Watson Cogeneration Company
Brad A. Morris
Executive Director
22850 So, Wilmington Avenue
Carson, California 90749-6203

Mary Dyas
Compliance Project Manager
California Energy Commission
1516 Ninth Street, Mail Stop 2000
Sacramento, CA 95184-5512

Re: Docket 09-AFC-1

Dear Ms. Dyas,

On April 11, 2012, the California Energy Commission ("CEC") approved an Application for Construction by Watson for the Watson Cogeneration Steam and Electric Reliability Project ("5th Train").

By this letter, Watson Cogen Company hereby notifies the CEC that it no longer intends to construct the 5th train. Efforts to commercialize the project were unsuccessful due to the poor regulatory and economic environment for Combined Heat and Power facilities in California.

Please note that Watson contacted you via email on May 29th 2015 of our intent to cancel this permit.

Respectfully,

Brad Morris
Executive Director
Watson Cogeneration Company

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Darrin Fost, Business Manager, Watson Cogeneration Company
Michael Canada, Director Partnerships and Specialty Products, Tesoro
Larry Kostrzewa,Director Business Development, NRG