

GALATI | BLEK LLP

Plaza Towers
555 Capitol Avenue Suite 600
Sacramento CA 95814
Tel • 916.441.6575
Fax • 916.441.6553

DOCKET	
07-AFC-7	
DATE	FEB 29 2008
RECD.	FEB 29 2008

February 29, 2008

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

Re: **KINGS RIVER CONSERVATION
DISTRICT'S COMMUNITY POWER PROJECT
STATUS REPORT NUMBER 1
DOCKET NO. 07-AFC-7**

Dear Ms. Hockaday:

Enclosed for filing with the California Energy Commission are one original and 12 (Twelve) copies of the **KINGS RIVER CONSERVATION DISTRICT'S COMMUNITY POWER PROJECT STATUS REPORT NUMBER 1**, for the KINGS RIVER CONSERVATION DISTRICT (07-AFC-7).

Sincerely,


Marguerite Cosens

Scott A. Galati
David L. Wiseman
GALATIBLEK, LLP
555 Capitol Mall
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
Community Power Project

DOCKET NO. 07-AFC-7

**KRCD's COMMUNITY POWER
PROJECT STATUS REPORT
NUMBER 1**

Pursuant to the AFC Committee Scheduling Order dated January 18, 2008, the Kings River Conservation District (KRCD) submits this Status Report Number 1 to update the Committee on progress related to the processing of its Community Power Plant (CPP).

Air Quality

Representatives of KRCD have met with representatives of the San Joaquin Valley Air Pollution Control District (SJVAPCD) and discussed processing of the Preliminary Determination of Compliance (PDOC). As discussed in the AFC and at the Site Visit and Informational Hearing, KRCD is committed to creating real-time emission reductions near the CPP to use as its emission offsets. While the SJVAPCD is supportive of this approach, its rules require identification of banked ERCs *before* it can issue the PDOC. Since creation of new ERCs takes some time, therefore making it impossible for new ERCs to be banked in time to support timely issuance of the PDOC, KRCD has agreed with the District that it will acquire the rights to additional existing banked ERCs. However, KRCD is committed to actually using the new locally created ERCs for offsets as described in the AFC. KRCD is working diligently with the SJVAPCD and anticipates the PDOC in April.

Biological Resources

KRCD has met with representatives of USFWS, CDFG and CEC Staff and recently toured the linear facilities and discussed survey protocol for sensitive areas. KRCD is considering the feasibility of conducting horizontal boring in an 1800-foot-long section of the gas pipeline to avoid potential impacts to these identified areas in the vicinity of Cross Creek and therefore may avoid the need for much of the survey work. Additionally, while it may be unclear whether the CDFG would have jurisdiction over the horizontal boring activities that avoid altering the streambeds, KRCD has agreed nevertheless to submit the applications for streambed alteration agreement to CDFG. KRCD anticipates making the submittal by the end of March.

Hazardous Materials

KRCD has interviewed four firms to conduct additional Phase I Environmental Assessment activities for the linear facilities as directed by the CEC Staff in its data requests. KRCD expects to begin this work in March and will file the results with the CEC as a supplement to its recently submitted data responses.

Transmission System Engineering

In order to address the concerns raised by some landowners along the proposed transmission route, KRCD has made minor realignments to the proposed route and transmission line staging area. KRCD had informed CEC Staff of the change, answered the data requests in accordance with the revision and will be submitting a supplement to the AFC in March. Additionally, PG&E will be performing its Detailed Facility Study in accordance with a recently revised study plan.

Dated: February 29, 2008



Scott A. Galati
Counsel to KRCD

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

**APPLICATION FOR CERTIFICATION
for the *KINGS RIVER CONSERVATION
DISTRICT COMMUNITY POWER
PROJECT***

Docket No. 07-AFC-7

**PROOF OF SERVICE
(Established: 12/5/2007)**

INSTRUCTIONS: All parties shall either (1) send an original signed document plus 12 copies or (2) mail one original signed copy AND e-mail the document to the address for the Docket as shown below, AND (3) all parties shall also send a printed or electronic copy of the document, which includes a proof of service declaration to each of the individuals on the proof of service list shown below:

CALIFORNIA ENERGY COMMISSION

Attn: Docket No. 07-AFC-7
1516 Ninth Street, MS-14
Sacramento, CA 95814-5512
docket@energy.state.ca.us

APPLICANT

Jim Richards
Kings River Conservation District
4886 East Jensen Ave
Frenso, CA 93725-1899
jrichards@krcd.org

APPLICANT CONSULTANT

Amy Cuellar, Project Manager
Navigant Consulting
3100 Zinfandel Dr
Rancho Cordova, CA 95670
acuellar@navigantconsulting.com

COUNSEL FOR APPLICANT

Scott Galati
Galati/Blek, LLP
Plaza Towers
555 Capitol Mall, Suite 600
Sacramento, CA 95814
sgalati@gb-llp.com

INTERVENORS

ENERGY COMMISSION

Jackalyn Pfannenstiel
Chairman and Presiding Member
jpfannen@energy.state.ca.us

John Geesman
Commissioner and Associate Member
jgeesman@energy.state.ca.us

Ken Celli
Hearing Officer
kcelli@energy.state.ca.us

Che McFarlin
Project Manager
Cmcfarli@energy.state.ca.us

Kerry Willis
Staff Counsel
kwillis@energy.state.ca.us

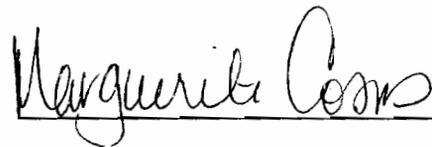
DECLARATION OF SERVICE

I, Marguerite Cosens, declare that on February 29, 2008, I deposited copies of the attached **KINGS RIVER CONSERVATION DISTRICT'S COMMUNITY POWER PROJECT STATUS REPORT NUMBER 1**, in the United States mail at Sacramento, California with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

OR

Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the Proof of Service list above.

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



A handwritten signature in cursive script, reading "Marguerite Cosens", is written over a horizontal line.

Marguerite Cosens