeframe for release of the FSA is mid November 2007, this date could be affected by any delays in the USFWS and ACE review of the new Glenn-Colusa Canal Bridge design. The development and publication of the Final Staff Assessment will depend on the applicant's ability to resolve the issues identified above and submittal of all required final information and documents in a timely manner.

cc: Docket (06-AFC-9)
Proof of Service List