

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

IN THE MATTER OF:

APPLICATION FOR CERTIFICATION FOR THE
PANOCHÉ ENERGY CENTER

DOCKET No. 06-AFC-5

NOTICES OF PREHEARING CONFERENCE AND EVIDENTIARY HEARING

I. PREHEARING CONFERENCE

PLEASE TAKE NOTICE that the Energy Commission's Panoche AFC Committee will conduct a PREHEARING CONFERENCE as follows:

TUESDAY, OCTOBER 2, 2007

Beginning at 10:30 a.m.

California Energy Commission

1516 Ninth Street, Hearing Room A

Sacramento, CA 95814

Wheelchair Accessible

TELECONFERENCE OPTION: For the convenience of individuals who cannot travel to Sacramento, the following toll free phone number will be available at 10:00 a.m. to allow callers to participate in the prehearing conference:

Call: 1-800-369-1122

Passcode: Panoche

Conference Leader: Paul Kramer

This Prehearing Conference and the Evidentiary Hearing described below are open to the public; interested individuals and government agencies are encouraged to attend.

Background

The Panoche Energy Center is a nominal 400 MW peaking power plant, proposed to be constructed on a site approximately 12 miles southwest of the City of Mendota, 2 miles east of Interstate 5 and next to the existing Pacific Gas & Electric Panoche Substation in the unincorporated area of Fresno County. The site is currently a producing pomegranate orchard and is subject to a Williamson Act Contract. The project will

permanently occupy 12.8 acres of a 128-acre parcel and temporarily occupy an additional 8 acres as a construction laydown area.

The project consists of four General Electric LMS100 simple cycle natural-gas-fired turbines and associated equipment such as emission control systems necessary to meet the applicant's proposed emission limits. Nitrogen oxide (NOx) emissions will be controlled by ultra low NOx combustors in the turbines and selective catalytic reduction systems using aqueous ammonia. An oxidation catalyst will limit exhaust stack carbon monoxide (CO) emissions.

An intercooler, which requires a source of cooling water and cooling towers, will be used to increase turbine efficiency. Two new groundwater wells will draw water from a brackish aquifer for the cooling towers and other uses. Potable water will be supplied by a bottled water service. Process wastewater will be disposed of via a deep well injection system. Sanitary wastes will be directed to a septic system and leach field.

The project will connect to the existing PG&E Panoche Substation via a 300-foot 230-kilovolt transmission line. Natural gas to fuel the turbines will come from a 2,400-foot lateral pipeline connecting to a PG&E high-pressure gas trunk line located east of the electrical substation.

The engineering and environmental details of the proposed project are contained in the Application for Certification (AFC). Copies of the AFC are available on the Energy Commission's web site (link provided below), at the local public agencies that are involved in the review process and at the following libraries: Fresno County Library; San Diego Public Library; UCLA, University Research Library; California State Library; San Francisco Public Library; Firebaugh Branch Library; and, Mendota Branch Library.

On September 14, 2007, the Commission Staff published its Final Staff Assessment containing its analysis of the project's environmental impacts and compliance with applicable laws and standards.

Purpose of Prehearing Conference

The Prehearing Conference is a public forum where the Committee will assess the parties' readiness for evidentiary hearings, identify areas of agreement or dispute, and discuss the remaining schedule and procedures necessary to conclude the application process. At the Prehearing Conference, all parties (Commission staff, Applicant, and Intervenors) will present their respective positions regarding: the substantive topic areas ready for evidentiary hearings; those that require further analysis, including the nature of, and timeframe for, any such analysis; the topic areas that have been resolved; and the topic areas that are disputed and require adjudication. The parties will also identify proposed witnesses, as well as the time required for direct testimony and/or cross-examination.

Local, state, and federal governmental agencies may participate as necessary.

Prehearing Conference Statements

To facilitate the process, each party shall serve and file a Prehearing Conference Statement. The statements shall be received by the other parties and the Commission's Docket Unit, 1516 9th Street, MS 4, Sacramento, California 95814-5512, **no later than 3:00 p.m. on Friday, September 28, 2007.** Identify the statements with "Docket No. 06-AFC-5." In addition to providing printed copies, the parties shall e-mail their statements to the Hearing Officer and to those with e-mail addresses as indicated on the Proof-of-Service list.

Each statement shall specify:

1. The topic areas that a party believes are complete and ready to proceed to evidentiary hearings;
2. The topic areas that a party believes are not complete and not yet ready to proceed to evidentiary hearings, and the reasons therefor;
3. The topic areas that remain disputed and require adjudication, and the precise nature of the dispute for each topic;
4. The identity of each witness a party intends to sponsor; the topic area(s) upon which each witness will present testimony; a brief summary of the substantive testimony to be offered by each witness; qualifications of each witness; and the time required to present direct testimony by each witness;
5. Topic areas upon which a party desires to cross-examine witness(es), a summary of the scope of such cross-examination, and the time desired for such cross-examination;
6. A list identifying exhibits and declarations that each party intends to offer into evidence and the technical topics to which they apply (the Applicant shall number its exhibits with "1 – 99," Staff shall use numbers "100 – 199," and Intervenor CURE shall use "200 – 299");
7. Proposals for additional hearing dates (if necessary), briefing deadlines, vacation schedules, and other scheduling matters; and
8. For all topics identified as ready for hearing, the parties shall review the proposed Conditions of Certification contained in the Final Staff Assessment and describe any proposed modifications.

Exchange of Exhibits

Prior to or during the Prehearing Conference, each party shall provide copies of each of the exhibits listed on its exhibit list to the other parties and to the Hearing Officer. This requirement does not preclude the introduction of additional exhibits following the Prehearing Conference, including those used for the purpose of rebuttal or witness impeachment; it is intended to assist the parties and Committee in preparing for the evidentiary hearing and avoid delay in the preparation of a proposed decision following the hearing.

Prehearing Briefs

For those topics about which they disagree or which otherwise require adjudication, the parties shall file prehearing legal briefs describing the underlying law and policies and their application to the evidence then known to them. Initial briefs shall be filed and served electronically on the parties and Hearing Officer **no later than 5:00 p.m. on Friday, October 5, 2007**. If necessary, an opportunity to file additional briefs following the Evidentiary Hearing will be afforded.

II. EVIDENTIARY HEARING

PLEASE TAKE FURTHER NOTICE that the Panoche AFC Committee will conduct an **EVIDENTIARY HEARING** as follows:

WEDNESDAY, OCTOBER 10, 2007

Beginning at 2:00 p.m.

California Energy Commission

1516 Ninth Street, Hearing Room A

Sacramento, CA 95814

Wheelchair Accessible

TELECONFERENCE OPTION: For the convenience of individuals who cannot travel to Sacramento, the following toll free phone number will be available at 1:30 p.m. to allow callers to participate in the prehearing conference:

Call: 1-800-369-1122

Passcode: Panoche

Conference Leader: Paul Kramer

The Committee will conduct an Evidentiary Hearing on those topics that are ready to proceed to hearing. The parties shall be prepared to proceed on all topics which are so identified in the Prehearing Conference Statements. The public will be afforded an opportunity to comment on each topic.

Petitions to Intervene to Become a Formal Party

The Energy Commission's Decision on the Panoche Energy Center application will be based on the official evidentiary record developed at the Evidentiary Hearings.

Anyone with a legitimate interest in this matter may file a Petition to Intervene and become a formal party. Only a formal party may offer testimony and documentary evidence, receive documents filed by other parties, and cross-examine witnesses. However, a formal party must also comply with Committee orders, procedures, and filing requirements, and is subject to discovery and having its own witnesses cross-examined by other parties.

Petitions to Intervene in this case shall be filed **no later than September 28, 2007**. In addition to the information normally required in the petition, it shall include a showing of good cause for its filing within 30 days of the Evidentiary Hearing (see Title 20, California Code of Regulations, §1207(b) & (c). Typically, time extensions for new Intervenor to review existing case materials are not granted since to do so could delay the proceeding. In anticipation of a favorable Committee ruling on the petition, persons petitioning to intervene shall also file a Prehearing Conference Statement by the deadline set forth above.

The Energy Commission's Public Adviser's Office will assist any person or organization interested in preparing a Petition to Intervene. For assistance in this process, contact the Public Adviser's Office, at 916-654-4489 or 800-822-6228 or e-mail at: **[pao@energy.state.ca.us]**.

Public Adviser and Public Participation

Members of the general public are welcome to attend and provide public comment at the Prehearing Conference and at the Evidentiary Hearing. It is not necessary to be an Intervenor to participate in the public process. The Energy Commission's Public Adviser's Office is available to assist the public in participating in the application review process. If you require general information on how to participate, please contact the Public Adviser's Office at 916-654-4489 or 1-800-822-6228 or e-mail: **[pao@energy.state.ca.us]**.

If you have a disability and need assistance to participate in this event, contact Lourdes Quiroz at 916-654-5146 or e-mail at: **[lquiroz@energy.state.ca.us]**.

Information

Technical questions concerning the project should be addressed to James Reede, the Staff Project Manager, at (916) 653-1245 or e-mail at: **[jreede@energy.state.ca.us]**.

Questions of a legal or procedural nature should be directed to Paul Kramer, the Hearing Officer, at (916) 654-5103 or e-mail at: **[pkramer@energy.state.ca.us]**.

Media inquiries should be directed to Claudia Chandler, Assistant Executive Director for Media and Public Communications at (916) 654-4989 or e-mail at: **[mediaoffice@energy.state.ca.us]**.

Information concerning the status of the project, as well as notices and other relevant documents, may be viewed on the Energy Commission's Internet web page at: **[www.energy.ca.gov/sitingcases/panoche]**.

Dated September 17, 2007, at Sacramento, California.

Original Signed by

JEFFREY D. BYRON
Commissioner and Presiding Member
Panoche AFC Committee

Original Signed by

JAMES D. BOYD
Vice-Chairman and Associate Member
Panoche AFC Committee