Tessera Solar
power from stirling energy systems

March 11, 2010

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08-AFC-13
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TO: Anthony Eggert, Presiding Member
Jeffrey C. Byron, Associate Member

FROM: Stirling Energy Systems, Inc. / Tessera Solar

SUBJECT: Calico Solar (08-AFC-13) Status Report Six

Pursuant to the Committee Scheduling Order dated February 2, 2010, the Applicant hereby submits its Status Report Five for the proposed Calico Solar Project (formerly Solar One) for a solar generating facility. I would like to take this opportunity to update you on the status and issues associated with the Calico Solar project.

Schedule

We appreciate the continuing efforts of the Commission, BLM, and other agencies in reviewing the Calico Solar project but also need to continue stressing the importance of a late September decision date. This is critical not only in meeting our ARRA and financial commitments but allowing us to complete desert tortoise relocation during the appropriate season. We understand the Commission staff are working diligently to release the SA/DEIS the week of March 31. Publication later than this week places our project in significant jeopardy. We are equally concerned that the BLM and the U.S. Environmental Protection Agency (EPA) publish their Notice of Availabilities in the Federal Register no later than April 2 for the full 90-day review period.

Consistent with the Committee's Scheduling Order, we have asked the Commission staff to release its notice of workshops on the SA/DEIS at the same time as or soon after the SA/DEIS is published. To avoid conflicts with the Imperial Valley hearings currently scheduled for April 19 and 20, we recommend that the Calico workshops be held around April 22.

We appreciate the productive Scheduling Conference held by the Hearing Officer on February 23 and request that the next Conference be held on the morning March 25. These dates avoid the Imperial Valley workshop scheduled for March 22 and 23 and Prehearing Conference on March 25 in the afternoon.

Attached is a schedule we propose for the remainder of the case. It reflects the publication of the SA/DEIS on April 2 but still achieves a decision by the end of September.

Transmission Improvements

Southern California Edison submitted a right-of-way amendment with the BLM on March 1, 2010. This amendment relates to the transmission system improvements proposed by SCE to interconnect the first phase of Calico.

Water Supply

Rail delivery of water from Cadiz remains the Project's primary source of water. An analysis of the air quality and other impacts associated with use of this source was submitted to the Commission on January 27, 2009. We have also discussed the air analysis of using this source with the Mojave Desert Air Quality Management District and they are satisfied with the data submitted.

Well drilling for the on-site, back-up water supply is continuing. Drilling of the first two wells is complete and drilling of the third well has begun. Preliminary results of water production and quality tests from these wells should be submitted to the Commission by March 15, 2010. After performing preliminary tests on Well 1 and Well 2, the Applicant has confirmed that in the event that onsite water could be used for operations, there would not be sufficient water supply for construction. The water supply for construction will be water from Cadiz.

Additional Biological Resource Surveys

Consistent with recent requests from the agencies and intervenors for additional biological resource information, we are undertaking the following surveys:

- Golden Eagles – Surveys to take place on March 11 through 13. Results are expected to be submitted to CEC, BLM, USFWS and CDFG by the end of March.
- Bighorn Sheep – Surveys on use of the south slope of the Cady Mountains to take place on March 11 through 13. Results are expected to be submitted to CEC, BLM, USFWS and CDFG by the end of March.
- Botanical Resources – Surveys of plants following abundant spring rainfall and using the new protocols are ongoing. Preliminary results of each spring effort will be submitted to CEC, BLM, USFWS and CDFG upon completion.
- Desert Tortoise – Resurvey of the plant site and surveys of potential relocation sites for habitat quality and carrying capacity (approximately 25,000 acres) are ongoing. Results are expected to be submitted to CEC, BLM, USFWS and CDFG upon completion.

Surveys for burrowing owls and eagle nests have been completed and the results submitted to the appropriate agencies. The Applicant understands that these surveys will be sufficient to provide all information necessary to evaluate impacts to biological resources.

Scope of Biological Opinion

The scope of the Biological Opinion was an issue of some concern during the recent Status Conference. Our understanding per conversations with Amedee Brickey, USFWS, is that the Biological Opinion being prepared by the USFWS will apply to the entire 850 MW solar power plant in addition to evaluating impacts from SCE's transmission projects to the extent that they are currently ascertainable.

Cultural Resources

Fieldwork on the 75% cultural resource resurveys is complete and the data is being processed and the report edited. It is expected to be submitted on May 7, 2010.

Glint and Glare Study

In light of questions raised by the Commission staff in Imperial Valley, we have initiated a glint and glare study based on the operational Maricopa Solar project. Results from the study are expected to be published in approximately 3 weeks.

Non-Jurisdictional Water Determination

The U.S. Army corps of Engineers has confirmed that they have determined that there are no jurisdictional water of the United States on the project site. The Applicant is currently working with the Corps to prepare a draft Jurisdictional Determination (JD) to be submitted to the EPA for their review. Upon receipt of the draft JD the EPA will have 15 days to decide whether to take the draft JD as a special case under the January 19, 1989, "Memorandum of Agreement Between the Department of the Army and the USEPA Concerning the Determination of the Section 404 Program and the Application of the Exceptions under Section 404(f) of the Clean Water Act." If the EPA does not respond within 15 days, the Corps will finalize the JD. If the JD is taken as a special case, the EPA will make the final determination regarding the existence of jurisdictional waters of the United States on the project site.

Alternatives

In a recent submittal, one of the intervenors recommended the Commission consider an alternative to the project incorporating portions of both the site proposed for Calico and previously proposed for the Solar 3 project. We are concerned about this request both because it is late in the proceeding and will delay release of the SA/DEIS, and it is infeasible. As we have informed the Commission, we released the primary development rights to the former Solar 3 site approximately 5 months ago. Additionally, another developer currently has an application for this area and it is no longer available to the Applicant.

Respectfully Submitted,

Felicia L. Bellows

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Vice President of Development
Calico Solar, LLC

REVISED 3/8/2006

CALICO SCHEDULE REVIEW

ACTIVITY	Committee 2/23/10 Schedule Mark Up	Applicant Proposed Lapsed Time	Applicant Proposed Schedule
ACOE NJD Letter			??
Submit NOA to Fed. Reg.		NOA - 14 days	3/18/2006
Status Conference			3/23/2006
Publish SA/DEIS	3/31/2006		4/1/2006
Publish NOA	4/8/2006		4/1/2006
Initiate USFWS (BA)	2/15/2006		2/15/2006
Notice SA Workshops			4/7/2006
SA Workshops	4/15-22/10	SA + 2-3 wks	4/21/2006
Notice PHC			4/21/2006
Applicant Testimony	4/28/2006	SA + 4 weeks	5/2/2006
PHC Statements	4/28/2006	SA + 4 weeks	5/2/2006
Prehearing Conference	5/5/2006	SA + 5 weeks	5/5/2006
Other Testimony	5/12/2006	SA + 6 weeks	5/13/2006
Notice Hearings			5/17/2006
Rebuttal Testimony	5/19/2006	SA + 7 weeks	5/23/2006
Final Prehear. Conf.	5/19/2006	SA + 7 weeks	5/23/2006
Evidentiary Hearings	5/26/2006	SA + 8 weeks	5/31/2006
Post Hearing Briefs	6/16/2006	EH + 2 weeks	6/14/2006
DEIS Comment Ends		DEIS + 90 days	6/30/2006
USFWS BO	5/16/2006	BA + 90 days	5/16/2006
Final Cultural PA			??
Draft SSA/FEIS to BLM			7/15/2006
Submit NOA to Fed. Reg.		NOA - 2 weeks	7/15/2006
Publish SSA/FEIS	8/11/2006	Comment + 4 wks	7/29/2006
Publish NOA	8/11/2006	SSA	7/29/2006
Submit to Governor		FEIS	7/29/2006
Hearing ??	8/18/2006		
Publish PMPD	8/24/2006	SSA + 2 weeks	8/12/2006
End of FEIS Comment		FEIS + 4 weeks	8/28/2006
End of Protest Period		FEIS + 4 weeks	8/28/2006
PMPD Hearing		PMPD + 3 weeks	9/2/2006
Internal Draft ROD		??	
PMPD Comment Ends	9/23/2006	PMPD + 30 days	9/11/2006
End Governor Review		FEIS + 60 days	9/27/2006
Revised PMPD		PMPD + 35 days	9/15/2006
Final Decision Hearing	9/10	RPMPD + 2 weeks	9/29/2006
DOE ROD	9/29/2006	Final Decision	9/29/2006
BLM ROD (Maximum)		Final Decision	9/29/2006
Start Construction		Final Decision + 1 day	**9/30/2006**

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA
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APPLICATION FOR CERTIFICATION
For the CALICO SOLAR (Formerly SES Solar One)

Docket No. 08-AFC-13

PROOF OF SERVICE
(Revised 2/8/10)

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DECLARATION OF SERVICE

I, Corinne Lytle, declare that on March 10, 2010, I served and filed copies of the attached Applicant's Status Report #6. 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: [www.energy.ca.gov/sitingcases/solarone].

The documents have 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;

__X__ by personal delivery or by depositing in the United States mail at_____ 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. 08-AFC-13
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.

Original Signed By

Corinne Lytle

*indicates change