City of Carlsbad
Office of the City Manager

July 17, 2009

DOCKET
07-AFC-6
DATE JUL 17 2009
RECD. JUL 20 2009

The Honorable James D. Boyd
The Honorable Karen Douglas
Siting Project Committee
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

Re: Carlsbad Energy Center Project (07-AFC-6)
City's Status Report #7

Dear Commissioners:

Pursuant to the Committee Scheduling Order dated December 26, 2008, the City of Carlsbad submits its City Status Report #7 for the Committee's consideration.

San Diego Gas and Electric Request for Offer

On June 9, 2009, San Diego Gas and Electric (SDG&E) released a new Request for Offers for Demand Response and Supply Resources (RFO). The City understands that NRG (Applicant) does not have a Power Purchase Agreement with SDG&E for the Carlsbad Energy Center Project (CECP) and as such, NRG may be required to re-submit the CECP for consideration under the June 2009 RFO.

The City submitted a request to NRG (dated June 12, 2009) for clarification on this issue, and while NRG's response (dated July 2, 2009) was expectedly vague, it confirmed that NRG's ability to release information is constrained due to confidentiality requirements contained in the new RFO. The City appreciates and respects the Applicant's need to maintain conformance with the RFO, however, the CECP is in the process of being evaluated by the California Energy Commission (CEC) staff and other parties based upon information contained in the Application for Certification and other filings with the CEC.

SDG&E's RFO deadline for submittal is August 10, 2009. The City recommends that the Applicant forward to the CEC any project alteration which differs from the current proposal (CECP AFC and subsequent filings) immediately following the RFO submittal. In view of the ongoing project delays, it is highly possible that the Final Staff Assessment would not be released by August 10, 2009. The City would suggest that the CEC require NRG to confirm the consistency of the re-submitted CECP (as the project is described in the RFO submittal to SDG&E). This clarification would provide transparency for those involved in the CEC review of the CECP that the project being evaluated is actually the project that is being proposed under

the new RFO. This would help prevent any unnecessary expenditure of public resources related to the analysis of outdated project information.

One additional consideration related to the SDG&E RFO is the potential it represents with regards to the alternatives analysis of the CECP. The City looks forward to staff's inclusion of the RFO in the FSA which it will review and comment on accordingly.

Power of Vision Data Request

The City supports the outstanding data request from the Power of Vision (POV). POV submitted this request in June 2009. The timing of this data request was directly related to the recent release of inconsistent air quality data by the Applicant to the local Air Pollution Control District. Air quality continues to be a major concern of the local community and this concern has only been heightened with the Applicant's admission that there are significant differences between the various fuel consumption reports from the existing Encina Power Station. Based upon the uncertainty that the Applicant's different fuel numbers have created and considering that POV's request is to have the Applicant furnish raw data which is readily available and not provide any additional analysis, the City would recommend that the CEC support POV's request.

Respectfully submitted,

Joe Garuba
Municipal Projects Manager

JG:ad

cc: Proof of Service List (Revised 5/11/2009)

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA
1516 NINTH STREET, SACRAMENTO, CA 95814
1-800-822-6228 – WWW.ENERGY.CA.GOV

APPLICATION FOR CERTIFICATION FOR THE *CARLSBAD ENERGY CENTER PROJECT*

Docket No. 07-AFC-6
PROOF OF SERVICE
(Revised 5/11/2009)

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DECLARATION OF SERVICE

I, Andrea Dykes, declare that on July 17, 2009 I served and filed copies of the attached document. The original document, filed with the Docket Unit, is accompanied by a copy of the most recent Proof of Service list, located on the web page for this project at: **[http://www.energy.ca.gov/sitingcases/carlsbad/index.html]**. The document has been sent to both the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit, in the following manner:

(*Check all that Apply*)

For service to all other parties:

__X__sent electronically to all email addresses on the Proof of Service list;

_____by personal delivery or by depositing in the United States mail at Sacramento, California with first-class postage thereon fully prepaid and addressed as provided on the Proof of Service list above to those addresses **NOT** marked "email preferred."

AND

For filing with the Energy Commission:

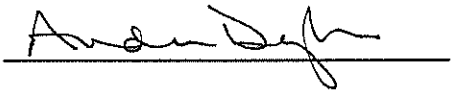
__X__**sending an original paper copy and one electronic copy, mailed and emailed respectively, to the address below (preferred method);**

OR

_____depositing in the mail an original and 12 paper copies, as follows:

CALIFORNIA ENERGY COMMISSION
Attn: Docket No. 07-AFC-6
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.state.ca.us

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



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