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01-AFC-17
CALIF ENERGY COMMISSION

MAY 03 2002

RECEIVED IN DOCKETS

May 3, 2002

BY HAND DELIVERY

Commissioner Robert Pernell, Presiding Member
Commissioner James Boyd, Associate Member
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814-5512

Re: Inland Empire Energy Center (Docket No. 01-AFC-17): Status Report No. 3

Dear Commissioners Pernell and Boyd:

Inland Empire Energy Center, LLC (IEEC) filed its second status report with the California Energy Commission (Commission) on April 18, 2002, covering actions from March 2002 to April 18, 2002. Since the second status report was filed, the IEEC project team's efforts have been focused primarily on completing our response to Staff's second data requests. These data requests address Biological Resources issues related to concerns raised in Staff's second status report. Following is a summary of the activities that have occurred since IEEC filed its second status report.

Procedural Milestones

On April 15, 2002, IEEC filed a set of data responses addressing issues and questions raised by Commission Staff in the Data Response workshop held on February 26, 2002.

IEEC continues to work closely with the South Coast Air Quality Management District (District) regarding the release of the Preliminary Determination of Compliance (PDOC). IEEC has confirmed with District staff that they have all information necessary from IEEC to issue the PDOC. We

understand that District staff has completed its analysis, and the PDOC is being presented to District Management for review and approval.

The project remains on schedule in accordance with the Committee's February 14, 2002 Scheduling Order. We are diligently working with Staff to provide the data necessary for Staff to complete the Preliminary Staff Assessment (PSA) in May.

Data Requests and Responses

IEEC responses to data requests 1 to 161, issued on January 14, 2002, are complete and have been submitted to Commission Staff.

IEEC is preparing a second round of data responses to respond to Commission Staff data requests 162 to 188 issued on April 5, 2002 in the areas of Biological Resources, Cultural Resources, Socioeconomics, and Visual Resources. We expect to file most of our responses by May 9, 2002, only three days after the May 6, 2002 deadline. In addition, two of the data requests ask for information that IEEC must obtain from an Intervenor, the Romoland School District. We submitted our data request to the Romoland School District on April 22, 2002. On April 29th, IEEC called the School District Superintendent to explain that the reason for requesting information from the District is to respond to the CEC's data request. The Superintendent confirmed their receipt of IEEC's data request, and explained that the District is in the process of responding.

Issue Areas

Biology

As discussed in our second status report, project linear features may potentially impact features subject to U.S. Army Corps of Engineers (Corps) jurisdiction. IEEC had a pre-application meeting with the Corps on April 18, 2002. IEEC also had meetings with the California Department of Fish and Game (CDFG) on April 23, 2002, and the U. S. Fish and Wildlife Service on April 24, 2002. CDFG, after review of an aerial photo of the project area and pictures of potentially affected drainage features, advised IEEC verbally that no Section 1600 permit would be required for the IEEC project. We are following up with a letter requesting that CDFG confirm in writing that a permit is not required. During the meeting with U. S. Fish and Wildlife Service, we reviewed the project maps and discussed key process issues. IEEC agreed to submit an application for a Nationwide Permit and Biological Assessment as soon as possible.

Land Use

As noted above, based on Staff's most recent data request, IEEC requested detailed data from the Romoland School District that would assist IEEC to understand the District's school siting process and provide the information discussed in Staff's data requests 178 and 179.

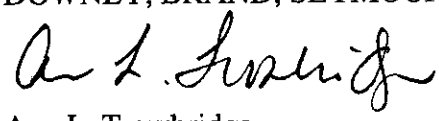
In response to the District's request, Calpine arranged a meeting with the School District and County Redevelopment Agency (RDA) in March of 2002. Calpine, the School District, and County RDA staff discussed planning efforts currently underway and funding projections being prepared by the County's RDA consultant, including the District's potential share of the tax increment that would be created by the IEEC project. Calpine, the District, and the County expect to continue this dialogue.

Conclusion

IEEC appreciates Staff's efforts to thoroughly and expeditiously consider IEEC's AFC and looks forward to working with Staff as this process continues.

Very truly yours,

DOWNEY, BRAND, SEYMOUR & ROHWER LLP



Ann L. Trowbridge

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cc: Docket Office (original plus 13, 1 for endorsed return)
Jim Bartridge, Project Manager
Major Williams, Hearing Officer
Paul Kramer, Staff Counsel
Service List

STATE OF CALIFORNIA

Energy Resources Conservation and Development Commission

In the Matter of:	)	Docket No. 01-AFC-17
Application for Certification for the INLAND EMPIRE ENERGY CENTER	)))	**PROOF OF SERVICE**

I, Kathleen Berry, declare that on May 3, 2002, I deposited copies of the attached **INLAND EMPIRE ENERGY CENTER STATUS REPORT NO. 3** in the United States mail at Sacramento, California, with first class postage thereon fully prepaid and addressed to the following:

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

Kathleen Berry

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