

Memorandum

Date: January 6, 2006
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To: Joseph Desmond, Presiding Member
James D. Boyd, Associate Member

From: California Energy Commission – James W. Reede, Jr., Ed.D, Project Manager
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Subject: **PASTORIA ENERGY FACILITY EXPANSION PROJECT (05-AFC-1),
STATUS REPORT #3**

On November 28, 2005, Energy Commission staff issued the Final Staff Assessment (FSA) for the Pastoria Energy Facility Expansion Project. Staff was subsequently informed by the San Joaquin Valley Air Pollution Control District in late December that they would be revising the Final Determination of Compliance (FDOC) based on comments from the US Environmental Protection Agency (US EPA). The District is modifying its FDOC conditions to revise the interpollutant offset trading ratio calculation, which affects the applicant's proposed offset package. The applicant will be submitting its revised offset information to the District during the week of January 9, 2006, and the revised FDOC would be released shortly thereafter. Staff is awaiting the revised FDOC, and will submit revised Air Quality testimony prior to the hearings.

With respect to Transmission System Engineering, the FSA contained only a general discussion of potential mitigation measures that were identified in the System Impact Study. Staff is awaiting the technical assessment from the Transmission Facilities Study. The Facilities Study is being performed by Southern California Edison to determine what final mitigation measures will be recommended for the transmission impacts of the proposed project. The study was originally expected to be completed in early October and was rescheduled for completion by January 4, 2006. The applicant was in contact with SCE on January 6, 2006 to determine the status. As of this filing, the technical assessment is now expected the week of January 16th. The CAISO will have thirty days to review the study and decide what specific mitigation to approve.

Once the CAISO has approved and the applicant has selected a specific measure, staff will complete its analysis. Staff plans to file its revised Transmission Systems Engineering testimony within 30 days after receipt of the final CAISO approved measure(s), but staff may require additional time to complete its analysis, depending on the nature of the final mitigation measure(s) chosen.