

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512



November 9, 2001

Interested Parties

**ITEM FOR THE NOVEMBER 19, 2001 COMMISSION BUSINESS MEETING:
PETITION TO AMEND THE CALPINE GILROY PROJECT (01-EP-08) TO
CONSTRUCT A 1.7 MILE NATURAL GAS PIPELINE**

On September 13, 2001 the California Energy Commission (Commission) received a petition from Calpine Corporation (Calpine) to amend the May 15, 2001 Commission Decision for the Calpine Gilroy City Project (Gilroy Project). The Gilroy Project is a 135 MW emergency simple cycle, natural gas-fired power plant, located in the City of Gilroy. Construction was initiated on June 6, 2001 and the plant is expected to begin commercial operation on December 14, 2001.

Calpine is requesting that the Commission approve construction of a natural gas pipeline upstream of the project site. Calpine proposes to install 1.7 miles of 16-inch natural gas pipeline along the existing right-of-way of Frazier Lake Road and Highway 152 approximately one half mile east of the Gilroy Project. The proposed natural gas pipeline is being processed by the Commission as an amendment to the Decision, as it constitutes a modification to the project description.

The Commission staff analysis is attached for your information and review. Commission staff intends to recommend approval of the petition at the November 19, 2001 Business Meeting. If you have comments or questions, please contact me at (818) 292-2327 or email me at chuntley@energy.state.ca.us.

Sincerely,

CHRIS HUNTLEY
Compliance Project Manager
Systems Assessment & Facilities Siting