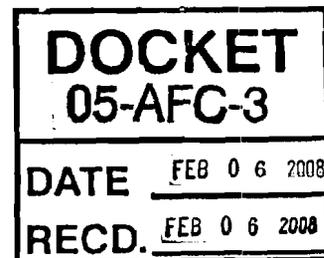


February 6, 2008

Ms. Angela Hockaday  
California Energy Commission  
Docket Unit, MS-4  
1516 Ninth Street  
Sacramento, CA 95814-5512

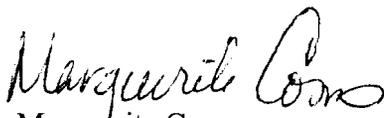


Re: **EDISON MISSION ENERGY'S  
STATUS REPORT NUMBER 5  
DOCKET NO. (05-AFC-3)**

Dear Ms. Rodriguez:

Enclosed for filing with the California Energy Commission are one original and 12 (Twelve) copies of the **EDISON MISSION ENERGY'S STATUS REPORT NUMBER 5**, for the Sun Valley Energy Project (05-AFC-3).

Sincerely,

  
Marguerite Cosens

Scott A. Galati  
GALATI & BLEK, LLP  
555 Capitol Mall Avenue  
Suite 600  
Sacramento, CA 95814  
(916) 441-6575

STATE OF CALIFORNIA  
Energy Resources  
Conservation and Development Commission

In the Matter of:

Application for Certification for the Sun  
Valley Energy Project

**DOCKET NO. 05 AFC-03**

**EDISON MISSION ENERGY'S  
STATUS REPORT NUMBER 5**

---

In accordance with the Siting Committee Scheduling Order dated March 6, 2006, Edison Mission Energy (EME) hereby files its Status Report Number 5 to inform the Committee of the progress that is being made with the licensing of the Sun Valley Energy Project (SVEP). EME is poised to resume the certification process that has been delayed for several months pending the South Coast Air Quality Management District's (SCAQMD's) rulemaking regarding the Priority Reserve Program for emission reduction credits. There is a strong need for the peaking power that the SVEP will provide to maintain system reliability in California and also to provide the load-following capability necessary to support achievement of the Renewables Portfolio Standard. EME looks forward to working with CEC Staff to complete the SVEP's certification.

***Air Quality***

The South Coast Air Quality Management District (SCAQMD) completed a Preliminary Determination of Compliance (PDOC) for the SVEP on January 19, 2007, and the CEC issued a Preliminary Staff Assessment (PSA) on May 16, 2007. The SCAQMD did not issue a Final Determination of Compliance (FDOC), however, and the FDOC is required for the CEC process to proceed and Staff to issue the Final Staff Assessment. Since the PSA was issued, the CEC certification process has been halted pending the 1309.1 rulemaking, which establishes and implements the Priority Reserve Program. The SVEP plans to acquire some of the required emissions reduction credits through the Priority Reserve. The SCAQMD amended Rule 1309.1 on August 3, 2007. Since that time, the SCAQMD has been revising the PDOC to make it consistent with the amended rule and

has asked EME for additional information and analyses, which EME provided on October 15, 2007.

Rather than proceeding directly to an FDOC as EME requested, the SCAQMD released its Notice of Intention to issue reissue the PDOC as revised, on February 5, 2008. The Revised PDOC has thus resolved the air quality permitting issues having to do with the rule amendment process, and the CEC certification process can continue as soon as SCAQMD issues the FDOC. EME looks forward to working closely with Staff over the next few days to evaluate the revised PDOC and incorporate any changes reflected in the revised PDOC and FDOC into the Final Staff Assessment.

EME is also working diligently to secure emission reduction credits to offset the SVEP's emissions of volatile organic compounds (VOCs). EME's progress to date on securing ERCs is described in the revised PDOC.

### ***US Army Corps of Engineers***

Staff requested that EME conduct additional consultations with the US Army Corps of Engineers (USACE) regarding the jurisdictional status of drainage features that the non-reclaimable wastewater pipeline will cross and the potential that pipeline construction would require a permit under Section 404 of the Clean Water Act. EME accompanied representatives of the USACE on a visit to the project site on October 19, 2007. Subsequent to that site visit, EME received a jurisdictional determination from the USACE, dated January 7, 2008, stating that the SVEP would not affect wetlands or waters of the United States and that the USACE would not require that EME obtain for a Section 404 permit for the project. This letter was docketed on January 7, 2008.

### ***Riverside County***

EME has filed an application with Riverside County to enable the County to issue an advisory Conditional Use Permit (CUP), and the County has issued the advisory CUP, including proposed Conditions of Certification.

### **Conclusion**

Staff published the Preliminary Staff Assessment (PSA) on May 16, 2007. EME submitted comments on the PSA before the May 31, 2007 Staff Assessment Workshop. EME and Staff discussed these comments at the workshop and were able to resolve the outstanding issues and concerns. EME subsequently docketed revised comments on the PSA that detail the resolution of several key issues and describe the specifics of agreements reached between EME and Staff at the workshop regarding Conditions of Certification. The revised comments also include responses to information requests that Staff posed at the workshop.

No additional pending or outstanding information requests have been posed by Staff or other parties to which EME has not responded. While waiting for SCAQMD action on the Priority Reserve and the PDOC, EME and Staff have reached agreement on most, if not all, of the Conditions of Certification. EME looks forward to working with Staff to incorporate any changes reflected in the revised PDOC and FDOC into the Staff Assessment, a timely publication of the Final Staff Assessment, and the completion of the certification process.

Dated: February 6, 2008

A handwritten signature in black ink, appearing to read 'S. Galati', written over a horizontal line.

Scott A. Galati  
Counsel to Edison Mission Energy

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION  
OF THE STATE OF CALIFORNIA

APPLICATION FOR CERTIFICATION  
FOR THE SUN VALLEY ENERGY  
PROJECT (SVEP)

DOCKET No. 05-AFC-3  
PROOF OF SERVICE LIST  
(Revised 3/23/2007)

INSTRUCTIONS: All parties shall 1) send an original signed document plus 12 copies OR 2) mail one original signed copy AND e-mail the document to the web address below, AND 3) all parties shall also send a printed OR electronic copy of the documents that shall include a proof of service declaration to each of the individuals on the proof of service:

**DOCKET UNIT**

**CALIFORNIA ENERGY COMMISSION**

Attn: Docket No. 05-AFC-3  
1516 Ninth Street, MS-4  
Sacramento, CA 95814-5512  
[docket@energy.state.ca.us](mailto:docket@energy.state.ca.us)

**APPLICANT**

Jenifer Morris  
Project Manager  
NJ Resources, LLC  
7240 Heil Ave.  
Huntington Beach, CA 92647  
[jenifer@njr.net](mailto:jenifer@njr.net)

**\*Victor Yamada, Project Manager**  
**Edison Mission Energy**  
**18101 Von Karman Avenue,**  
**Suite 1700**  
**Irvine, CA 92612-1046**  
[vyamada@EdisonMission.Com](mailto:vyamada@EdisonMission.Com)

Tom McCabe  
Edison Mission Energy  
18101 Von Karman Avenue  
Irvine, CA 92612  
[tmccabe@edisonmission.com](mailto:tmccabe@edisonmission.com)

**APPLICANT'S CONSULTANT**

CH2M HILL  
Douglas M. Davy, Ph.D., Sr. Project  
Manager  
2485 Natomas Park Dr., Suite 600  
Sacramento, CA 95833  
[ddavy@ch2m.com](mailto:ddavy@ch2m.com)

**COUNSEL FOR APPLICANT**

Galati & Blek, LLP  
Scott Galatti  
Plaza Towers  
555 Capitol Mall, Suite 600  
Sacramento, CA 95814  
[sgalati@gb-llp.com](mailto:sgalati@gb-llp.com)

**INTERESTED AGENCIES**

Songzhe Zhu  
Ca. Independent System Operator  
151 Blue Ravine Road  
Folsom, CA 95630  
[SZhu@caiso.com](mailto:SZhu@caiso.com)

Eric Saltmarsh  
Electricity Oversight Board  
770 L Street, Suite 1250  
Sacramento, CA 95814  
[esaltmarsh@eob.ca.gov](mailto:esaltmarsh@eob.ca.gov)

**INTERVENORS**

Roland Skumawitz, Superintendent  
Romoland School District  
25900 Leon Road  
Romoland, California 92548

California Unions for Reliable Energy  
Marc D. Joseph  
Gloria D. Smith  
Adams Broadwell Joseph & Cardozo  
601 Gateway Boulevard, Suite 1000  
South San Francisco, California 94080  
[mdjoseph@adamsbroadwell.com](mailto:mdjoseph@adamsbroadwell.com)

**INTERESTED PERSONS**

**\*Brenda Tomaras**  
**Tomaras and Ogas**  
**10755-F Scripps Poway Parkway,**  
**#281**  
**San Diego, CA 92131**  
**[btomaras@mtowlaw.com](mailto:btomaras@mtowlaw.com)**

**\*Laura Miranda,**  
**Deputy General Council**  
**Pechanga Indian Reservation**  
**Post Office Box 1477**  
**Temecula, CA 92593**  
**[lmiranda@Pachangansn.gov](mailto:lmiranda@Pachangansn.gov)**

**ENERGY COMMISSION**

John L. Geesman  
Presiding Member  
[jgeesman@energy.state.ca.us](mailto:jgeesman@energy.state.ca.us)

Jackalyne Pfannenstiel  
Associate Member  
[jpfannen@energy.state.ca.us](mailto:jpfannen@energy.state.ca.us)

Gary Fay  
Hearing Officer  
[gfay@energy.state.ca.us](mailto:gfay@energy.state.ca.us)

Project Manager  
Robert Worl  
[rworl@energy.state.ca.us](mailto:rworl@energy.state.ca.us)

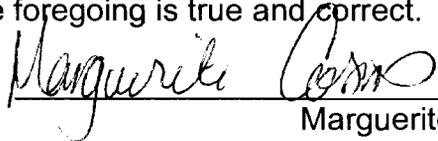
Staff Counsel  
Deborah Dyer  
[ddyer@energy.state.ca.us](mailto:ddyer@energy.state.ca.us)

Public Adviser  
[PAO@energy.state.ca.us](mailto:PAO@energy.state.ca.us)

**DECLARATION OF SERVICE**

I, Marguerite Cosens, declare that on February 6, 2008, I deposited copies of the attached **Edison Mission Energy's Status Report Number 5, for the Sun Valley Energy Park (05-AFC-03)** in the United States mail at Sacramento, CA with first class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above. Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210.

I declare under penalty of perjury that the foregoing is true and correct.

  
\_\_\_\_\_  
Marguerite Cosens