State Of California | The Resources Agency of California

Memorandum

To: Chairman Jackalyne Pfannenstiel, Presiding Member
Commissioner Jeffrey Byron, Associate Member

Date: November 3, 2006
Telephone: (916) 651-8853
File: 06-AFC-2

From: California Energy Commission - Robert Worl
1516 Ninth Street
Sacramento, CA 95814-5512
Siting Project Manager

DOCKET
06-AFC-2
DATE NOV 3 2006
RECD. NOV 3 2006

Subject: **STATUS REPORT #1 FOR THE HIGHGROVE PROJECT (06-AFC-2)**

DATA REQUESTS AND RESPONSES

Energy Commission staff issued Highgrove Project (HP) data requests 1 through 85 to the applicant on October 5, 2006. Data Requests were issued to gather additional information for air quality, biology, cultural resources, hazardous materials management, land use, socioeconomics, soils and water resources, visible plume modeling, visual resources, and waste management. Data Responses are expected from the applicant on November 6, 2006. A Data Response and Issues Resolution Workshop is being scheduled for November 16, 2006, in the City of Grand Terrace.

FEDERAL, STATE AND LOCAL AGENCY COMMENTS AND CONTACTS

No comments from federal agencies have been received at this time.

California Department of Toxic Substances Control

Staff has been in contact with the Department of Toxic Substances Control (DTSC) regarding their current and future plans for the required examination and clean-closure of certain areas of the project site. It appears that DTSC and the applicant have been working together on the appropriate site remediation actions, and DTSC and staff have been working to identify the steps and timing of activities that could affect the proposed HP schedule.

City of Grand Terrace

Staff has been working with City staff to identify areas of concern and the potential relation of the HP to planned and future City development. The City, through its Redevelopment Authority (RDA), is negotiating with the applicant to exchange equal-size parcels that will allow the demolition of the existing Highgrove Generating Station (owned by the applicant) and construction of the HP on the section of the property formerly used for above-ground storage tanks (Tank Farm property). The Tank Farm property, currently owned by the City through the RDA, will allow a greater set-back from Taylor Road and the proposed new Colton High School. Additionally the exchange of Taylor Road frontage property will allow the City to pursue redevelopment of this area as it deems appropriate.

38314

City of Riverside

Staff has also received information and information requests from the City of Riverside regarding the routing and tentative schedule of construction of the 7.2-mile gas pipeline that will traverse City of Riverside streets.

Colton Joint Unified School District

The School District's current plans for the new high school planned for the area to the east of Taylor Road involve the beginning of construction in early 2007. Staff are working to insure that our analysis effectively covers any potential for impacts upon the school property, the students and school staff.

South Coast Air Quality Management District

South Coast Air Quality Management District (District) has requested additional information from the applicant in a November 1, 2006 letter, and indicated that receipt of the additional information will affect the completion of their Preliminary Determination of Compliance (PDOC). The District has begun conducting public workshops to discuss their review of power plants that are being permitted by the Energy Commission and proposing to use the District's priority reserve emission reduction credits. The District has agreed to schedule and evening public meeting to follow staff's data response workshop on November 16, 2006.

To qualify for drawing pollutant credits from the Priority Reserve bank, the applicant must document its "due diligence efforts" to secure available ERCs on the open market. Staff expects to receive this information in the Data Responses.

SCHEDULE

Data Responses are due on November 6, 2006, and a Data Response and Issues Resolution Workshop is scheduled for November 16, 2006, in Grand Terrace. In addition, we expect to have additional information from the City of Highgrove, Colton Unified School District, SCAQMD, the Department of Toxic Substances Control, and from the local water district. Once staff knows the possible timeframe for issuance of the Preliminary Determination of Compliance a more complete schedule for the project can be developed.

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