

CALIFORNIA ENERGY COMMISSION
REPORT OF CONVERSATION Page 1 of 1



**Systems Assessment and
 Facilities Siting Division**

FILE: 06-AFC-2

PROJECT TITLE: Highgrove Project

<input checked="" type="checkbox"/> Telephone	916.651.8853	<input type="checkbox"/> Meeting Location: Highgrove-Info Hearing
NAME: Robert Worl	DATE: 9-19-2006; 9-21-2006	TIME: 5:30 PM
WITH: Yolanda Garza, DTSC (9-19); Julie Way, AES (9-21)		
SUBJECT: Coordination between AES, DTSC, and CEC and disparate Schedules		

COMMENTS: The conversation took place at the Highgrove Project Site Visit and Informational Hearing. Present were Yolanda Garza (ygarza@dtsc.ca.gov) 818-551-2955; Chia Rin Yen, DTSC (cyen@dtsc.ca.gov) 818-551-2182; Christine Bucklin, DTSC (cbucklin@dtsc.ca.gov) 818-551-2195.

The DTSC staff have been coordinating and providing input to Ellie Townsend-Hough at CEC, and have begun discussions with Julie Way and others at AES Highgrove, LLC regarding the Corrective Action (CA) against SCE, the previous site owner. The CA, which has approximately 85 steps, can take two years or longer to complete. The CA is based upon known contamination and potential contamination of the Highgrove Generating Station including the proposed Highgrove Project site—the 9.8-acre old tank farm area to the north. A primary focus is the catch basins under the cooling towers and settling pond(s) that may be in the Cage Park area.

SCE, the original owner may not be interested in an expeditious effort to close out the CA.

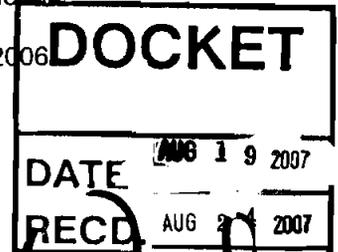
AES has been talking with DTSC regarding expediting the process, and to that end, is entering into an agreement that will have AES Highgrove LLC (I believe) acting as an overseer of the process, paying the DTSC fees, insuring that the required work is done, and, hopefully, seeking reimbursement from SCE.

I pointed out that the primary area of concern immediately is the 9.8-acre tank farm site that would hold the new HP project, and that the bulk of the DTSC concern seems to be with the areas scheduled for demolition and land exchange.

I asked if 'segmentation' of the process was possible as was done for the City of Grand Terrace for the adjacent water line construction, and for the new Colton High School slated to be build across Taylor St. where contamination from older industrial/commercial operations was a potential impediment to schedule.

I further suggested that DTSC and AES Highgrove, LLC, work together to develop a plan and a schedule that would expedite clearance of the critical areas for the project, and would include a plan for completion of an remediation that would be required for the critical areas, and the entire site. I suggested that the CEC workshops, possibly a Data Response/Issues Resolution Workshop in the near future, would be a publicly-noticed forum for presenting a plan that might be more in keeping with our approximately 12-Month AFC schedule.

A similar conversation was held with Julie Way of AES Highgrove LLC on September 21, 2006.



cc: Ellie Townsend-Hough

Signed: *Robert Worl*

Name: Robert Worl