

## CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET  
SACRAMENTO, CA 95814-5512

August 7, 2002

Dick Thomas, Geothermal Officer  
California Department of Conservation  
Division of Oil, Gas, and Geothermal Resources  
801 K Street, MS 20-20  
Sacramento, CA 95814

RE: Salton Sea Geothermal Unit 6 Project (02-AFC-2)

<b>DOCKET</b> <b>02-AFC-2</b>
DATE <b>AUG 07 2002</b>
RECD. <b>AUG 08 2002</b>

Dear Mr. Thomas,

I am writing to request California Division of Oil, Gas, and Geothermal Resources review of an application that we have received for a proposed geothermal power plant to determine whether the proposed site is capable of providing geothermal resources in commercial quantities. On July 29, 2002, CE Obsidian Energy, LLC submitted an application for certification (AFC) to the California Energy Commission proposing construction of a 185 megawatt (MW) electric generation facility, powered by geothermal energy from the Salton Sea Known Geothermal Resources Area. Pursuant to the Warren-Alquist Act and the Commission's regulations, the applicant seeks an exemption from the notice of intention process and requests a six-month review of its AFC (Pub. Resources Code §§ 25540.2, 25550; Cal. Code Regs., tit. 20, §§ 1809, 2021-2031).

The applicant is entitled to an exemption from having to submit a notice of intention to the Energy Commission if the applicant makes a reasonable demonstration that the proposed site is capable of providing geothermal resources in commercial quantities (Pub. Resources Code § 25540.2(a)). CE Obsidian Energy has provided information with its AFC that it contends demonstrates that its proposed site has commercial quantities of geothermal resources (see below).

Under our regulations, the applicant is required to present this information at a public hearing held for the purpose of determining whether the proposed site is reasonably capable of supplying geothermal resources in commercial quantities (Cal. Code Regs., tit. 20, § 1809(a)). Commission staff must also present its evaluation of the site's resources. In addition, our regulations provide a role for your division's review of the application and all filed well records and the presentation of your conclusions at the hearing. Robert Worl of my staff will contact your division to make sure you have all the information needed from us and to arrange for your division's participation, in whatever manner you choose, at the hearing.

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The hearing on whether the site has commercial quantities of geothermal resources will be held at the Commission's regularly scheduled Business Meeting on Wednesday, August 28, 2002, beginning at 10:00 AM. If the Commission determines that the applicant has not demonstrated that the site is reasonably capable of producing geothermal resources in commercial quantities, the applicant may withdraw the application or request that the application be treated as a Notice of Intention.

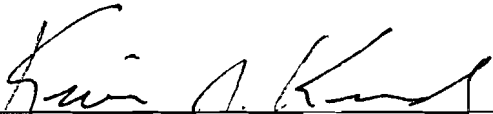
Enclosed with this letter is a CD version of the Obsidian Energy AFC. The application has also been posted on our website at:  
<http://www.energy.ca.gov/sitingcases/saltonsea>.

Information specifically discussing the geothermal resources can be found in the following sections of the AFC:

- Section 1.2: Executive Summary
- Section 2.0: Project Objectives and Needs
- Section 3: Facility Description and Location
- Section 5.2: Geologic Hazards and Resources
- Section 5.17: List of Related Projects and Summary of Impacts
- Appendix J: Geotechnical Report

Questions regarding this request may be directed to Robert Worl at (916) 651-8853, or via email: [rworl@energy.state.ca.us](mailto:rworl@energy.state.ca.us). I appreciate whatever assistance you and your staff are able to provide us.

Sincerely,

  
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KEVIN M. KENNEDY  
Energy Facilities Siting Program Manager

cc: Mike Woods, El Centro Office, Division of Oil, Gas, & Geothermal Resources  
Jeff Hansen, MidAmerican Energy Holding Company

Enclosure: Salton Sea Unit 6 Project Application for Certification CD-ROM