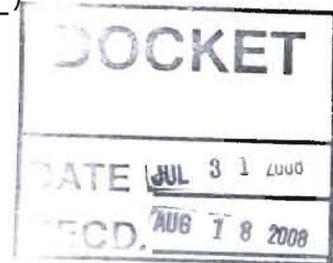


STATUS CONFERENCE  
BEFORE THE  
CALIFORNIA ENERGY RESOURCES CONSERVATION  
AND DEVELOPMENT COMMISSION

In the Matter of: )  
 )  
Application for Certification for ) Docket No.  
the CPV Sentinel Energy Project ) 07-AFC-3  
by the Pacific CPV Sentinel, LLC )  
 )



CALIFORNIA ENERGY COMMISSION  
HEARING ROOM B  
1516 NINTH STREET  
SACRAMENTO, CALIFORNIA

THURSDAY, JULY 31, 2008

10:00 a.m.

**ORIGINAL**

Reported by:  
Ramona Cota  
Contract No. 170-07-001

COMMITTEE MEMBERS PRESENT

James D. Boyd, Vice Chair and Presiding Member

Kenneth Celli, Hearing Officer

Kelly Birkinshaw, Advisor to Commissioner Boyd

Tim Tutt, Advisor to Commissioner Pfannenstiel

STAFF AND CONSULTANTS PRESENT

Rose Mary Avalos

Caryn Holmes, Staff Counsel

John Kessler

APPLICANT

Michael J. Carroll, Attorney  
Latham & Watkins

John Foster  
Competitive Power Ventures, Inc.

Mark O. Turner  
Competitive Power Ventures, Inc.

ALSO PRESENT

Manuel Alvarez, Southern California Edison

Monisha Gangopadhyay, California Public Utilities  
Commission

Gordon W. Savage, Southern California Edison

## I N D E X

	Page
Proceedings	1
Opening Remarks	1
Introductions	2
Case Summaries	
Applicant	6
CEC Staff	27
Comments on the Proposed Schedule	
Applicant	28
CEC Staff	30
Public Comment	46
Closing Remarks	49
Adjournment	49
Reporter's Certificate	50

## 1 P R O C E E D I N G S

2 10:00 a.m.

3 PRESIDING MEMBER BOYD: Good morning,  
4 everybody. Welcome to Hearing Room B, a stark  
5 contrast to Hearing Room A. Although some people  
6 indicate to me they like it because it puts us all  
7 on the same level plane and we get things done in  
8 a hurry, but it is sure sparse. Welcome to this  
9 CPV Sentinel Energy Project status conference.

10 I am Commissioner Jim Boyd, the  
11 principal committee member, the lead committee  
12 member for this project, the siting committee for  
13 this project.

14 My Associate Commissioner member of this  
15 committee is Chairman Pfannenstiel who is not here  
16 today, obviously. Lucky for her she is on  
17 vacation. For those of you who attended  
18 yesterday's hearing she left me with that but  
19 that's something else. And she is represented  
20 today by her advisor, Tim Tutt.

21 On my right is my advisor, Kelly  
22 Birkinshaw. And I think you all know Mr. Celli,  
23 our Hearing Officer, to whom I am going to quickly  
24 turn this over.

25 I think first we will go through the

1 ritual of introductions. I keep forgetting we are  
2 not amplified in here so you will have to speak  
3 up. The microphones are strictly for the court  
4 reporter to be able to pick up and make a record  
5 out of this. It is very rare that I am told I am  
6 too quiet but I get to remind everybody to please  
7 speak up today when you are making your  
8 presentations. We should now have the applicant  
9 introduce their group. Mr. Carroll.

10 MR. CARROLL: Good morning. Mike  
11 Carroll with Latham & Watkins on behalf of the  
12 applicant. And here with me this morning to my  
13 immediate right is John Foster, executive vice  
14 president with Competitive Power Ventures. And to  
15 his right, Mark Turner, director with Competitive  
16 Power Ventures and the project manager for the CPV  
17 Sentinel Project.

18 PRESIDING MEMBER BOYD: Good. And  
19 staff?

20 MS. HOLMES: Caryn Holmes, staff  
21 counsel. And on my left is John Kessler, who I  
22 think is about to report that we are ready to  
23 publish the PSA today after many late nights and  
24 weekends.

25 PRESIDING MEMBER BOYD: You still think

1 he's ready.

2 MS. HOLMES: Well I haven't talked to  
3 him this morning. I got an e-mail at 3:50 or  
4 something like that.

5 HEARING OFFICER CELLI: So you have a  
6 propitious time designed in the schedule today  
7 when you will --

8 MS. HOLMES: Announce.

9 PRESIDING MEMBER BOYD: It will be  
10 beyond thinking and there will be an announcement.

11 MR. KESSLER: It's affirmative,  
12 Commissioner.

13 MS. HOLMES: There we go.

14 PRESIDING MEMBER BOYD: Okay, it was  
15 just announced.

16 MR. KESSLER: But it will be in the  
17 afternoon.

18 PRESIDING MEMBER BOYD: Okay, this  
19 afternoon. All right, very good.

20 Are there any intervenors in the  
21 audience who would like to introduce themselves?

22 (No response)

23 PRESIDING MEMBER BOYD: Are there any  
24 public agencies or other agencies, public or  
25 private, who would like to identify their presence

1       because they may be saying something later in the  
2       day?

3               MR. SAVAGE:   Southern California Edison.

4               PRESIDING MEMBER BOYD:   Come on, Manuel,  
5       don't be bashful.

6               MR. ALVAREZ:   Manuel Alvarez, Southern  
7       California Edison.  We are here observing the  
8       proceedings.  And we may have some comments later  
9       on depending on the course of this event today.  
10      Thank you.

11              PRESIDING MEMBER BOYD:   May have, okay.  
12      Conjecture today, all right.

13              The Public Advisers Office is not even  
14      here, they have left us on our own.  Okay.

15              And I am going to turn it over to  
16      Hearing Officer Celli to give us the background  
17      and to steer us through this effort this morning.  
18      Ken.

19              HEARING OFFICER CELLI:   Thank you,  
20      Commissioner, thank you.  I just want to ask, the  
21      phone is working?

22              MS. AVALOS:   Yes.

23              HEARING OFFICER CELLI:   Okay.  Do we  
24      have anyone on the phone who wanted to introduce  
25      themselves?

1 MS. AVALOS: No. We have three  
2 listeners.

3 PRESIDING MEMBER BOYD: Let me ask a  
4 question. Do these microphones amplify for the  
5 listeners?

6 MS. AVALOS: Yes.

7 PRESIDING MEMBER BOYD: They do, all  
8 right.

9 MS. AVALOS: Although with your  
10 particular area you may want to speak a little  
11 louder.

12 PRESIDING MEMBER BOYD: All right. I  
13 don't know if these are the -- I don't know if  
14 these are the -- This is the microphone for the  
15 court reporter. Those things are the microphones  
16 for the telephone.

17 MS. AVALOS: Right.

18 PRESIDING MEMBER BOYD: I have learned  
19 that much. And yes, I am in a dead zone I see.  
20 But I can't sit here because it's solid.

21 HEARING OFFICER CELLI: Well, good  
22 morning everyone. This status conference today  
23 was set at the request of CPV Sentinel Energy  
24 Project. The Committee scheduled today's events  
25 by a notice dated July 9, 2008.

1           The purpose of today's conference is to  
2           hear from the parties regarding the status of the  
3           Preliminary Staff Analysis and to assess the  
4           scheduling of future events in this proceeding.  
5           We will first provide the applicant and then the  
6           staff an opportunity to summarize their view of  
7           the case, the status of their case, and their  
8           recommendations as to future scheduling.

9           The parties should also comment on  
10          staff's proposed release of a Partial Preliminary  
11          Staff Assessment and a suggested time frame for  
12          the prehearing conference. We will then provide,  
13          we will then provide an opportunity for general  
14          public comment.

15          With that I am going to -- I haven't  
16          quite finished reading the NRDC v. South Coast Air  
17          Quality Management District. I imagine that is  
18          going to affect this case. But with that I am  
19          going to hand it over to you, Mr. Carroll, and you  
20          can tell us what the status of the case is,  
21          please.

22          MR. CARROLL: Thank you. And let me  
23          thank everyone for setting the conference today at  
24          our request.

25          Obviously the main topic of conversation

1 that we wanted to cover was the schedule for the  
2 project. As we have expressed in the last couple  
3 of status reports, the applicant has been very  
4 concerned about the extent to which we are behind  
5 the schedule that was originally set by the  
6 Committee when this project was deemed data  
7 adequate. At this point we are approximately five  
8 months off from that original schedule.

9 We acknowledge, of course, that at the  
10 request of, or in response to some concerns  
11 expressed by staff about the water supply plan for  
12 the project that we did submit a modified water  
13 supply plan for the project in February of this  
14 year. We are also keenly aware of the workload  
15 that the staff is suffering under.

16 So with respect to those two factors, or  
17 as a result of those two factors, we expected that  
18 there would be some delay in the schedule and we  
19 had planned for some delay in the schedule.  
20 However, we hadn't expected a delay to the extent  
21 that has transpired.

22 The revised water supply plan was  
23 submitted about five months ago. Under a typical  
24 12 month schedule that's the period of time for an  
25 entire PSA to be produced. So again while we

1 acknowledge that some delay was inevitable as a  
2 result of modifying the water supply plan, our  
3 view is that the delay that has been occasioned is  
4 undue.

5 Now we are very pleased to hear that the  
6 PSA is going to be released today and we  
7 appreciate all the time and effort that went into  
8 that. When we requested this status conference it  
9 wasn't at all clear that we were going to make the  
10 July 31 date for the PSA. So that was part of the  
11 emphasis for setting the status conference  
12 although not the only impetus for it.

13 We are very pleased to hear that the PSA  
14 is going to be released. That is a significant  
15 milestone. But notwithstanding having met that  
16 milestone we have a long way to go to a final  
17 decision in the project. And quite honestly, we  
18 need to make up for some lost time.

19 Because of some unique aspects  
20 associated with this project, not the least of  
21 which is the power purchase agreement that CPV has  
22 entered into with SCE, it is critical that this  
23 project be given a high priority and that we  
24 endeavor to stick to a schedule that gets us to a  
25 final decision by the end of the year.

1           And the schedule that we proposed gets  
2 us there. We recognize that it is perhaps  
3 slightly aggressive in some respects relative to a  
4 typical schedule, although not overly so.

5           But we think that given the nature of  
6 this project the importance for getting it on-line  
7 on time and all of the effort that has gone into  
8 preparing the PSA, our hope is that we would be  
9 able to make up for some lost time between now and  
10 the final decision. And the schedule that we  
11 proposed is based on that assumption.

12           So with that I think what I would like  
13 to do is turn it over to Mr. Foster who is going  
14 to explain in a little bit more detail why it is  
15 so critical that we try to make up for some lost  
16 time and get to a final decision by the end of the  
17 year.

18           HEARING OFFICER CELLI: Thank you.  
19 Mr. Foster.

20           MR. FOSTER: Thanks, Mike. I am John  
21 Foster, executive vice president for Competitive  
22 Power Ventures. And like Mike I would like to  
23 thank you all for the opportunity to meet with you  
24 and discuss the project and the schedule for the  
25 project going forward.

1           We also are very heartened to hear that  
2           the PSA is going to issue today and think that is  
3           a very important milestone and are encouraged by  
4           that development.

5           Very briefly, and perhaps this has been  
6           covered previously. But Competitive Power  
7           Ventures is in the business of developing green  
8           field gas and wind power projects. We do this  
9           across North America. The senior management team  
10          of the company has been doing it for about 20  
11          years, sited probably around 10,000 megawatts of  
12          gas-fired plants and brought them into commercial  
13          operation.

14          This is what we do. I guess sometimes  
15          we think we are masochists for doing it but this  
16          is what we do and we enjoy doing it.

17          PRESIDING MEMBER BOYD: Try being an  
18          Energy Commissioner someday.

19          (Laughter)

20          MR. FOSTER: I understand there are  
21          different, I understand there are different sides  
22          of this cube. Each have their interesting points.

23          My job is to explain the status of the  
24          project and the critical importance of the permit  
25          schedule to its success. But before I do that I

1 just want to take a minute to underline a couple  
2 of points in the project, which perhaps everybody  
3 is already familiar with but I think it is  
4 important at a macro level. There are really  
5 three of them.

6 First, as people know, this is an 800  
7 megawatt peaking plant. One of the largest  
8 projects being developed in California right now.  
9 California has and is in the process of staking  
10 out the most aggressive renewable energy plan of  
11 any state in the country and that is something we  
12 as a company support. As I said, we have an  
13 active wind power program as well.

14 We think a peaking power project is  
15 exactly the kind of project that is important to  
16 help bridge to a renewable energy future. And we  
17 think the environmental groups also recognize this  
18 and are supportive of this kind of project as a  
19 way to firm up the intermittent nature of  
20 renewable projects.

21 Second, this project while it serves  
22 Southern California, is located in the Salton Sea  
23 Air District. So it is outside of the South Coast  
24 Air District. As such it is not contributing to  
25 the air quality problems in that district. Again,

1 we have not received environmental opposition to  
2 this project. I think the comment period is  
3 closed on the PDOC and there has been no  
4 environmental opposition to this project.

5 The last is, as you all know, and  
6 certainly we know, siting power plants is becoming  
7 an increasingly difficult task everywhere. The  
8 NIMBY phrase of not in my back yard is sort of  
9 being surpassed now by the NOPE group, which is  
10 not on planet earth. And it is certainly  
11 something that we see in a lot of different parts  
12 of the country and in some places in California.

13 It is important to note we don't have  
14 this issue with the Sentinel project. The  
15 Sentinel project has very strong community support  
16 and local support and there is no organized  
17 opposition to the project. If you have been to  
18 the area where the project is going to be it is in  
19 the middle of a huge industrial wind farm.

20 We like to say we think we are going to  
21 improve the neighborhood aesthetically with this  
22 power plant, actually. And I think we will  
23 improve the public health and safety of the  
24 immediate area as well and I think the people in  
25 the area realize that. So we do not have a

1 situation where we have a strong, controversial  
2 community opposition to this project.

3 With that said let me turn to the  
4 schedule and how it fits in to the permit and  
5 where we are with the overall project. This  
6 project, CPV Sentinel is a real project. And what  
7 do I mean by that? I mean it is not a project  
8 that is coming before you seeking a permit that in  
9 turn is going to go out and try to find a  
10 commercial arrangement to take the project  
11 forward. It is a project that has all its major  
12 commercial arrangements in place.

13 I brought as my prop today the  
14 agreements, in fact. We have, as we have already  
15 mentioned and Mike has already mentioned, power  
16 purchase agreements with Southern Cal Edison for  
17 the entire output of the project. And there's two  
18 things that are significant about that. The  
19 output was sold through competitive bidding  
20 processes that were held by Southern Cal Edison.

21 The selection of our project means at  
22 least two things. One is that Southern Cal Edison  
23 thinks that it is an important project for the  
24 operation of their system, the location and  
25 reliability of their system. And second, that the

1 ratepayers in Southern California, the SCE  
2 ratepayers, know that they have a competitively-  
3 priced power supply.

4 Ultimately, as you know from our name,  
5 CPV, we are very much about having a competitive  
6 wholesale generation market being supplied by  
7 companies like ourselves. And we are always  
8 happiest when we can win through a competitive  
9 process because we know there is a valid benchmark  
10 of our pricing.

11 Based on those commercial arrangements  
12 we have put together the construction in the cost  
13 side of the project. At this point we have  
14 acquired the turbines, entered into an agreement  
15 for the turbines, and now just this week signed  
16 our lump sum, turnkey, engineering procurement and  
17 construction contract. With those agreements we  
18 have a fixed price for the construction of the  
19 project that comports with the power purchase  
20 agreement we have with Southern Cal Edison.

21 As you are aware from projects in  
22 California and elsewhere right now, escalation of  
23 costs in the construction area are a huge issue in  
24 all areas of the energy sector, including the  
25 power plant development area. And frankly it's

1 rare to have a project now that actually has its  
2 price fixed in terms of what it is going to cost  
3 to put the project on-line and that can meet with  
4 a power purchase agreement with a buyer who is  
5 taking the output.

6 Based on that we have also arranged for  
7 the equity of the project. CPV is a 50 percent  
8 owner of the project. The three listeners on the  
9 phone today are from the General Electric company.  
10 General Electric is also 50 percent owner in the  
11 project. We at this date have more than \$30  
12 million invested in the project. By December when  
13 we are requesting the permit we will have over \$60  
14 million into the project. And we think that is a  
15 testament to our commitment to the project and our  
16 belief in the strength of the project.

17 Based on those commercial arrangements  
18 and the sponsor equity backing we have gone to the  
19 financial community to receive bids on providing  
20 the debt for the project. As you are also aware,  
21 rivaling energy project challenges or energy costs  
22 right now is the credit crunch in the financial  
23 sector.

24 We have received strong response by the  
25 financial sector for the project because of its

1 PPA's with Southern Cal Edison and because of the  
2 inherent logic in location and strength of the  
3 project. So they are voting that with their  
4 scarce credit that this is a project they would  
5 put credit to in order to bring the project into  
6 construction and ultimately to operation.

7           There's one catch in the whole story.  
8 The premise of the Southern Cal Edison PPA is the  
9 project will be on-line by August 2010. The  
10 construction contracts that we put in place  
11 provide for meeting that schedule. In order to  
12 avail ourselves of the commercial arrangements we  
13 need to begin construction of the project at the  
14 beginning of 2009. There's an 18 month  
15 construction schedule.

16           In order to do that we need a permit  
17 from the CEC that will allow us to go to South  
18 Coast and get our permit to construct. So the key  
19 issue for us and why we are here today, really, to  
20 talk about the schedule post the PSA is what we  
21 can do to make sure that we can keep on that  
22 schedule and make the project that we put together  
23 be a success.

24           The risk of not doing that is that at  
25 the extreme the project fails. Which there have

1       been a number of projects, probably more than  
2       usual lately, that have not been able to succeed  
3       for cost issues. Or it requires a delay in the  
4       project, meeting the in-service date that Southern  
5       Cal Edison is expecting and an increased cost for  
6       the project. Which will either be borne by the  
7       sponsor and/or the ratepayers.

8               So we would prefer to be able to take  
9       what we think is a really strong and important  
10      project, which has the commercial underpinnings to  
11      move forward, and keep it on schedule. Deliver  
12      what we have promised to Southern Cal Edison,  
13      deliver what the California ratepayer can expect  
14      in terms of the low-cost power.

15             So with that, that is why the schedule  
16      that we put forward is important. Where we are in  
17      the project development. Appreciate the efforts  
18      that people have made and think -- We want to urge  
19      that this is a project worth making happen. And I  
20      know you guys are keen on doing your job but it is  
21      critically important to us.

22             And with that, Southern Cal Edison is  
23      here today. We have asked them to come and just  
24      to mention the importance of the project to them  
25      in terms of their planning schedule and their

1 reliability. Do you have a few words to say,  
2 Mr. Alvarez?

3 MR. ALVAREZ: Manuel Alvarez, Southern  
4 California Edison. I guess I would just like to  
5 remind the Commission that this particular project  
6 started as long as two, two-and-a-half years ago  
7 in terms of the entire process. It is consistent  
8 with the Energy Commission's demand forecast that  
9 subsequently went over to the PUC for their  
10 approval.

11 The time schedule is constrained  
12 primarily by the fast-tracking process that the  
13 PUC instituted and then the standard process they  
14 asked for for capacity. So the constraint in  
15 terms of time is very critical to Edison in order  
16 to meet those requirements that are predicated on  
17 regulatory decisions that were made in the past.

18 Now we are aware that the regulatory  
19 structure in California is evolving but we still  
20 think we need this project. It is very important  
21 and it is very necessary for our system. It  
22 provides a lot of reliability. It is a commitment  
23 that we made through the regulatory system. And I  
24 think if the time schedule is able to be met I  
25 think it is critical for the people in the state

1 of California. Thank you.

2 HEARING OFFICER CELLI: Thank you.

3 MS. HOLMES: Could I ask a question?

4 HEARING OFFICER CELLI: Yes. Actually I  
5 was going to hand it over next to the staff to  
6 respond but go ahead.

7 MS. HOLMES: I just wanted to ask  
8 Mr. Alvarez a question. Is what you are saying  
9 that this is a project that is required to meet a  
10 local area capacity requirement?

11 MR. ALVAREZ: That's part of the  
12 criteria for the particular project. But I think  
13 more important than just the local area  
14 requirement is that the entire regulatory  
15 apparatus in terms of what the IEPR did, in terms  
16 of the staff demand forecast and then what the PUC  
17 in issuing directions to the utilities to acquire  
18 new capacity is all integrated into the entire  
19 system in terms of how the state makes its  
20 decisions ultimately in acquisitioning new  
21 facilities.

22 MS. HOLMES: Thank you.

23 MR. SAVAGE: My name is Gordon Savage.  
24 I would just like to add to that.

25 HEARING OFFICER CELLI: I am going to

1 ask you to hold on for a moment because we are  
2 going to get to public comment in a little bit.

3 What I would like to first do is ask  
4 Commissioner Boyd whether you have any questions  
5 for the applicant?

6 PRESIDING MEMBER BOYD: Not at the  
7 moment.

8 HEARING OFFICER CELLI: Or Southern  
9 California Edison?

10 PRESIDING MEMBER BOYD: Again not at the  
11 moment.

12 HEARING OFFICER CELLI: Okay.

13 PRESIDING MEMBER BOYD: I think there's  
14 more of them to hear from.

15 HEARING OFFICER CELLI: Mr. Tutt.

16 ADVISOR TUTT: I heard you ask Hearing  
17 Officer Celli about the court decision. I did not  
18 hear a response to that.

19 HEARING OFFICER CELLI: It would be --  
20 If you wouldn't mind, Mr. Carroll, if you would  
21 brief everybody on where we are at with regard to  
22 what the decision means and what it means to  
23 Sentinel.

24 MR. CARROLL: Sure, I'd be happy to  
25 address that. And for those in the audience who

1       may not know anything about the litigation let me  
2       just give 15 seconds of background.

3               The South Coast Air Quality Management  
4       District about a year ago amended a rule known as  
5       Rule 1309.1 or the Priority Reserve and adopted a  
6       companion rule known as 1315. Without going into  
7       the details of those rules, the import of the  
8       amendments was to make particulate matter and SOx  
9       offsets available for power-generating facilities  
10      within the South Coast Basin, like Sentinel.

11              For reasons that continue to elude us  
12      the environmental community challenged that rule-  
13      making, alleging that the rule-making was beyond  
14      the scope of the district's authority, that the  
15      rule-making was arbitrary and capricious, and that  
16      the district failed to comply with the  
17      requirements of CEQA in connection with the rule-  
18      making.

19              HEARING OFFICER CELLI: Actually as I  
20      read it they found that it was within their  
21      powers, it was within their authority.

22              MR. CARROLL: Yes.

23              HEARING OFFICER CELLI: But that they  
24      did not comply with CEQA.

25              MR. CARROLL: Right, right. And maybe I

1 wasn't clear. What I was laying out were the  
2 allegations of the petitioners in the lawsuit.

3 A decision was issued on Tuesday of this  
4 week. And to summarize, as Mr. Celli just said,  
5 what the court found was that the district did act  
6 within its authority, which was an important  
7 victory for the air district. And that certain  
8 decisions that the petitioners had suggested were  
9 arbitrary and capricious in connection with the  
10 rule-making were not in fact so.

11 However the court also indicated that it  
12 did not think that the CEQA analysis conducted in  
13 connection with the rule was adequate. So it  
14 seems quite clear from the decision that the court  
15 is going to send the district back to redo the  
16 CEQA analysis.

17 Now the decision is not the final word  
18 at the trial court level. What we are now waiting  
19 for is a writ to be issued by the court to the  
20 district and then a final judgment to be ordered.  
21 Until we get the writ we don't know exactly what  
22 the court is going to direct the district to do.

23 As I said, we can gather from the  
24 decision that it is going to direct it to redo  
25 some of the CEQA analysis. The exact scope of the

1 additional CEQA analysis that needs to be done is  
2 not clear and I don't think it will be clear until  
3 the writ is issued. So there is still some  
4 ambiguity about exactly what the fix, if you will,  
5 will be for the rule.

6 Also not exactly clear on when the writ  
7 is going to be issued. Typically in a case like  
8 this the judge would have directed one of the  
9 parties to prepare a proposed writ. That didn't  
10 happen. We have a new CEQA judge in this case so  
11 it is not exactly clear how she is planning to  
12 handle that. But we are in the process of trying  
13 to get some clarification from the court.

14 So I think at this point it would be  
15 premature for us to base any -- to make any  
16 decisions, including any scheduling decisions,  
17 based on the decision. Because again, until we  
18 have the writ it is not exactly clear what the  
19 district is going to be directed to do and how  
20 much time that will take.

21 It may be a very focused additional  
22 environmental analysis. The judge identified  
23 three areas in particular that she thought were  
24 deficient. If the analysis is limited to those  
25 three areas that may be something that can be

1 accomplished in a relatively short period of time.  
2 If the writ is broader in its scope then the  
3 timing would be different.

4 So until we get a writ issued and  
5 understand exactly what needs to be done I don't  
6 think we can make any predictions about the time  
7 that that is going to take. And so I think it is  
8 premature for us to base any of our decisions on  
9 that decision. But clearly it is a matter that  
10 needs to be addressed.

11 I will add, and I am not in a position  
12 to go into detail on these today because they are  
13 issues that are evolving and the air district is  
14 taking the lead on them and I don't think it would  
15 be appropriate for me to speak in a public forum  
16 about them. But we have been engaged in  
17 discussions with the district for some months  
18 about the possibility that the ruling in this  
19 matter might be adverse and what alternatives  
20 there might be for these projects in the event  
21 that an adverse ruling was issued.

22 We met with them as recently as Tuesday,  
23 the day that the decision came out, with the  
24 executive officer of the agency and other senior  
25 staff. The air district is extremely committed,

1 and I would encourage the Energy Commission to  
2 contact the air district directly. But the air  
3 district is extremely committed in seeing that  
4 these projects move forward.

5 And so there are a number of  
6 alternatives that the air district is pursuing,  
7 that we are pursuing in conjunction with the air  
8 district, to ensure that offsets are made  
9 available for these projects one way or another.  
10 Whether it's through resolving whatever  
11 deficiencies the court ultimately identifies in  
12 this rule-making or in some alternative means. So  
13 there is a very strong commitment on the part of  
14 everyone other than the petitioners in this case  
15 in Southern California to see that these projects  
16 move forward.

17 That's an overview. I would be happy to  
18 answer, respond to any specific questions.

19 HEARING OFFICER CELLI: Let me ask. Do  
20 you have anything to add, staff, to the analysis  
21 of the case?

22 MS. HOLMES: No. Only that the decision  
23 on the ruling, which I think we have all read,  
24 does indicate that the writ will enjoin the  
25 district from undertaking any further action to

1       implement the rules. So it has the potential to  
2       be quite broad. Although I agree with  
3       Mr. Carroll, until we see the writ it is not, it  
4       is not clear exactly what the district will be  
5       directed or prevented from doing.

6                   HEARING OFFICER CELLI: Just for the  
7       record, just to be clear. The three areas that  
8       they are looking at were aesthetics, health and  
9       global warming.

10                  MR. CARROLL: Correct.

11                  HEARING OFFICER CELLI: Any further  
12       question on that, Mr. Tutt?

13                  ADVISOR TUTT: The only specific  
14       question is, and it may be premature as  
15       Mr. Carroll says. Does this development this week  
16       affect the schedule for the FDOC?

17                  MR. CARROLL: We don't believe that it  
18       does and we specifically discussed that with the  
19       district on Tuesday. I cannot speak for them but  
20       we do not believe that the issuance of a decision  
21       would preclude them from issuing an FDOC for this  
22       project, which they are poised to do.

23                  As Mr. Foster indicated, the comment  
24       period on the PDOC is closed. They did not  
25       receive any comments other than from the

1 applicant. All those issues have been resolved  
2 and I believe the district is poised to issue the  
3 FDOC at any point. We don't expect the issuance  
4 of this decision to affect that. But again,  
5 ultimately that will be the district's decision to  
6 make.

7 HEARING OFFICER CELLI: Thank you. Any  
8 further questions of the applicant by the  
9 Committee? The staff? Response?

10 MS. HOLMES: No. I think that we are  
11 perhaps not as optimistic about the FDOC as the  
12 applicant is but we don't see any reason at this  
13 point to alter the schedule until we know that in  
14 fact there is a problem.

15 Staff is prepared, as we indicated to  
16 the Committee and to the applicant, to file a  
17 Final Staff Assessment at the end of September.  
18 But we would point out we do need to have the  
19 Final Determination of Compliance in order to do  
20 that. So if there is a delay the FSA would  
21 necessarily be delayed as well.

22 But we don't see any -- We would  
23 encourage the Committee, in fact, to set a  
24 schedule at this point under the assumption that  
25 the FDOC will be issued. If it isn't then we will

1 address it when that happens.

2 HEARING OFFICER CELLI: Thank you. Have  
3 you had a chance to look at my Tentative Revised  
4 Committee Schedule. I was trying to be  
5 reasonable. I was taking into consideration the  
6 applicant's schedule. There's copies of a  
7 proposed schedule on the table in front of the  
8 podium there. I was trying to build in some of  
9 the timing that the staff mentioned in their  
10 e-mail, which I received yesterday. I'm sure all  
11 the -- I hope all of the parties received in  
12 response to the applicant's --

13 MS. HOLMES: It was docketed and sent  
14 out to the service list.

15 HEARING OFFICER CELLI: Okay. And so  
16 comments on this schedule. Let's first hear from  
17 the applicant. What can we do here to make this  
18 work?

19 MR. CARROLL: Well in looking at the  
20 schedule and comparing it to what we had proposed  
21 it looks like the differences are in the issuance  
22 of the Final Staff Assessment. We had tightened  
23 up the time period between PSA and FSA to 45 days  
24 from the standard 60 days. The Committee's  
25 proposed schedule pushes that back to 60 days.

1           It appears that the bulk of the  
2           difference in timing is between the FSA and the  
3           evidentiary hearings. And what I would suggest is  
4           that given the level of effort that has gone into  
5           this project. And let me say, of course we don't  
6           want to prejudge what the PSA says. But our  
7           expectation is that with respect to all areas  
8           other than water and a couple of minor issues in  
9           other areas that are tied to water, we don't have  
10          any significant outstanding issues or  
11          disagreements with the staff on this project.

12                 So we are going to hopefully get a PSA  
13          today. We will work through those water issues.  
14          But my expectation is that between now and 60 days  
15          from now when an FSA comes out we will be in  
16          complete agreement with the staff on this project.  
17          We only have one topic area to focus on. We have  
18          spent a lot of time on it already.

19                 And I would certainly hope that in that  
20          60 day period, by the time the FSA issues, we are  
21          in agreement with the staff. That's certainly  
22          going to be our goal, to be in agreement with the  
23          staff. And that the period of time that is in  
24          this schedule between the FSA and the evidentiary  
25          hearings, which is about 40 days, wouldn't be

1 necessary. Our schedule had us going to  
2 evidentiary hearing relatively soon after the FSA.  
3 I think 15 days following the FSA.

4 So what I would propose is that we  
5 tighten the schedule back up in that time frame  
6 and schedule the evidentiary hearings shortly  
7 after the filing of the Final Staff Assessment as  
8 opposed to the 40 days that is built into the  
9 schedule here.

10 I guess the only other place that I can  
11 press is on you, Mr. Celli. And wouldn't it be  
12 nice to go into the Christmas holidays knowing  
13 that you had that PMPD --

14 (Laughter)

15 PRESIDING MEMBER BOYD: How productive  
16 are you at the federal minimum wage level?

17 HEARING OFFICER CELLI: There are people  
18 who are not being paid right now.

19 Staff, respond please.

20 MS. HOLMES: With respect to the  
21 proposed schedule that the applicant offered.  
22 Again I would just point out that we do believe  
23 that we need the 30 days between the time that the  
24 Final Determination of Compliance is issued and a  
25 Final Staff Assessment. It takes staff a minimum

1 of two weeks to get the conditions melded in with  
2 the staff conditions and it has to go through  
3 review and publication. So if the FDOC date is in  
4 fact August 29 I think that the most reasonable  
5 date for publishing the FSA is the end of  
6 September as we proposed.

7 With respect to the hearing dates. I am  
8 of two minds about this. On one hand I think it  
9 is obviously nice to allow a lot of extra time if  
10 you need to set the schedule now in case there is  
11 a contested issue.

12 If however, in fact we are able to  
13 resolve the outstanding issues -- And Mr. Carroll  
14 is correct, the outstanding issues, the ones that  
15 we have not completed our analysis in, have to do  
16 with water and a water-related biological  
17 resources issue. So it all centers on the water  
18 issue. If those issues are resolved then there  
19 can be a very, very short period of time between  
20 the Final Staff Assessment and the applicant's  
21 testimony and in-between the applicant's testimony  
22 and the hearings. Assuming that there are no  
23 intervenors or agencies or members of the public  
24 who express concern.

25 If on the other hand it looks as though

1       there's going to be some issues that do need to be  
2       litigated I think it is appropriate to allow  
3       additional time. However, I am not sure that we  
4       need as much time as you have offered. I know  
5       that I am not supposed to say that but I think  
6       actually that we do not need three full weeks  
7       between the time that the applicant files their  
8       testimony and we go to hearings. I think that we  
9       could easily resolve, we could easily prepare for  
10      hearings if we have just the one contested issue,  
11      within two weeks.

12                 I am wondering if there is a way to  
13      move the prehearing conference. And I am not  
14      quite certain how you want to proceed with this.  
15      Again, my point is just that it is difficult to  
16      pick a schedule at this time if we don't know if  
17      there is going to be no contested issues  
18      whatsoever. If there is going to be a half a day  
19      of hearing on water or if there is going to be  
20      three days on water. It is very difficult to  
21      know. It is very difficult for me to give a  
22      recommendation for the schedule.

23                 I will say though, under the worst case  
24      if there was to be a lot of issues involving the  
25      water issue I still don't think that we need to go

1       until November 10 for those hearings. I think  
2       that could be pushed back.

3               HEARING OFFICER CELLI: You know, what I  
4       was trying to accomplish there on October 15 was  
5       that by the applicant filing their testimony prior  
6       to the prehearing conference then that would  
7       actually make for a more efficient prehearing  
8       conference. Because then staff can say, this is  
9       exactly what we need in the way of time.

10              MR. CARROLL: I think that sequencing --  
11       I agree, I think that sequencing works. What I  
12       would offer is that applicant would be prepared to  
13       file its testimony within a week of the Final  
14       Staff Assessment, which would push that up to  
15       October 7. That would allow a prehearing  
16       conference -- I don't have a calendar in front of  
17       me so I may be picking Saturdays or Sundays. But  
18       somewhere around October 15.

19              HEARING OFFICER CELLI: I have one here

20              MS. HOLMES: That's a Wednesday.

21              HEARING OFFICER CELLI: October 15 is a  
22       Wednesday.

23              MS. HOLMES: Is it a Business Meeting  
24       Wednesday?

25              HEARING OFFICER CELLI: I don't know if

1 it is a Business Meeting Wednesday or not.

2 MS. HOLMES: I can't count that far  
3 ahead.

4 MR. CARROLL: Or the 14th.

5 HEARING OFFICER CELLI: So you are  
6 suggesting that on October 7, which is really, you  
7 know -- September 30 is a Tuesday. And applicant  
8 could have their testimony filed, you think, by  
9 October 7?

10 MR. CARROLL: Yes.

11 HEARING OFFICER CELLI: That is a  
12 reasonable time.

13 MS. HOLMES: I think we will have a very  
14 good sense of where we are by the end of  
15 September.

16 MR. CARROLL: Yes.

17 HEARING OFFICER CELLI: Okay.

18 MR. CARROLL: I think we could have our  
19 testimony in within a week of the FSA. If we  
20 could schedule the prehearing conference a week  
21 following that.

22 HEARING OFFICER CELLI: So the week of  
23 October 13 sometime. Do we know if there is a  
24 Business Meeting on that --

25 ADVISOR TUTT: For the record,

1 Mr. Celli, there is no Business Meeting on that  
2 Wednesday but it appears that Chairman  
3 Pfannenstiel may have a conflict with another  
4 rule-making. Hearing Room A is reserved for  
5 another purpose.

6 HEARING OFFICER CELLI: And October 13  
7 is Columbus Day, which is a state holiday. I just  
8 noticed. She's busy on the 15th?

9 ADVISOR TUTT: It is likely that she is,  
10 correct.

11 HEARING OFFICER CELLI: How is the 16th  
12 or the 17th?

13 MS. HOLMES: Or the 14th?

14 HEARING OFFICER CELLI: The 14th?

15 ADVISOR TUTT: The 16th? As far as I  
16 can tell here the 16th or the 14th would work. I  
17 can't verify completely.

18 HEARING OFFICER CELLI: Well tentatively  
19 let me just say October 14 or 16, something like  
20 that. Okay, that's our prehearing conference.  
21 Evidentiary hearings then.

22 MR. CARROLL: I would propose a week  
23 following the prehearing conference.

24 HEARING OFFICER CELLI: That would be  
25 the week of the 20th. And I'd sure wish to hear

1 from either Commissioners or their advisors as to  
2 any blocked time so that we know that we are not  
3 heading into a problem already.

4 PRESIDING MEMBER BOYD: Okay, I  
5 apologize. I ran off without my Blackberry, which  
6 is unusual. I'm usually wired to the thing.

7 ADVISOR BIRKINSHAW: I think I have most  
8 of those items on mine too. It looks like it's  
9 available.

10 HEARING OFFICER CELLI: And the week of  
11 the 20th is clear?

12 MR. CARROLL: And if we could complete  
13 the evidentiary hearings that would still allow 60  
14 days for the PMPD to be prepared before the  
15 holidays.

16 HEARING OFFICER CELLI: We like eight  
17 weeks for that.

18 MR. CARROLL: Seven would take you right  
19 up to Christmas Eve.

20 (Laughter)

21 HEARING OFFICER CELLI: Yes it would.  
22 Okay. So what I am doing is I am changing October  
23 15 to October 7 as applicant testimony filed.  
24 October 30 will be October 14 or 16 when I get  
25 some confirmation as to the available times. And

1 then evidentiary hearings October 20.

2 ADVISOR BIRKINSHAW: We'll have to check  
3 but that looks okay.

4 HEARING OFFICER CELLI: Okay. Around  
5 the week of the October 20 week. Followed by a  
6 PMPD sometime the week of, I'm thinking the 19th  
7 of December. Committee Conference. There is a 30  
8 day comment period. That takes us to what? Let's  
9 see, December 19?

10 ADVISOR BIRKINSHAW: Somewhere in the  
11 neighborhood of January 19.

12 HEARING OFFICER CELLI: I've got around  
13 the 23rd of January. Does that look right to  
14 everyone else as a Committee Conference date,  
15 January 23?

16 And then the next Business Meeting would  
17 be February 11, I believe. There might be one --  
18 I am not sure because when you go on the website  
19 there is only one January Business Meeting date.  
20 So I called Harriet yesterday asking about what  
21 were the February dates and I know they were the  
22 11th and I think the 25. Would February 11 sort  
23 of be the go-for date for a Business Meeting?  
24 Would that throw a wrench in the works or what?  
25 Applicant?

1           MR. FOSTER: I appreciate the effort  
2 being made to adjust the schedule. Candidly,  
3 Mr. Carroll prepared me that, you know, December  
4 may not be something you guys jumped up and down  
5 and gave to us today. It is going to be  
6 difficult, it is very difficult for us to go  
7 beyond January, though, so that's the challenge we  
8 have.

9           And I think it is helpful mapping out  
10 the schedule. I guess we too are believing that  
11 when we get to the FSA that we really won't have  
12 open issues. And so I guess if we are in that  
13 situation that maybe even some of what followed  
14 after that could be done faster. It's a question  
15 actually in some ways. And so I wouldn't want to  
16 give up the hope for that.

17           Because we are going to obviously be  
18 incented then, and already have been, to work  
19 cooperatively with staff and also get to yes on  
20 any outstanding issues and be very reasonable on  
21 sort of the conditions we agree to comply with.

22           MR. CARROLL: Perhaps I could suggest  
23 one thing. Rather than waiting until the close of  
24 the comment period on the PMPD for the Committee  
25 Conference could we hold the Committee Conference

1 during the 30 day comment period?

2 And then we would be in a position very  
3 shortly after the close of the comment period to  
4 go to a final decision. So if we move the  
5 Committee Conference up to January 15 perhaps the  
6 comment period would close on the 23rd and then we  
7 might be prepared to go to the last -- I don't  
8 know when the last Business Meeting is in January.

9 MS. HOLMES: Well it would be two weeks  
10 before the 11th.

11 MR. CARROLL: Right.

12 MR. FOSTER: So the last week in  
13 January.

14 MS. HOLMES: So it's probably the 28th.  
15 I was going to make a similar suggestion, that you  
16 move the conference back prior to the end of the  
17 comment period. Obviously written comments can  
18 come in on the last day.

19 HEARING OFFICER CELLI: The last day.

20 MS. HOLMES: And that's the risk that we  
21 take by moving forward with this approach.

22 MR. CARROLL: Right, right.

23 MS. HOLMES: But if that doesn't happen  
24 it does put you in a position to go to an earlier  
25 Business Meeting, I believe.

1 HEARING OFFICER CELLI: I was looking at  
2 January 23. What date are you proposing?

3 MR. CARROLL: January, a week earlier,  
4 January 15.

5 HEARING OFFICER CELLI: The 15th,  
6 January 16.

7 MS. HOLMES: I would recommend even  
8 earlier. I mean, I think you'll know. If you did  
9 it halfway through the comment period. You know,  
10 at that point people will have had a chance to at  
11 least read the decision and raise issues if they  
12 have them. They obviously can continue to file  
13 written comments after the conference. What I'm  
14 saying is this is a risk that the applicant then  
15 takes but it is a schedule that provides them with  
16 a slightly earlier Business Meeting.

17 PRESIDING MEMBER BOYD: So earlier in  
18 January.

19 HEARING OFFICER CELLI: That is true,  
20 that is on the applicant.

21 MR. CARROLL: Right.

22 HEARING OFFICER CELLI: It's really the  
23 risk.

24 MR. CARROLL: And I think we acknowledge  
25 that, that this is dependant upon us delivering

1 and things going as we are projecting that they  
2 go. So we acknowledge that. But our experience  
3 is that the events tend to fill up the space  
4 provided. So we prefer to have something tight  
5 with the recognition that it might need to be  
6 altered as opposed to having something that  
7 anticipates problems.

8 HEARING OFFICER CELLI: So January 15.  
9 And then do you happen to know when the last  
10 January Business Meeting is going to be yet?

11 ADVISOR TUTT: I don't have that  
12 schedule on my calendar yet. But I would out to  
13 Hearing Officer Celli that if the PMPD is released  
14 on December 19 the 30 day period appears to me to  
15 be January 19.

16 MS. HOLMES: But I would suggest an  
17 earlier date than the 15th. I would suggest maybe  
18 the 5th or the 6th or the 7th, something along  
19 those lines. And that way, as I said, people have  
20 had two weeks, admittedly over Christmas, to look  
21 at the PMPD and make decisions to whether they  
22 have concerns or not.

23 And hopefully if they do they'll show up  
24 at the conference. If they don't and they don't  
25 file something until the end of the comment period

1 then it may have to be delayed. But we have at  
2 least preserved the opportunity, if there are no  
3 conditions, there are no problems, for moving  
4 forward at the end of January.

5 HEARING OFFICER CELLI: So we're keeping  
6 the December 19 date. We are moving the committee  
7 conference on the PMPD to January what?

8 MS. HOLMES: I suggested the 7th but I  
9 just picked it out of the air.

10 HEARING OFFICER CELLI: January 7. Does  
11 that work for the Committee?

12 MS. HOLMES: Or the 8th or whatever.  
13 I'm just suggesting that week.

14 PRESIDING MEMBER BOYD: The week of?

15 MS. HOLMES: That divides the comment  
16 period up in half, roughly.

17 ADVISOR TUTT: The 7th is a Wednesday.  
18 It's possible there would be a Business Meeting  
19 that day.

20 MS. HOLMES: Not if there is one on the  
21 28th. I'm just counting back. Assuming that the  
22 11th is a Business Meeting I am just counting back  
23 two weeks. So I don't know.

24 HEARING OFFICER CELLI: How does January  
25 8 look?

1                   ADVISOR TUTT:  It's hard to tell that  
2                   far out on this but sometime during that week is  
3                   probably fine.

4                   HEARING OFFICER CELLI:  I'll just put  
5                   the 8th with a question mark.  Knowing that this  
6                   is a knowing, intelligent, voluntary waiver on the  
7                   part of the applicant we can do that.

8                   What I was going to -- What I will just  
9                   do.  Because rather than take time today I can,  
10                  I'll just find out when the next Business Meeting  
11                  is and put in the last date in January for the  
12                  Business Meeting.

13                  So that is acceptable to applicant as we  
14                  have it right now?  October 7 is applicant files  
15                  testimony after the September 30 FSA.

16                  We all need to take into consideration  
17                  that the PSA, as I understand it, that is coming  
18                  out today does not have a Water section, is that  
19                  right?

20                  MS. HOLMES:  It does have a water  
21                  section.  It lists a series of issues that are  
22                  unresolved.  And if it would be helpful we could  
23                  go over this or people can read it for themselves  
24                  this afternoon.  It's really your call.

25                  HEARING OFFICER CELLI:  So FSA out on

1 September 30. October 7, applicant testimony  
2 filed. October 14 or 16 the prehearing  
3 conference. Evidentiary hearings the week of  
4 October 20. PMPD out December 19. Committee  
5 Conference on January 8. And then the last date  
6 in January would be the Business Meeting we would  
7 be shooting for. Is that acceptable to the  
8 applicant?

9 MR. CARROLL: We appreciate the efforts.  
10 And it appears that that's the best we can do so  
11 we appreciate the effort.

12 HEARING OFFICER CELLI: And staff?

13 MS. HOLMES: It's acceptable to staff as  
14 long as we maintain that 30 days between the FDOC  
15 and the FSA. There is one other piece of  
16 outstanding information that I think we will get  
17 between -- I don't think there is going to be an  
18 issue with it but I will mention it just for the  
19 record. And that's final details about the  
20 applicant's water transfer proposal. We had a  
21 confidential filing and we don't have a complete  
22 filing that we can make public. That's obviously  
23 something we need as well. We will need at least  
24 30 days to review that.

25 HEARING OFFICER CELLI: What 30 days are

1 we talking about here?

2 MR. CARROLL: Thirty days prior to the  
3 FSA.

4 MS. HOLMES: Prior to the FSA.

5 HEARING OFFICER CELLI: Okay. Any  
6 questions from the Committee as to the schedule?  
7 Commissioner?

8 PRESIDING MEMBER BOYD: No, I just --  
9 The applicant has taken a lot upon itself. But  
10 the FDOC is really critical, isn't it?

11 MR. CARROLL: We recognize that.

12 HEARING OFFICER CELLI: Okay, anything  
13 further of the applicant?

14 PRESIDING MEMBER BOYD: I guess I would  
15 just -- Excuse me for interrupting. I would just  
16 say, if that doesn't work I guess we will be back  
17 discussing a schedule.

18 MR. FOSTER: Understood and we agree.

19 HEARING OFFICER CELLI: Advisor Tutt,  
20 anything? Advisor Birkinshaw? Staff?

21 PRESIDING MEMBER BOYD: I am presuming  
22 we will have a budget by then. I won't be working  
23 for free and the minimum wage issue will be behind  
24 us.

25 (Laughter)

1                   HEARING OFFICER CELLI:  Okay, well I  
2                   think we have covered everything we had  
3                   anticipated covering in this status conference.  
4                   What I am going to do now is open the floor, the  
5                   podium to public comment.  This gentleman over  
6                   here had --

7                   MR. SAVAGE:  Gordon Savage.  I was just  
8                   trying to fully --

9                   PRESIDING MEMBER BOYD:  You've got to  
10                  come to the podium.

11                  MR. SAVAGE:  I was trying to fully  
12                  answer the question and it doesn't sound like it  
13                  is relevant anymore.

14                  HEARING OFFICER CELLI:  Just to be  
15                  clear, everyone, if you wish to make a comment we  
16                  need you to come to the podium and speak into that  
17                  microphone because everything is being taken down  
18                  by the recorder.  Please state your name.

19                  MR. SAVAGE:  My name is Gordon Savage.  
20                  And I was just trying to fully answer your  
21                  question.  I think you were satisfied with the  
22                  answer about the need so I won't go into it.

23                  PRESIDING MEMBER BOYD:  You are with  
24                  Edison, I assume.

25                  MR. SAVAGE:  Yes, I am the manager of

1 energy contracts.

2 PRESIDING MEMBER BOYD: Thank you.

3 HEARING OFFICER CELLI: Anyone else wish  
4 to make public comments? Please.

5 MS. GANGOPADHYAY: Actually I have a  
6 couple of questions. My name is Monisha  
7 Gangopadhyay, I am from the CPUC. And we wanted  
8 to know what your schedule was for filing your  
9 application for a CPCN? And also to request that  
10 all environmental review with regards to the gen  
11 tie are done adequately. That's what we would  
12 expect coming to us. I don't know if that is  
13 further along in your horizon but we can talk  
14 about that maybe after.

15 MR. TURNER: So with respect to the  
16 application for the CPCN. We have been working  
17 with both people of your staff and Southern  
18 California Edison and we plan on submitting an  
19 application after the PSA is issued here. SCE  
20 staff needs the PSA in order to prepare the  
21 application for the CPCN.

22 I don't know exactly the timing after  
23 the PSA comes out. I would suggest probably  
24 around a month or so after that. We expect to  
25 file the application concurrently with the CEC

1 application, which is the CEQA document that  
2 ultimately is needed for CPCN approval as well.

3 MS. GANGOPADHYAY: Right. And our  
4 permitting is contingent upon CEC's approval of  
5 the application.

6 MR. TURNER: Exactly, we understand  
7 that. And we have been coordinating with Chloe in  
8 your department on this CPCN application and  
9 preparing to submit it to you.

10 MS. GANGOPADHYAY: Okay. And I just  
11 wanted to let you know that I am the project  
12 manager for CPUC so I'll give you my card later.  
13 It would be great to have, for us to be talking as  
14 well.

15 MR. TURNER: Absolutely, thank you.

16 MS. GANGOPADHYAY: Not having seen the  
17 Preliminary Staff report I don't know what  
18 information is out there on the gen tie.

19 MS. HOLMES: Into the Devers substation?

20 MS. GANGOPADHYAY: That's right.

21 MS. HOLMES: There is a complete  
22 evaluation in all technical areas of potential  
23 impacts and if there are any impacts, mitigation.  
24 That's completely covered, the gen tie.

25 MS. GANGOPADHYAY: Okay. Is it Ajoy

1 Guha who is working on the transmission aspect?

2 MS. HOLMES: I believe so.

3 MS. GANGOPADHYAY: Okay. So I guess we  
4 will be in touch.

5 MS. HOLMES: Would you like me to have  
6 him contact you?

7 MS. GANGOPADHYAY: That would be great,  
8 thank you. I'll give you my card after.

9 HEARING OFFICER CELLI: And also if you  
10 wouldn't mind giving a card to the court reporter  
11 that would be helpful, thank you.

12 Anyone else? Further comment this  
13 morning? Thank you.

14 At this time I will hand the meeting  
15 back over to Commissioner Boyd who may adjourn.

16 PRESIDING MEMBER BOYD: Well I  
17 appreciate the efforts everyone has made. I guess  
18 we all cross our fingers and hope that everything  
19 falls into place and that we don't have to repeat  
20 this scheduling effort. So good luck everybody  
21 and thank you all for being here and for your  
22 input. And I guess with that we can adjourn this  
23 status conference. So adjourned.

24 (Whereupon at 10:58 a.m., the  
25 Status Conference was adjourned.)

## CERTIFICATE OF REPORTER

I, RAMONA COTA, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California Energy Commission Prehearing Conference; that it was thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said conference, nor in any way interested in outcome of said conference.

IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of August, 2008.

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345□