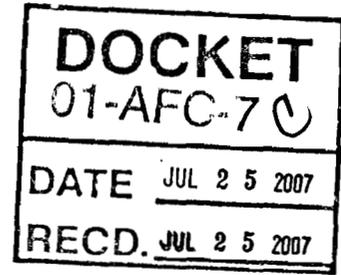


STATE OF CALIFORNIA
Energy Resources Conservation
and Development Commission



In the Matter of:)
)
Amendment to the Application for Certification of)
the Russell City Energy Center Project)
)
)
_____)

Docket No. 01-AFC-7C

**PETITION FOR EXTENSION OF DEADLINE FOR COMMENCEMENT OF
CONSTRUCTION FOR THE RUSSELL CITY ENERGY CENTER**

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Company, LLC

STATE OF CALIFORNIA

Energy Resources Conservation
and Development Commission

In the Matter of:)
)
Amendment to the Application for Certification of) Docket No. 01-AFC-7C
the Russell City Energy Center Project)
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**PETITION FOR EXTENSION OF DEADLINE FOR COMMENCEMENT OF
CONSTRUCTION FOR THE RUSSELL CITY ENERGY CENTER**

1. Pursuant to Section 1720.3 of the California Energy Commission’s Rules of Practice and Procedure Russell City Energy Company, LLC (“Project Owner”) requests a one year extension of the deadline for the commencement of construction of the Russell City Energy Center. The Commission Decision for the Russell City Energy Center was adopted on September 11, 2002. The current deadline for commencement of construction is September 10, 2007. The Project Owner requests an extension of the deadline for commencement of construction for the Russell City Energy Center to September 10, 2008.

2. The requested extension is necessary because the Project Owner will not be able to commence construction by September 10, 2007. Prior to commencing construction, the following three steps must be completed: (1) The Project Owner must receive a decision from the Commission approving Amendment #1, (2) PG&E must secure a Certificate of Public Convenience and Necessity (“CPCN”) for construction of the transmission line that will connect the Russell City Energy Center to PG&E’s

transmission system, and (3) the Project Owner must complete financing of the Project. These steps will not be completed by September 10, 2007, but are likely to be completed in the last quarter of 2007. The Project Owner anticipates commencement of construction in the first quarter of 2008.

3. The Project Owner filed Amendment #1 on November 17, 2006. The Project Owner has sought to process this Amendment as expeditiously as possible, to provide all information requested by Staff on or before the dates specified by Staff and, wherever possible, to resolve disputed issues by compromise and thereby avoid adjudication. However, due to circumstances beyond the Project Owner's control, there were substantial delays in completion of the Staff Assessment. As a result of these delays, the Staff Assessment that was originally scheduled for release on February 20, 2007, was not completed until July 2, 2007.

4. A decision on Amendment #1 is expected in the near future. Evidentiary hearings have been completed and the matter is submitted for decision without the need for post-hearing briefs. The decision on Amendment #1 will update and revise, where necessary, all of the conditions set forth in the original licensing decision. Once a decision is issued on the Amendment, PG&E will immediately apply for a CPCN. Once the CPCN is approved, project financing will be promptly completed.

5. The Project Owner has entered into a long-term Power Purchase Agreement with PG&E and will commence construction on a schedule to support the commercial operation date of June 1, 2010. Extension of the deadline for commencement of construction to September 10, 2008 is in the public interest because it

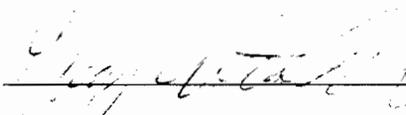
will allow the Russell City Energy Center to be completed and to provide a vital new source of clean, reliable electricity in the region.

6. Therefore, for good cause shown, the Project Owner requests that the Commission extend the deadline for commencement of construction of the Russell City Energy Center to September 10, 2008.

July 25, 2007

Respectfully submitted,

ELLISON, SCHNEIDER & HARRIS L.L.P.

By  _____

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STATE OF CALIFORNIA

Energy Resources Conservation
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In the Matter of:)
) Docket No. 01-AFC-7C
Amendment to the Application for Certification of)
the Russell City Energy Center Project)
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PROOF OF SERVICE

I, Ron O'Connor, declare that on July 25, 2007, I deposited copies of the attached *Petition for Extension of Deadline for Commencement of Construction for the Russell City Energy Center* in the United States mail in Sacramento, California, with first-class postage thereon fully prepaid and addressed to all parties on the attached service list.

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



Ron O'Connor

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01-AFC-7C

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