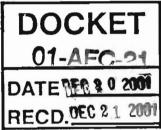
Jack Caswell - RE: The Existing Williamson Act Contract and the Proposed Tesla Power Plant

From:	"O'Bryant, Dennis" <dobryant@consrv.ca.gov></dobryant@consrv.ca.gov>
To:	'Mark Hamblin' <mhamblin@energy.state.ca.us></mhamblin@energy.state.ca.us>
Date:	12/20/01 4:35 PM
Subject:	RE: The Existing Williamson Act Contract and the Proposed Tesla Power

Mark- We'll get back to you with a written response. Cancellation is consistent with what several other counties have done for power plants in the last year, and is consistent with legislation last year that recognized cancellation as an appropriate mechanism for a power plant in Kern County. -D.O.

-----Original Message-----From: Mark Hamblin [mailto:Mhamblin@energy.state.ca.us] Sent: Thursday, December 20, 2001 3:00 PM To: dobryant@consrv.ca.gov Cc: soliva@consrv.ca.gov; Darcie Houck; Jack Caswell Subject: The Existing Williamson Act Contract and the Proposed Tesla Power Plant



Good afternoon Mr. O'Bryant,

My name is Mark Hamblin. I work for the California Energy Commission in the Land Use & Traffic/Transportation Unit. Steve Oliva called this morning to informed me that due to time constraints and his 2 week vacation due to start this afternoon, he regrettably could not provide a written response to an Energy Commission request regarding the proposed Tesla Power Plant. The proposed Tesla Power Plant is to be constructed in Alameda County. Steve said that he has discussed the proposed power plant and its Williamson Act contract issue(s) with you and asked that I contact you.

Steve has expressed that the Department of Conservation has concerns regarding the power plant, unfortunately he has not been able to provide them in writing to us. Steve expressed concerns to our staff attorney assigned to the project. He has also spoke to the applicant's attorney - John Gratton regarding the matter.

My understanding of Steve's concern is as follows. The Department of Conservation would have serious concerns about a power plant (1,140 mega watts) being proposed on Williamson Act contracted land. The project owner (Midway Power, LLC) is not proposing to cancel the contract. The project owner believes that the power plant is a compatible use of the Williamson contract. The basic issue centers on compatibility of uses allowed within an agricultural preserve and compatibility of uses allowed for land under contract. Land under contract does not allow for a power plant. If the land were within an agricultural preserve, but not under contract the County of Alameda would have more flexibility to determine compatibility. Steve has said that if the use provided a public benefit the contract could be terminated in an expedited manner, however, there is still the issue of demonstrating that there is not non-contracted land in the area that could feasiblely be used for the same purpose.

An Energy Commission discussion on the Tesla project's data adequacy (completeness for processing the application) is scheduled for January 9, 2002. If we could receive something in writing from the Department of Conservation on this project before that date, I could docket it for the public record and have it presented for consideration.

I will also mention that Jack Caswell, the Energy Commission's project manager, Darcie Houck, the staff attorney assigned to the project and I are available to talk or meet with you.

I thank you for your time and any help in this matter.

Mark R. Hamblin Planner II California Energy Commission Systems Assessment and Facilities Siting Division 1516 9th Street, MS 40 Sacramento CA 95814-5504 (916) 654-5107