

CALIFORNIA ENERGY COMMISSION
REPORT OF CONVERSATION Page 1 of 1

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Facilities Siting Division

PROJECT TITLE: Gateway Generating Station

<input type="checkbox"/> Telephone	<input checked="" type="checkbox"/> Meeting Location: Energy Commission		
NAME: Andrea Grenier, Scott Galati	DATE: 05-23-07	TIME: 10:30 PM	
WITH: Pacific Gas and Electric (PG&E), Gateway Generating Station Project			
SUBJECT: Conversation after Business Meeting on status of Dry Cooling petition			

COMMENTS:

The following conversation occurred between Andrea Grenier, Scott Galati, Ken Celli, Ron Yasny, and Christopher Meyer after the Commission approved the PG&E petition to extend the working hours under NOISE-8,.

Andrea Grenier inquired about the status of the petition to amend and if Richard Latteri had received the information on the timing of power plant operation in excess of the proposed 57%. I responded that the information was received in a voicemail from Tom Allen and that it had been forwarded to Richard Latteri in an email. I outlined the plan to condition the back-up water supply requirement proposed by staff with the caveat that the back-up non-potable water supply (and associated infrastructure) is only necessary if the potable water supply from the City of Antioch is determined to be interruptible. Scott Galati responded that this approach was reasonable and that PG&E prefers to get the Staff Analysis out for review as soon as possible, even with some outstanding issues, rather than delaying the process and impacting the construction schedule of the project. He stated that PG&E felt that the proposed petition was consistent with the direction to eliminate the use of river water given by Commissioner Geesman. Andrea added that there is still concern about how the Energy Commission staff characterizes the potable water issues due to other projects under review and that PG&E is very concerned about consistency with the stated Energy Commission water-use policy. Scott Galati expounded on this concern by stating that the 2003 IEPR reviewed various water-use policies and clarified the Energy Commission's policy on water use specific to power plants (i.e., focusing on water used for cooling purposes).

Andrea and Scott both expressed concerns over the significant costs, and CPUC approval required to incur those costs, related to treating reclaimed water to the level necessary for use as boiler make-up water. I stated that I would approach Paul Richins and Richard Latteri with language to clarify that any future requirements to use non-potable water would be only for compatible industrial uses such as the use of the wet-sack during the summer.

The conversation closed with concerns raised by both Andrea and Scott and the series of delays, new questions raised by Energy Commission staff, and staff's insistence on the use of reclaimed water that could delay construction on the power plant.

cc: Ken Celli Ron Yasny	Signed:
	Name: Christopher Meyer