

STATE OF CALIFORNIA

Energy Resources Conservation and Development Commission

In the Matter of:

Application for Certification
for the Pico Power Project
by Silicon Valley Power

Docket No. 02-AFC-03

**PICO POWER PROJECT
STATUS REPORT #3**

Silicon Valley Power (SVP) has filed two status reports with the California Energy Commission (CEC). The first report, filed on January 13, 2003, covered actions related to the Pico Power Project during the period November 20, 2002 to January 13, 2003. The second status report was filed on February 7, 2003 and covered activities for the period January 14, 2003 through February 7, 2003. Since the last status report was filed on February 7, the SVP team's efforts been in somewhat of a "holding pattern" as we await the release of the Preliminary Determination of Compliance (PDOC) from the Bay Area Air Quality Management District and the Staff Assessment from the CEC Staff.

Data Requests and Responses

SVP has responded to all CEC data requests issued to date. No new data requests have been received from the CEC Staff.

Schedule Milestones

As mentioned above, SVP is still awaiting the release of the PDOC. At this point in time, SVP has provided the BAAQMD with the technical information they have requested to help in their final determination of the appropriate BACT levels for the Pico Power Project. It is our understanding that the PDOC is now targeted for release sometime between March 4-22, 2003.

SVP is very concerned that the continuing delay in the release of the PDOC will adversely affect the CEC's ability to issue a Final Decision for this project within the regulatory mandate of 180 days as set for in the guidelines for the expedited six-month process. We remain committed to working with the CEC Staff and

the Siting Committee to ensure that the AFC schedule moves forward in an expeditious manner despite the current slippage in some of the project milestone dates.

Summary of Documents Submitted to the CEC

SVP has not filed any documents with the CEC since the submittal of our last Status Report.

Conclusion

SVP is committed to maintaining the six-month siting process and will continue to work with Staff and the Commission to resolve all issues in a timely fashion. We appreciate the efforts of the CEC's Project Manager, Matt Trask, in helping us move the licensing process forward in as expeditious manner as possible.

Dated: February 28, 2003

Respectfully submitted,

By _____
Leslie J. Ward, General Manager
Pico Power Project