

Bright Source Energy, Inc.

(formerly known as Luz II, Inc.)

Rich Rotte
Realty Specialist
Bureau of Land Management
2601 Barstow Road
Barstow, California 92311

January 24, 2007

Dear Mr. Rotte:

Enclosed is our application for a 500 megawatt solar power station requiring approximately 4000 acres. After an exhaustive search we identified an area west of Broadwell dry lake that met the various requirements. We based our selection of this site on several criteria, including high levels of solar radiation, availability of ground water, and proximity to electric and gas transmission lines. The specific location we propose is west of the dry lake and far enough away from the lake that cultural artifacts that are often prevalent at the edge of a dry lake would not be disturbed. If environmental or other concerns require a minor change in location, we can likely accommodate it. Our primary concern in the Broadwell basin is the need for contiguous land for five interconnected solar fields of about 800 acres each.

Luz II is using our proprietary Distributed Power Tower (DPT) technology for this project. We are submitting the application without detailed technical information. We can provide this single page of Confidential Information under separate cover at a later date if required.

To minimize water needs we have selected dry cooling. This requires approximately 500 acre-feet per year of water which is about 10% of that required for conventional cooling. Without this amount of water the project is not viable. Bright Source Energy would like to start construction in 2010 and have the system operational in 2011.

In addition to the NEPA environmental review, this solar project will require a license from the California Energy Commission, the lead agency for CEQA review. Bright Source Energy will hire an environmental firm to prepare the Application for Certification (AFC) to the CEC. This application covers the environmental subject areas as detailed in Appendix A of the 299 Form. This typically requires four or more months to prepare. Bright Source Energy expects to start the preparation of this environmental document in late 2007 and to file with the CEC in early 2008. This document will also be filed with the BLM (in addition to the 299 form) as it will provide the basis for the joint agency environmental review. The work carried out by Bright Source Energy's consultant will reduce the effort required of the BLM staff and its contractors to conduct its own review and evaluation.

RECEIVED
07 JAN 25 PM 4:31
BUREAU OF LAND MANAGEMENT
BARSTOW, CALIFORNIA

DOCKET	
07-AFC-5	
DATE	JAN 24 2007
RECD.	JUL 08 2008

Bright Source Energy, Inc.

(formerly known as Luz II, Inc.)

We understand that you will estimate a budget for the required realty and environmental work, which Bright Source Energy will fund by an escrow account. Bright Source Energy has recently hired an environmental manager for this project with extensive experience with the CEC permitting process and joint NEPA-CEQA reviews. We hope to set up a meeting with your staff to introduce Bright Source Energy's permitting team, to explain the CEC process, and to answer any questions you may have.

If you have any questions regarding the application we will endeavor to answer them as quickly as possible. We appreciate the assistance you have given us already, and we expect to further refine the project definition with your guidance. We look forward to an open and productive relationship with the Barstow office and thank you for guiding us through this process. Please do not hesitate to call if you have any questions.

Regards,

A handwritten signature in black ink, appearing to read 'Douglas Divine', with a stylized flourish at the end.

Douglas Divine
Vice President, Project Development

Attachment 1: BLM SF-299

Bright Source Energy, Inc.

(formerly known as Luz II, Inc.)

Rich Rotte
Realty Specialist
Bureau of Land Management
2601 Barstow Road
Barstow, California 92311

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RECEIVED
BUREAU OF LAND MANAGEMENT
07 JAN 24 PM 4:25
BARSTOW FIELD OFFICE
BARSTOW, CALIFORNIA

Bright Source Energy, Inc.

(formerly known as Luz II, Inc.)

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Regards,



Douglas Divine
Vice President, Project Development

Attachment 1: BLM SF-299

**APPLICATION FOR TRANSPORTATION AND
 UTILITY SYSTEMS AND FACILITIES
 ON FEDERAL LANDS**

FORM APPROVED
 OMB NO. 1004-0189
 Expires: November 30, 2008

NOTE: Before completing and filing the application, the applicant should completely review this package and schedule a preapplication meeting with representatives of the agency responsible for processing the application. Each agency may have specific and unique requirements to be met in preparing and processing the application. Many times, with the help of the agency representative, the application can be completed at the preapplication meeting.

FOR AGENCY USE ONLY
 Application Number
 CACA-48875
 Date filed
 Jan 24, 2007

1. Name and address of applicant <i>(include zip code)</i> Douglas Divine DPT Broadwell Lake LLC 1999 Harrison Street, Suite 500 Oakland, CA 94612	2. Name, title, and address of authorized agent if different from Item 1 <i>(include zip code)</i> Scott Debenham, Project Developer 11317 Valle Vista Road Lakeside, CA 92040	3. TELEPHONE <i>(area code)</i> Applicant 510-550-8161 Authorized Agent 619-334-9541
4. As applicant are you? <i>(check one)</i> a. <input type="checkbox"/> Individual b. <input type="checkbox"/> Corporation* c. <input checked="" type="checkbox"/> Partnership/Association* d. <input type="checkbox"/> State Government/State Agency e. <input type="checkbox"/> Local Government f. <input type="checkbox"/> Federal Agency * If checked, complete supplemental page	5. Specify what application is for: <i>(check one)</i> a. <input checked="" type="checkbox"/> New authorization b. <input type="checkbox"/> Renewing existing authorization No. c. <input type="checkbox"/> Amend existing authorization No. d. <input type="checkbox"/> Assign existing authorization No. e. <input type="checkbox"/> Existing use for which no authorization has been received* f. <input type="checkbox"/> Other* * If checked provide details under item 7	

6. If an individual, or partnership are you a citizen(s) of the United States? Yes No

7. Project description *(describe in detail)*: (a) Type of system or facility, (e.g., canal, pipeline, road); (b) related structures and facilities; (c) physical specifications (length, width, grading, etc.); (d) term of years needed; (e) time of year of use or operation; (f) Volume or amount of product to be transported; (g) duration and timing of construction; and (h) temporary work areas needed for construction *(Attach additional sheets, if additional space is needed)*.

Please refer to Attachment titled "BLM SF-299 Solar Project-Broadwell DPT" and "Attachment A" for responses to items 7-20.

8. Attach a map covering area and show location of project proposal

9. State or local government approval: Attached Applied for Not required

10. Nonreturnable application fee. Attached Not required

11. Does project cross international boundary or affect international waterways? Yes No *(If "yes," indicate on map)*

12. Give statement of your technical and financial capability to construct, operate, maintain, and terminate system for which authorization is being requested.
 Please refer to Attachment titled "Standard Form 299", item 12.

13a. Describe other reasonable alternative routes and modes considered.

Please refer to "Attachment A"

b. Why were these alternatives not selected?

Please refer to "Attachment A"

c. Give explanation as to why it is necessary to cross Federal Lands

Please refer to "Attachment A"

14. List authorizations and pending applications filed for similar projects which may provide information to the authorizing agency. (Specify number, date, code, or name)

Please refer to Attachment titled "BLM SF-299 Solar Project-Ivanpah DPT"

15. Provide statement of need for project, including the economic feasibility and items such as: (a) cost of proposal (construction, operation, and maintenance); (b) estimated cost of next best alternative; and (c) expected public benefits.

Please refer to Attachment titled "BLM SF-299 Solar Project-Ivanpah DPT"

16. Describe probable effects on the population in the area, including the social and economic aspects, and the rural lifestyles.

Please refer to "Attachment A"

17. Describe likely environmental effects that the proposed project will have on: (a) air quality; (b) visual impact; (c) surface and ground water quality and quantity; (d) the control or structural change on any stream or other body of water; (e) existing noise levels; and (f) the surface of the land, including vegetation, permafrost, soil, and soil stability.

Please refer to "Attachment A"

18. Describe the probable effects that the proposed project will have on (a) populations of fish, plantlife, wildlife, and marine life, including threatened and endangered species; and (b) marine mammals, including hunting, capturing, collecting, or killing these animals.

Please refer to "Attachment A"

19. State whether any hazardous material, as defined in this paragraph, will be used, produced, transported or stored on or within the right-of-way or any of the right-of-way facilities, or used in the construction, operation, maintenance or termination of the right-of-way or any of its facilities. "Hazardous material" means any substance, pollutant or contaminant that is listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. 9601 et seq., and its regulations. The definition of hazardous substances under CERCLA includes any "hazardous waste" as defined in the Resource Conservation and Recovery Act of 1976 (RCRA), as amended, 42 U.S.C. 9601 et seq., and its regulations. The term hazardous materials also includes any nuclear or byproduct material as defined by the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof that is not otherwise specifically listed or designated as a hazardous substance under CERCLA Section 101(14), 42 U.S.C. 9601(14), nor does the term include natural gas.


Please refer to "Attachment A"

20. Name all the Department(s)/Agency(ies) where this application is being filed.

Please refer to Attachment titled "BLM SF-299 Solar Project-Ivanpah DPT"

I HEREBY CERTIFY, That I am of legal age and authorized to do business in the State and that I have personally examined the information contained in the application and believe that the information submitted is correct to the best of my knowledge.

Signature of Applicant



Date 01/24/2007

Title 18, U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

APPLICATION FOR TRANSPORTATION AND UTILITY SYSTEMS
AND FACILITIES ON FEDERAL LANDS

GENERAL INFORMATION
ALASKA NATIONAL INTEREST LANDS

This application will be used when applying for a right-of-way, permit, license, lease, or certificate for the use of Federal lands which lie within conservation system units and National Recreation or Conservation Areas as defined in the Alaska National Interest Lands Conservation Act. Conservation system units include the National Park System, National Wildlife Refuge System, National Wild and Scenic Rivers System, National Trails System, National Wilderness Preservation System, and National Forest Monuments.

Transportation and utility systems and facility uses for which the application may be used are:

1. Canals, ditches, flumes, laterals, pipes, pipelines, tunnels, and other systems for the transportation of water.
2. Pipelines and other systems for the transportation of liquids other than water, including oil, natural gas, synthetic liquid and gaseous fuels, and any refined product produced therefrom.
3. Pipelines, slurry and emulsion systems, and conveyor belts for transportation of solid materials.
4. Systems for the transmission and distribution of electric energy.
5. Systems for transmission or reception of radio, television, telephone, telegraph, and other electronic signals, and other means of communications.
6. Improved rights-of-way for snow machines, air cushion vehicles, and all-terrain vehicles.
7. Roads, highways, railroads, tunnels, tramways, airports, landing strips, docks, and other systems of general transportation.

This application must be filed simultaneously with each Federal department or agency requiring authorization to establish and operate your proposal.

In Alaska, the following agencies will help the applicant file an application and identify the other agencies the applicant should contact and possibly file with:

Department of Agriculture
Regional Forester, Forest Service (USFS)
Federal Office Building, P.O. Box 21628
Juneau, Alaska 99802-1628
Telephone: (907) 586-7847 (or a local Forest Service Office)

Department of the Interior
Bureau of Indian Affairs (BIA)
Juneau Area Office
9109 Mendenhall Mall Road, Suite 5, Federal Building Annex
Juneau, Alaska 99802
Telephone: (907) 586-7177

Bureau of Land Management (BLM)
222 West 7th Ave., Box 13
Anchorage, Alaska 99513-7599
Telephone: (907) 271-5477 (or a local BLM Office)

National Park Service (NPS)
Alaska Regional Office, 2525 Gambell St., Rm. 107
Anchorage, Alaska 99503-2892
Telephone: (907) 257-2585

U.S. Fish & Wildlife Service (FWS)
Office of the Regional Director
1011 East Tudor Road
Anchorage, Alaska 99503
Telephone: (907) 786-3440

Note-Filings with any Interior agency may be filed with any office noted above or with the: Office of the Secretary of the Interior, Regional Environmental Officer, Box 120, 1675 C Street, Anchorage, Alaska 99513.

Department of Transportation
Federal Aviation Administration
Alaska Region AAL-4, 222 West 7th Ave., Box 14
Anchorage, Alaska 99513-7587
Telephone: (907) 271-5285

NOTE - The Department of Transportation has established the above central filing point for agencies within that Department. Affected agencies are: Federal Aviation Administration (FAA), Coast Guard (USCG), Federal Highway Administration (FHWA), Federal Railroad Administration (FRA).

OTHER THAN ALASKA NATIONAL INTEREST LANDS

Use of this form is not limited to National Interest Conservation Lands of Alaska.

Individual departments/agencies may authorize the use of this form by applicants for transportation and utility systems and facilities on other Federal lands outside those areas described above.

For proposals located outside of Alaska, applications will be filed at the local agency office or at a location specified by the responsible Federal agency.

SPECIFIC INSTRUCTIONS
(Items not listed are self-explanatory)

Item

- 7 Attach preliminary site and facility construction plans. The responsible agency will provide instructions whenever specific plans are required.
 - 8 Generally, the map must show the section(s), township(s), and ranges within which the project is to be located. Show the proposed location of the project on the map as accurately as possible. Some agencies require detailed survey maps. The responsible agency will provide additional instructions.
 - 9, 10, and 12 - The responsible agency will provide additional instructions.
 - 13 Providing information on alternate routes and modes in as much detail as possible, discussing why certain routes or modes were rejected and why it is necessary to cross Federal lands will assist the agency(ies) in processing your application and reaching a final decision. Include only reasonable alternate routes and modes as related to current technology and economics.
 - 14 The responsible agency will provide instructions.
 - 15 Generally, a simple statement of the purpose of the proposal will be sufficient. However, major proposals located in critical or sensitive areas may require a full analysis with additional specific information. The responsible agency will provide additional instructions.
 - 16 through 19 - Providing this information in as much detail as possible will assist the Federal agency(ies) in processing the application and reaching a decision. When completing these items, you should use a sound judgment in furnishing relevant information. For example, if the project is not near a stream or other body of water, do not address this subject. The responsible agency will provide additional instructions.
- Application must be signed by the applicant or applicant's authorized representative.

If additional space is needed to complete any item, please put the information on a separate sheet of paper and identify it as "Continuation of Item".

SUPPLEMENTAL

NOTE: The responsible agency(ies) will provide additional instructions	CHECK APPROPRIATE BLOCK	
	ATTACHED	FILED*
I - PRIVATE CORPORATIONS		
a. Articles of Incorporation	<input type="checkbox"/>	<input type="checkbox"/>
b. Corporation Bylaws	<input type="checkbox"/>	<input type="checkbox"/>
c. A certification from the State showing the corporation is in good standing and is entitled to operate within the State.	<input type="checkbox"/>	<input type="checkbox"/>
d. Copy of resolution authorizing filing	<input type="checkbox"/>	<input type="checkbox"/>
e. The name and address of each shareholder owning 3 percent or more of the shares, together with the number and percentage of any class of voting shares of the entity which such shareholder is authorized to vote and the name and address of each affiliate of the entity together with, in the case of an affiliate controlled by the entity, the number of shares and the percentage of any class of voting stock of that affiliate owned, directly or indirectly, by that entity, and in the case of an affiliate which controls that entity, the number of shares and the percentage of any class of voting stock of that entity owned, directly or indirectly, by the affiliate.	<input type="checkbox"/>	<input type="checkbox"/>
f. If application is for an oil or gas pipeline, describe any related right-of-way or temporary use permit applications, and identify previous applications	<input type="checkbox"/>	<input type="checkbox"/>
g. If application is for an oil and gas pipeline, identify all Federal lands by agency impacted by proposal.	<input type="checkbox"/>	<input type="checkbox"/>
II - PUBLIC CORPORATIONS		
a. Copy of law forming corporation	<input type="checkbox"/>	<input type="checkbox"/>
b. Proof of organization	<input type="checkbox"/>	<input type="checkbox"/>
c. Copy of Bylaws	<input type="checkbox"/>	<input type="checkbox"/>
d. Copy of resolution authorizing filing	<input type="checkbox"/>	<input type="checkbox"/>
e. If application is for an oil or gas pipeline, provide information required by Item "I-f" and "I-g" above.	<input type="checkbox"/>	<input type="checkbox"/>
III - PARTNERSHIP OR OTHER UNINCORPORATED ENTITY		
a. Articles of association, if any	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. If one partner is authorized to sign, resolution authorizing action is	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. Name and address of each participant, partner, association, or other	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. If application is for an oil or gas pipeline, provide information required by Item "I-f" and "I-g" above.	<input type="checkbox"/>	<input type="checkbox"/>

* If the required information is already filed with the agency processing this application and is current, check block entitled "Filed." Provide the file identification information (e.g., number, date, code, name). If not on file or current, attach the requested information.

NOTICES

NOTE: This applies to the Department of the Interior/Bureau of Land Management (BLM).

The Privacy Act of 1974 provides that you be furnished with the following information in connection with the information provided by this application for an authorization.

AUTHORITY: 16 U.S.C. 310 and 5 U.S.C. 301.

PRINCIPAL PURPOSE: The primary uses of the records are to facilitate the (1) processing of claims or applications; (2) recordation of adjudicative actions; and (3) indexing of documentation in case files supporting administrative actions.

ROUTINE USES: BLM and the Department of the Interior (DOI) may disclose your information on this form: (1) to appropriate Federal agencies when concurrence or supporting information is required prior to granting or acquiring a right or interest in lands or resources; (2) to members or the public who have a need for the information that is maintained by BLM for public record; (3) to the U.S. Department of Justice, court, or other adjudicative body when DOI determines the information is necessary and relevant to litigation; (4) to appropriate Federal, State, local, or foreign agencies responsible for investigating, prosecuting violation, enforcing, or implementing this statute, regulation, or order; and (5) to a congressional office when you request the assistance of the Member of Congress in writing.

EFFECT OF NOT PROVIDING THE INFORMATION: Disclosing this information is necessary to receive or maintain a benefit. Not disclosing it may result in rejecting the application.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The Federal agencies collect this information from applicants requesting right-of-way, permit, license, lease, or certifications for the use of Federal Lands.

Federal agencies use this information to evaluate your proposal.

No Federal agency may request or sponsor and you are not required to respond to a request for information which does not contain a currently valid OMB Control Number.

BURDEN HOURS STATEMENT: The public burden for this form is estimated at 25 hours per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to: U.S. Department of the Interior, Bureau of Land Management (1004-0189), Bureau Information Collection Clearance Officer (WO-630) 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

A reproducible copy of this form may be obtained from the Bureau of Land Management, Land and Realty Group, 1620 L Street, N.W., Rm. 1000 LS, Washington, D.C. 20036.

State of California
Secretary of State



I, BRUCE McPHERSON, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

DEC 26 2006

BRUCE McPHERSON
Secretary of State

654169

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

DEC 22 2006

**AMENDED STATEMENT BY
FOREIGN CORPORATION**

Bright Source Energy, Inc.
(Name of Corporation)

_____, a corporation organized

and existing under the laws of Delaware, and which is presently
(State or Place of Incorporation)

qualified for the transaction of intrastate business in the State of California, makes the following statement:

That the name of the corporation has been changed to that hereinabove set forth and that the name relinquished at the time of such change was Luz II, Inc. which
will do business in California as Hever, Inc.

Bright Source Energy, Inc.
(Name of Corporation)


(Signature of Corporate Officer)

Elias J. Blawie, Asst. Secretary
(Typed Name and Title of Officer Signing)



Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "DPT BROADWELL LAKE, LLC", FILED IN THIS OFFICE ON THE FOURTH DAY OF JANUARY, A.D. 2007, AT 5:59 O'CLOCK P.M.

4279467 8100

070012545



Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 5329703

DATE: 01-05-07

State of Delaware
Secretary of State
Division of Corporations
Delivered 06:02 PM 01/04/2007
FILED 05:59 PM 01/04/2007
V 070012545 - 4279467 FILE

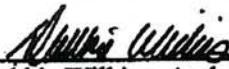
CERTIFICATE OF FORMATION

DPT BROADWELL LAKE, LLC

This Certificate of Formation of DPT Broadwell Lake, LLC (the "Company") is being executed by the undersigned for the purpose of forming a limited liability company pursuant to the Delaware Limited Liability Company Act.

1. The name of the limited liability company is: DPT Broadwell Lake, LLC.
2. The address of the Company's registered office in the State of Delaware is 160 Greentree Drive, Suite 101, City of Dover, 19901, county of Kent. The name of its registered agent at such address is National Registered Agents, Inc.

IN WITNESS WHEREOF, the undersigned, an authorized person of the Company, has caused this Certificate of Formation to be duly executed as of the 4th day of January, 2007.



Debbie Wilkins, Authorized Person

From: McDaniels, Laura Lakin [mailto:laura.mcdaniels@hellerehrman.com]

Sent: Thursday, January 04, 2007 2:51 AM

To: JohnWoolard - VPVP; Arnold Goldman; WalterDrimer; David Fries

Cc: Evan Goldman; DanaDuFrane@aol.com; J.DouglasDivine; Glass, Todd G.; Blawie, Elias J.; Wilkins, Debbie

Subject: Bright Source Energy: Consent to create additional project subsidiaries

Dear Bright Source Energy Board Members:

Happy New Year to you all!

On behalf of the Company, I am circulating for your approval an electronic consent to approve the formation of two additional project-related subsidiaries: DPT Broadwell Lake, LLC, and DPT Ivanpah 2, LLC. The Company is creating these subsidiaries in order to be able to make certain regulatory filings in the names of the projects now so as to avoid contract assignment problems later on.

DPT Ivanpah, LLC, which we formed in November 2006, is intended to be used for the first 100MW project in that area, while DPT Ivanpah 2 will be used for the second 400MW project.

Below are the resolutions approving the creation of these subsidiaries and appointing officers, and also attached for your review and approval are simple single-member forms of operating agreements to govern the actions of DPT Broadwell Lake, LLC and DPT Ivanpah 2, LLC, which are exactly the same as the operating agreement that the Company previously adopted for DPT Ivanpah in November 2006. For your convenience I have also attached a separate document containing the resolutions from below

In addition, the Company also wishes to appoint Doug Divine as an officer of DPT Ivanpah LLC in order to allow him to be able to sign documents related to this LLC, as well as the other LLCs we are proposing to create in this proposed consent.

Please review and if you approve of the matters contained in this email, including the attachments, we

request that you "reply all" to this email with your consent and approval.

+++++

**ACTION BY UNANIMOUS WRITTEN CONSENT
OF THE BOARD OF DIRECTORS
OF BRIGHT SOURCE ENERGY, INC.**

**AND
ACTION BY WRITTEN CONSENT
OF THE SOLE MEMBER OF DPT BROADWELL LAKE, LLC**

**AND
ACTION BY WRITTEN CONSENT
OF THE SOLE MEMBER OF DPT IVANPAH 2, LLC**

**AND
ACTION BY WRITTEN CONSENT
OF THE SOLE MEMBER OF DPT IVANPAH, LLC**

Formation of DPT Broadwell Lake, LLC and DPT Ivanpah 2, LLC

RESOLVED, that the Board of Directors (the "Board") of Bright Source Energy, Inc. (the "Company") hereby authorizes and approves the formation of (1) DPT Broadwell Lake, LLC, a Delaware limited liability company ("DPT Broadwell Lake"), and (2) DPT Ivanpah 2, LLC, a Delaware limited liability company ("DPT Ivanpah 2"), each of which is to be held 100% by the Company, and authorizes Debbie Wilkins of Heller Ehrman LLP, the Company's legal counsel, to execute a Certificate of Formation for each of DPT Broadwell Lake and DPT Ivanpah 2 as an "authorized person," and to cause each such Certificate of Formation to be filed with the Delaware Secretary of State; and

RESOLVED FURTHER, that the Board hereby approves (1) the Limited Liability Company Agreement substantially in the form attached hereto as Exhibit A, which sets forth certain terms and conditions relating to the operation and governance of DPT Broadwell Lake, and (2) the Limited Liability Company Agreement substantially in the form attached hereto as Exhibit B, which sets forth certain terms and conditions relating to the operation and governance of DPT Ivanpah 2, and authorizes the proper officers of the Company to execute and deliver such agreements and all related agreements by and on behalf of the Company, with such modifications and amendments as such officers may, in their discretion, deem to be necessary or desirable to carry out the intent of this resolution.

Appointment of Officers

RESOLVED, that, effective upon the formation of each of DPT Broadwell Lake and DPT Ivanpah 2, the Board, acting on behalf of the Company as the sole Member of each of DPT Broadwell Lake and DPT Ivanpah 2, hereby authorizes and approves of the appointment of the following individuals to serve in the offices set forth opposite their respective names for each of DPT Broadwell Lake and DPT Ivanpah 2:

Arnold Goldman - President

John Woolard - Chief Executive Officer and Secretary

J. Douglas Divine – Vice President, Project Development and Assistant Secretary

RESOLVED FURTHER, that the President, Chief Executive Officer or Vice President of DPT Broadwell Lake or DPT Ivanpah 2, as applicable, is authorized to sign and deliver any agreement in the name of such entity, and to obligate such entity in any respect relating to the matters of the business of such entity, within the limits approved by the Company as the sole Member of each of DPT Broadwell Lake or DPT Ivanpah 2, as applicable.

Appointment of Officer of DPT Ivanpah, LLC

RESOLVED, that J. Douglas Divine is hereby appointed to serve as Vice President of DPT Ivanpah, LLC (“DPT Ivanpah”), and is authorized to sign and deliver any agreement in the name of DPT Ivanpah and to obligate it in any respect relating to the matters of the business of DPT Ivanpah, within the limits approved by the Company as the sole Member of DPT Ivanpah.

Omnibus Resolution

RESOLVED, that the officers of this Company are hereby authorized and directed, on behalf and in the name of the Company, to make all such arrangements, to do and perform all such acts and things, and to execute, deliver and file all such instruments, certificates, powers of attorney and other documents as they may deem necessary or appropriate in order to effectuate fully the purpose of each and all of the foregoing resolutions and the transactions contemplated thereby (hereby ratifying and confirming any and all actions taken heretofore and hereafter by such officers to accomplish such purposes).

Laura McDaniels | Attorney | **HellerEhrman**LLP | **Venture Law Group** | 275 Middlefield Road | Menlo Park, CA 94025
tel: +1.650.233.8474 | fax: +1.650.324.6670 | email: laura.mcdaniels@vlg.com | web: www.hellerehrman.com

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=====

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=====

Wilkins, Debbie

From: wdrimer@gmail.com on behalf of walter Drimer [wdrimer@luz2.com]
Sent: Thursday, January 04, 2007 1:32 AM
To: Arnold Goldman
Cc: McDaniels, Laura Lakin; JohnWoolard - VPVP; David Fries; Evan Goldman; DanaDuFrane@aol.com; J.DouglasDivine; Glass, Todd G.; Blawie, Elias J.; Wilkins, Debbie
Subject: Re: Bright Source Energy: Consent to create additional project subsidiaries

Laura,

I approve this resolution.

Walter

Wilkins, Debbie

From: David Fries [dfries@vpvp.com]
Sent: Thursday, January 04, 2007 11:25 AM
To: McDaniels, Laura Lakin; John Woolard; Arnold Goldman; walter Drimer
Cc: egoldman@luz2.com; DanaDuFrane@aol.com; Doug Divine; Glass, Todd G.; Blawie, Elias J.; Wilkins, Debbie
Subject: RE: Bright Source Energy: Consent to create additional project subsidiaries

Approve, dcfries

Wilkins, Debbie

From: John Woolard [JWoolard@VPVP.com]
Sent: Wednesday, January 03, 2007 6:10 PM
To: Arnold Goldman; McDaniels, Laura Lakin; WalterDrimer; David Fries
Cc: Evan Goldman; DanaDuFrane@aol.com; J.DouglasDivine; Glass, Todd G.; Blawie, Elias J.; Wilkins, Debbie
Subject: RE: Bright Source Energy: Consent to create additional project subsidiaries

I approve the resolution as well. John

From: Arnold Goldman [mailto:agoldman@luz2.com]
Sent: Wednesday, January 03, 2007 5:35 PM
To: McDaniels, Laura Lakin; John Woolard; WalterDrimer; David Fries
Cc: Evan Goldman; DanaDuFrane@aol.com; J.DouglasDivine; Glass, Todd G.; Blawie, Elias J.; Wilkins, Debbie
Subject: RE: Bright Source Energy: Consent to create additional project subsidiaries

Laura,

I approve the resolution.

Arnold

BLM SF-299
Solar Project-Broadwell DPT

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A. Populations of Fish, Plantlife, Wildlife, and Marine Life, Including Threatened and Endangered Species 20

B. Marine Mammals, Including Hunting, Capturing, Collecting, or Killing These Animals. 20

19. State Whether any Hazardous Material, as Defined in this Paragraph, will be Used, Produced, Transported or Stored on or Within the Right-of-way or any of the Right-of-way Facilities, or Used in the Construction, Operation, Maintenance or Termination of the Right-of-way or any of its Facilities.....21

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Appendix A Typical Responsibilities for Power Plant Projects with Shared Federal and State Jurisdiction23

7. Project Description

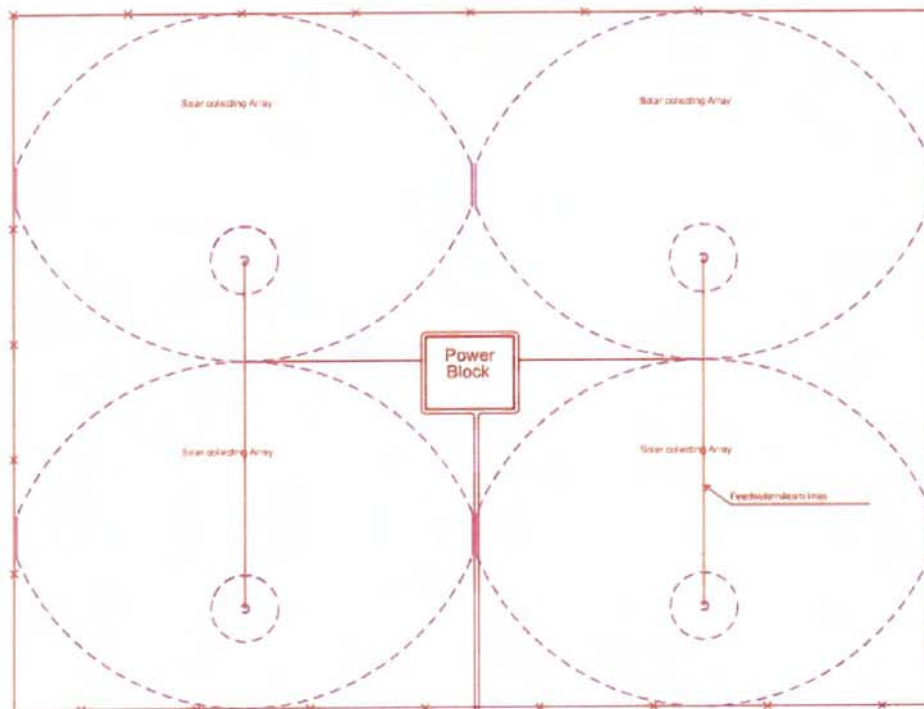
The proposed project includes five contiguous solar power plants, each capable of generating 100 megawatts of electricity. Each power plant includes two main elements:

- Solar field with power towers
- Power block, with power generation equipment, boiler and auxiliary equipment

The solar field consists of four identical circular heliostat (mirror) arrays, each focusing light on its dedicated power tower in the southern half of the array. Within each array are heliostats located on rows arranged in arcs with progressively larger radii. This array and receiver arrangement creates the Distributed Power Tower (DPT).

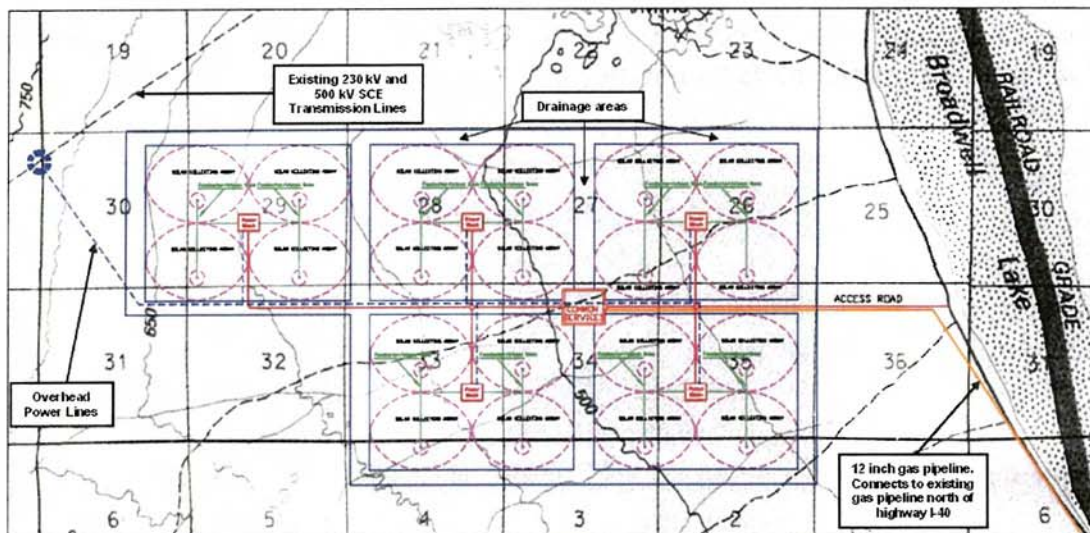
Each plant requires a rectangular operational area of 2100 meters by 1600 meters (830 acres) that will encompass four identical solar arrays and the power block. Each array consists of multiple heliostats (mirrors) that focus solar energy on a receiver mounted on top of a power tower.

A *power block* of approximately 450 x 600 feet is located between each of the four DPT arrays. The power block contains the power generation equipment including a steam turbine, boiler and auxiliary equipment.



The power block includes an electrical substation that will connect via overhead power lines to either a 230,000 or a 500,000 volt transmission line northwest of the project site. The existing SCE 230,000 and 500,000 volt transmission lines run parallel to each other and are not differentiated on the drawings below. The plants will connect to a gas transmission line near Interstate 40 via a 12 inch gas pipe. The plant uses dry cooling and Zero Liquid Discharge (ZLD). It will require approximately 500 acre-feet per year of makeup water to maintain the plant chemistry within acceptable limits. Water will come from well(s) within the boundary of the station or be piped in pending the results of an in-basin hydro geological study. Zero Liquid Discharge will be accomplished by mechanical dewatering of the feedwater blowdown and the backwash brine.

The proposed location was selected due to its good solar resource, its proximity to electrical power lines and distance away from the dry lake.



Bright Source Energy will operate the plant in accordance with the following priorities:

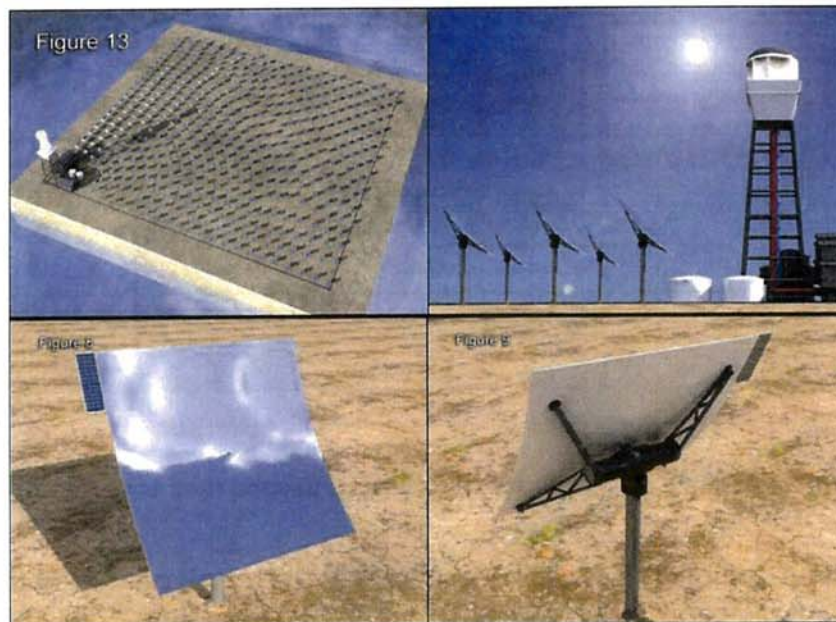
1. Maintain and operate the plant's solar field during all periods of threshold solar energy availability, when a minimum turbine output of 30 MW can be generated by each plant.
2. Operate the plants during certain periods by augmenting the solar radiant heat level with natural gas.

A. Type of System or Facility

The system consists of four identical heliostat arrays focused on receiver-boilers at the top of Distributed Power Towers (DPT's). Each DPT supports a receiver-boiler at the focal point of the adjacent heliostat array. The receiver-boiler generates steam by the solar energy focused on it by the collecting array.

During short periods of intermittent cloud cover, the system uses natural gas thermal input to maintain the turbine on-line, allowing immediate resumption of solar production when the sky clears. In addition, a gas-fired boiler provides the flexibility to use gas in the power block when sunshine is not available. Natural gas use will be limited by regulatory and licensing conditions.

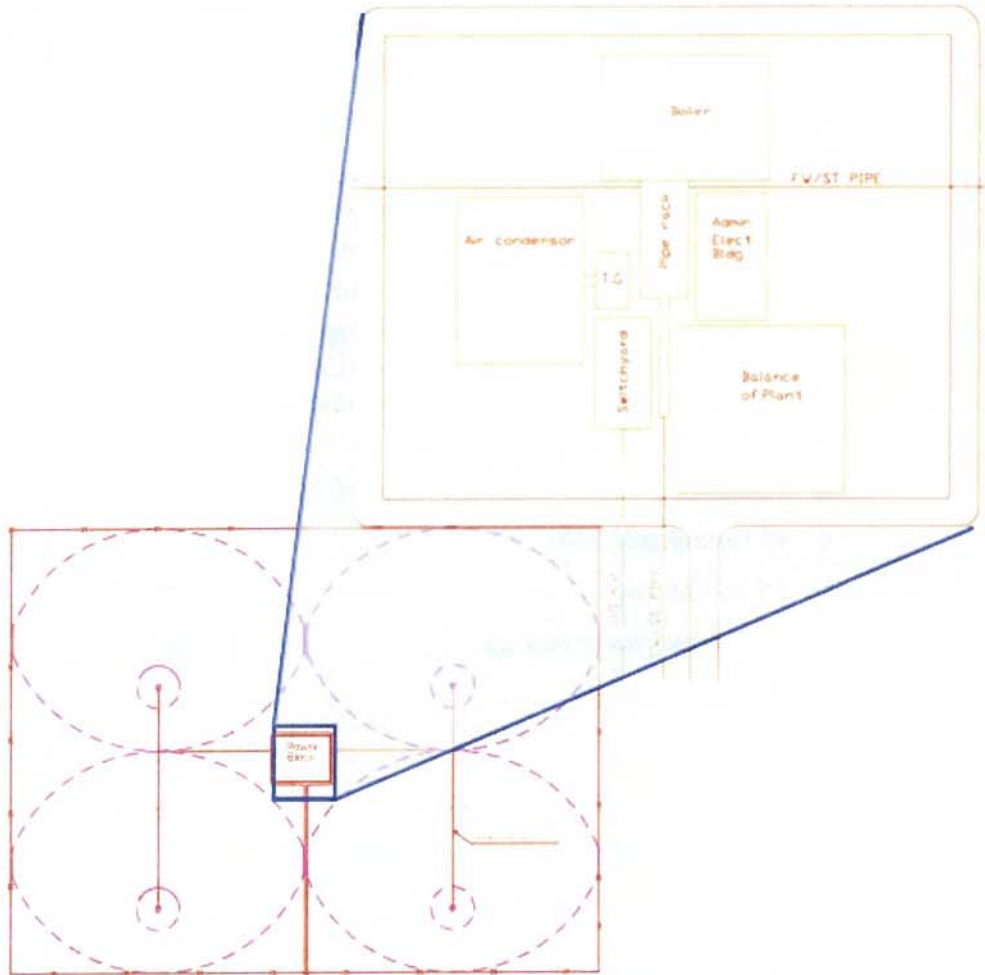
Whenever sun is available at threshold levels, the solar field tracks and focuses on the tower mounted receiver-boiler, which begins to generate steam. When solar radiation is not available the central gas boiler can be operated to obtain nominal production. If partial load solar radiation is available, the boiler can be operated in hybrid mode (generation of steam using both natural gas and solar energy).



B. Related Structures and Facilities

One 100 MW plant requires a rectangular operational area of 2100 meters by 1600 meters that encompasses four identical solar arrays and the power block. The Field perimeter will include a chain link fence and a weatherized dirt road. Corridors 150 meters wide outside the field perimeters and between the plants corridors 150 meters wide are included to allow space for drainage and flood control works, if these are eventually required by regulatory agencies.

The estimated power block dimensions are 450' X 600'. These dimensions could vary by up to 150' in either dimension, but probably not both pending final design. The entire area will be cleared and leveled, with perimeter drainage protection berms, ditches, culverts, and a perimeter access road with 20' asphalt and 2' X 6' shoulders.



Pending a geotechnical study and detailed design, our best estimate of the foundation details are:

Power Block:

- **Turbine**: 3 slabs connected by columns - bottom foundation slab 70' X 40' X 4', Top of Concrete is 15' below grade; middle slab on grade, top table slab 25' above grade
- **Boiler**: 200 cast-in-place 24" X 15' piles in a 150' X 200' rectangle

- **Pipe rack**: eighty (80) 18" X 15' piles, in a 60' X 150' rectangular shape between the boiler and the turbine
- **Control room-maintenance-electrical building**: 80' X 150' slab on grade that is 30" deep at the perimeter beam
- **Miscellaneous slab-on-grade foundations** for feedwater pumps, condensate pumps, chemical injection & vacuum equipment, etc.
- **Miscellaneous pile foundations** for deaerator and others.
- **Balance of Plant**:
 - Water treatment and storage is undetermined at this point. We assume brackish ground water is available, needing reverse osmosis (RO) for potable use and deionized (DI) water for boiler feed water make-up.
 - We estimate an area of about 200' X 300' for water treatment and storage units. The largest item is the RO water storage which doubles as the water for fire fighting. The RO water storage foundation is estimated to be 40 feet in diameter requiring a 3 foot slab on grade foundation. The final size will be determined by the Fire Marshall.
 - Other foundation slabs on grade are required for:
 - RO equipment train
 - DI equipment
 - DI product water storage
 - Chemical storage
 - Compressed air system
 - Switchyard electrical equipment

Power Tower

- For each power tower, we estimate 24 - 30" X 25' cast in place piles
- Each tower is connected to the power block by three pipes - feedwater, live steam and blowdown-drain. Pipes sit on support beams on cast in place piles (18" X 12') spaced every 25'. Total support piles in one project's solar field = 150.

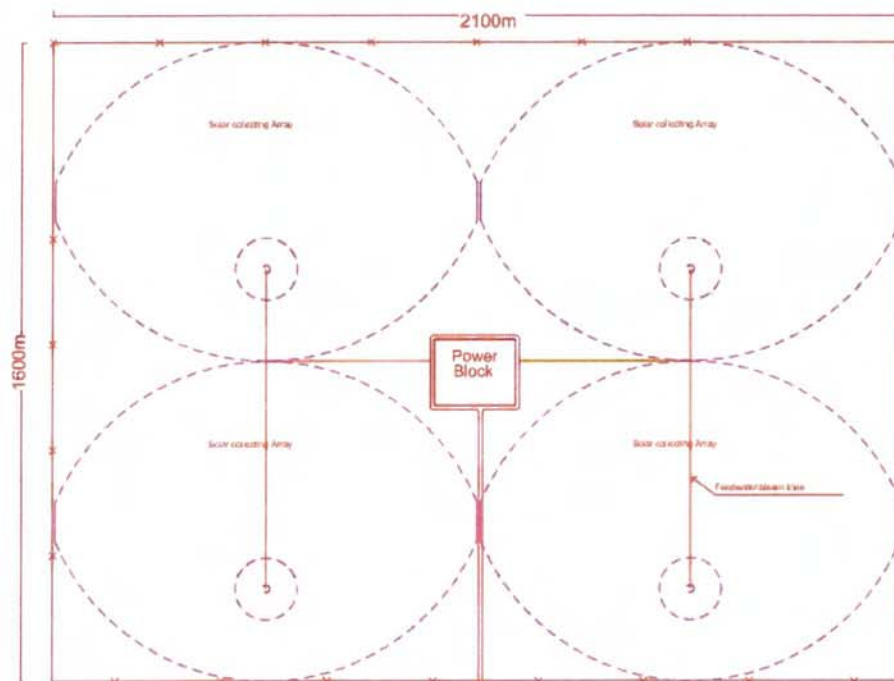
Solar Field Array (Heliostats)

- The heliostat field erection will require minimal foundation work, if any. Heliostat pylons will be 4-6 inch mild steel pipe, driven into the ground to a depth of 2.0 to 2.5 meters. The below-ground portion of the pylon may be placed with a minimal concrete jacket. Alternatively, a heliostat foundation may consist of a precast concrete block placed slightly below finish grade. Geotechnical (boring sample) analysis will confirm the method and final dimensions.
- We expect that the solar field will require clearing with minor leveling of local projections/depressions only, and that the non-critical status of heliostats and absence of any hazardous materials in the field eliminate requirements for flood protection.
- During field decommissioning, heliostat pylons and foundations can be withdrawn mechanically with relative ease.

C. Physical Specifications

Dimensions of the major components are:

- Entire Plant: Five solar fields (see map in Section 8)
- Solar Field (each): 2100 meters X 1600 Meters (6888' X 5248')
- Power Block: 450' X 600'



Utilities

- **Roads.** Asphalt access road
- **Natural Gas.** 12 inch pipe connected to the existing natural pipeline located near I-40. Specific route based on BLM consultation.
- **Water.** Water will be provided from well(s) within the boundary of station or piped in from local well(s). Storage tanks for plant make-up water (DI) and to meet the fire code requirement will be located in the Power Block.
- **Electricity Grid.** Overhead lines will connect the Power Block to the local nearby Southern California Edison 230,000 volt or 500,000 volt transmission lines.

Power Block

The boiler at the focal point of each power tower is connected by a carbon steel feedwater pipe and a stainless steel steam pipe to one central Power Block located in the central quadrangular area enclosed by the heliostat arrays. The Power Block area accommodates power generation equipment including steam turbine, natural gas boiler, electrical equipment and balance of plant equipment in a rectangular area measuring 450 X 600 feet.

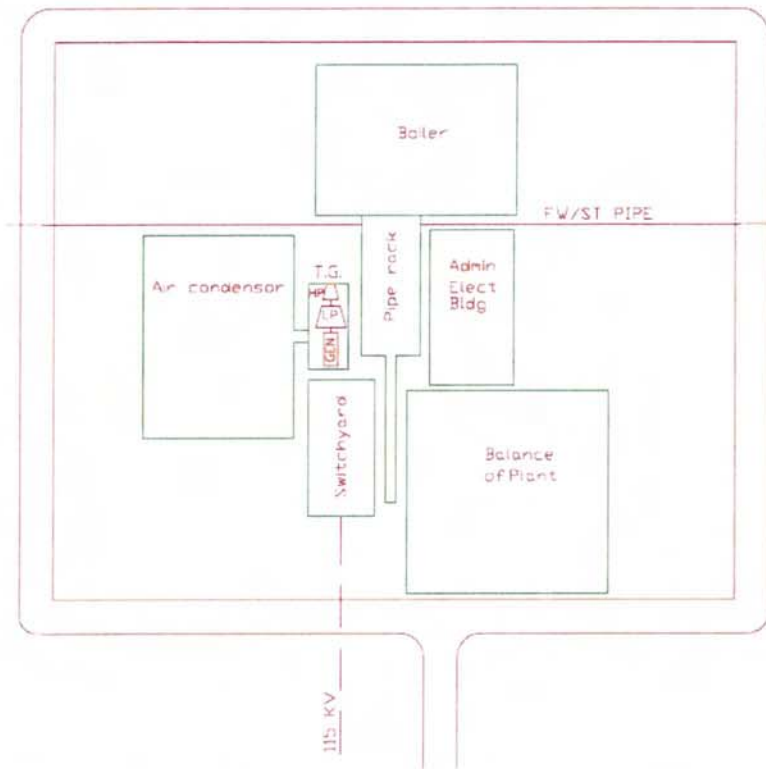
Natural Gas Boiler. Conventional boiler materials and construction will be used to fabricate a tube configuration suitable to the heliostat array, and the tubes will be coated with an existing selective coating.

Power Distribution. A 13,800 volt electrical switchgear station provides plant power taken from the plant generator and raises it to the power line voltage.

Balance of Plant. Water treatment and make-up is required for potable water and feedwater make-up. The balance of plant system occupies a rectangular area (approximately 200 X 200 foot) adjacent to the power block.

Water Treatment. Feedwater make-up is obtained by ion exchange. Depending on the quality of raw water available on site, RO treatment for raw water may be required before use for feedstock to the feedwater ion exchangers.

Chemical Treatment. The plant will include standard chemical injection to feedwater in order to maintain its quality in accordance with turbine manufacturer specifications.



Electrical. A cable grid distributes 480 VAC power from the power block to the heliostat array, which is divided into approximately 60 power distribution sub-sectors of approximately 285 heliostats. Each sub-sector is served by a 480 VAC/24 VDC, 7.5 kW transformer-rectifier, which distributes 24 VDC to individual heliostats.

Controls. A central control system calculates the required reflecting angle for each heliostat and operates its dual-axis drive system at fixed intervals to maintain the heliostat in the desired reflecting attitude. A wireless network sends operating commands intermittently to individual heliostat drives. A feedback loop between the power tower and each individual heliostat re-calibrates each heliostat daily.

The heliostats and the array as a unit can focus on the receiver-boiler in wind speeds of up to 30 mph. When wind speeds reach 30 mph or more, the heliostats go to stow position, which is the horizontal position.

D. Term of Years Needed

Fifty years is needed to match the potential life of the installed equipment.

E. Time of Year of Use or Operation

The equipment must be able to operate at all times.

F. Volume or Amount of Product to be Transported

The solar plant will produce electricity and will be connected to the electrical lines northwest of the selected area. The connection to the existing power lines will be by above ground power lines.

The amount of natural gas used on an annual basis will depend on the solar radiation levels and the utility requirements for electricity.

Water requirements are approximately 500 acre-feet per year.

G. Duration and Timing of Construction

Construction is anticipated to commence in 2010 and be completed in the 2nd quarter of 2011.

H. Temporary Work Areas Needed for Construction

Temporary work areas within the property and just outside the Power Block will be required. The following fenced areas will be used during construction:

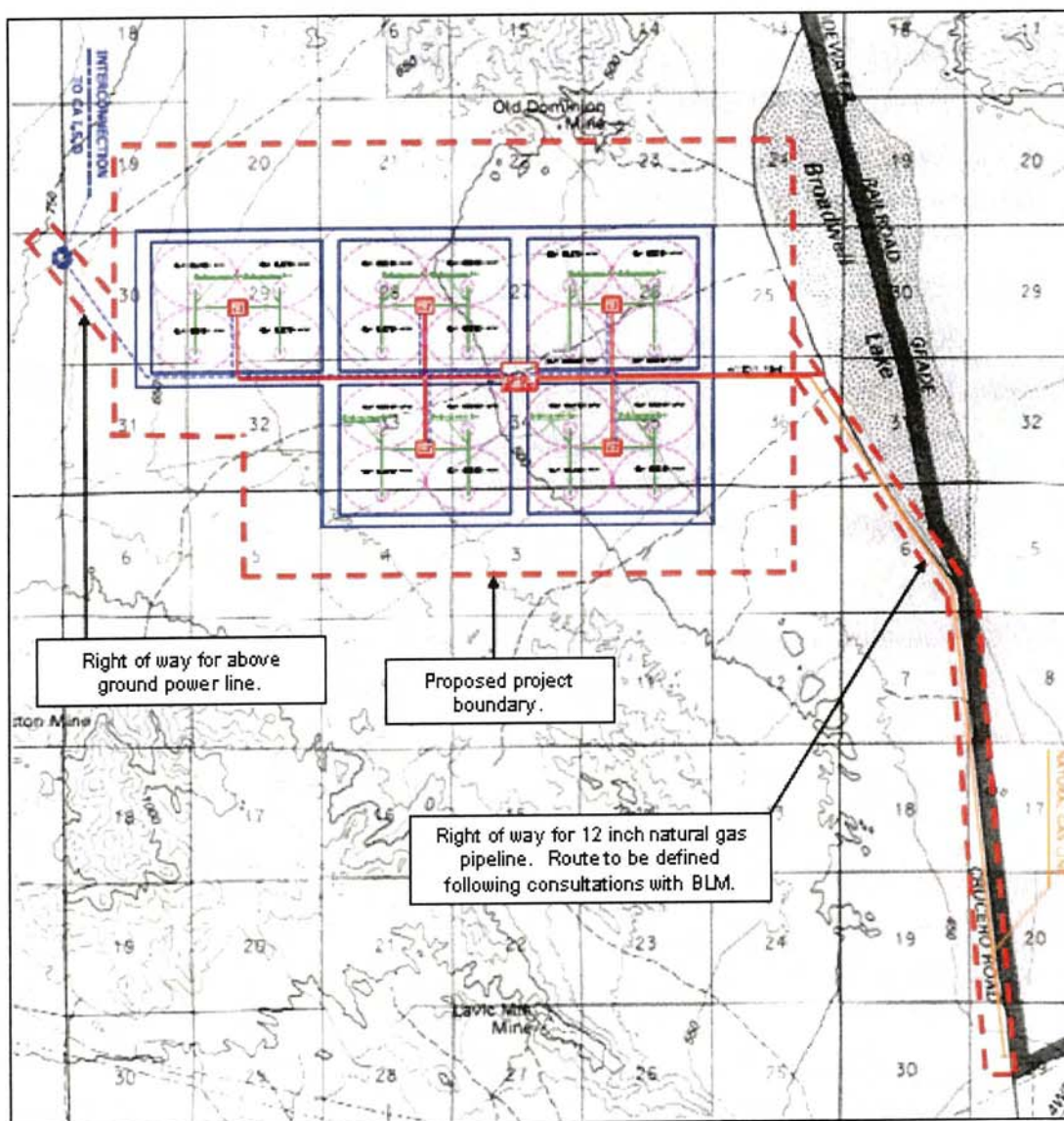
- Construction offices: 400' X 600' complex of office and tool storage trailers (1)
- Car parking: 400' X 600' (1)
- Construction equipment park: 300' X 500' (1)
- Power Block material/equipment laydown: 400' X 600' (5)
- Solar field material laydown: 500' X 800' (5)
- Heliostat pre-assembly shed: 100' X 150' (5)

8. Map Covering Area and Show Location of Project Proposal

The location shown below was selected due to proximity to the two electrical transmission lines. The expected available transmission capacity and the solar resource are the primary reasons for selecting the site.

The specific area was selected based on several requirements:

1. Relatively level land.
2. Reasonable distance from the dry lake.
3. Proximity to 230,000 and 500,000 volt transmission lines to the northwest of the proposed location
4. Proximity to gas line
5. Proximity to I-40 for construction and operations access
6. Remoteness for potential aesthetic concerns (10 miles from highway)



12. Give Statement of Your Technical and Financial Capability to Construct, Operate, Maintain, and Terminate System for Which Authorization is Being Requested.

The project and technology developer is Bright Source Energy, based on the same business and engineering team that originally designed, financed, constructed, and operated the Luz parabolic trough solar electric generating stations in the 1980's and developed the DPT 550 system. The Luz plants included 354 MW of capacity in nine different plants that continue to operate profitably more than twenty years after their erection.

- Bright Source Energy is the most experienced solar thermal project development and engineering team in the world
- We have collective experience of more than 300 years
- Our track record is unmatched for the past 20 years
- Our multi-disciplinary engineering and management team includes:
 - Project Development and Finance
 - Project Engineering and Project Management
 - Optics, Mechanical, Electrical, Thermal, Material Engineers
 - Economic Modelers, Regulatory Experts, Project Managers
 - Experts in evaluating Solar Thermal Technologies
- Bright Source Energy is a Project Developer and also a Technology Developer

13. Alternate Routes

A. Describe Other Reasonable Alternative Routes and Modes Considered.

Please refer to [Appendix A](#).

B. Why Were These Alternatives not Selected?

Please refer to [Appendix A](#).

C. Give Explanation as to Why it is Necessary to Cross Federal Lands

Please refer to [Appendix A](#).

14. List Authorizations and Pending Applications Filed for Similar Projects Which May Provide Information to the Authorizing Agency

A solar project filed with the BLM Barstow office (CACA – 47702) may provide help with evaluating this application.

**15. Provide Statement of Need for Project,
Including the Economic Feasibility and Items
Such as**

**A. Cost of proposal (construction, operation, and
maintenance)**

To be discussed with the Bureau of Land Management.

B. Estimated Cost of Next Best Alternative

To be discussed with the Bureau of Land Management.

C. Expected Public Benefits

Please refer to [Appendix A](#).

16. Describe Probable Effects on the Population in the Area, Including the Social and Economic Aspects, and the Rural Lifestyles.

Please refer to Appendix A.

17. Describe likely environmental effects that the proposed project will have on:

A. Air Quality

Please refer to [Appendix A](#).

B. Visual Impact

Please refer to [Appendix A](#).

C. Surface and Ground Water Quality

Please refer to [Appendix A](#).

D. The Control or Structural Change on any Stream or Other Body of Water

Please refer to [Appendix A](#).

E. Existing Noise Levels

Please refer to [Appendix A](#).

F. The Surface of the Land, Including Vegetation, Permafrost, Soil, and Soil Stability.

Please refer to [Appendix A](#).

18. Describe the Probable Effects That the Proposed Project Will Have on:

A. Populations of Fish, Plantlife, Wildlife, and Marine Life, Including Threatened and Endangered Species

Please refer to [Appendix A](#).

B. Marine Mammals, Including Hunting, Capturing, Collecting, or Killing These Animals.

Please refer to [Appendix A](#).

19. State Whether any Hazardous Material, as Defined in this Paragraph, will be Used, Produced, Transported or Stored on or Within the Right-of-way or any of the Right-of-way Facilities, or Used in the Construction, Operation, Maintenance or Termination of the Right-of-way or any of its Facilities.

"Hazardous material" means any substance, pollutant or contaminant that is listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. 9601 et seq., and its regulations. The definition of hazardous substances under CERCLA includes any "hazardous waste" as defined in the Resource Conservation and Recovery Act of 1976 (RCRA), as amended, 42 U.S.C. 6901 et seq., and its regulations. The term hazardous materials also includes any nuclear or byproduct material as defined by the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof that is not otherwise specifically listed or designated as a hazardous substance under CERCLA Section 101(14), 42 U.S.C. 9601(14), nor does the term include natural gas.

Please refer to [Appendix A](#).

**20. Name all the Department(s)/Agency(ies)
Where this Application is Being Filed.**

Barstow BLM Office only.

Appendix A

Typical Responsibilities for Power Plant Projects with Shared Federal and State Jurisdiction

In instances where a state agency and a federal agency share jurisdiction for environmental review of a project (in this case construction of a power plant greater than 50 megawatts proposed to be constructed on federal BLM land), these agencies will work together to satisfy each of their respective statutory responsibilities. The following discussion provides an overview of the typical responsibilities for the lead federal (BLM) and state (California Energy Commission) agencies that will be undertaken during the review of the Bright Source Energy project.

The Bureau of Land Management (BLM) have responsibilities as a Federal agency pursuant to the National Environmental Policy Act (NEPA; 42 U.S.C. 4321 et seq.) and the regulations of the Council on Environmental Quality (40 C.F.R. 1500-1508), regarding the need to consider the potential environmental impacts associated with the construction, operation and maintenance of the project, including any modification of existing transmission facilities needed for the interconnection. The requirements of NEPA are procedural, requiring the lead Federal agency to take into account the potential for direct, indirect, and cumulative impacts on the human environment by the project.

The California Energy Commission (Commission) is the agency of the State of California authorized with the responsibility for siting all thermal power facilities 50 megawatts (MW) or greater, and the preparation of documentation to satisfy the requirements of the California Environmental Quality Act. (CEQA; Public Resources Code 21000 et seq.) The Commission's responsibility includes the review of all aspects of the project (see Table 1) and all related facilities such as water, gas, and electric transmission lines. (Public Resources Code 25500 et seq.) The requirements of CEQA are substantive and procedural, requiring the lead state agency to identify potentially significant environmental impacts associated with the project, and mandating mitigation or alternatives that reduce identified adverse environmental impacts to less than significant.

The Commission's process starts with the filing of an Application for Certification (AFC) by the Applicant, Bright Source Energy Inc. The AFC requires substantive research on the existing locale and project impacts in all the subject areas listed in Table 1. The AFC will detail alternative routes, socioeconomic impacts (including need, economic impacts and public benefits), air quality and mitigation, visual impacts, effect on water quality, existing noise levels, soils, animal and plant biology, and cultural resources. Additional subjects are listed in Table 1.

Each subject area will have its own 20-100 page chapter. Bright Source Energy is starting the process of interviewing and hiring an environmental firm to prepare this document now and expects to start the preparation in 2008. This document will also be filed with the BLM in addition to the 299 form as it will provide the basis for the joint agency environmental review.

The Commission staff is an independent party in the Commission's application proceeding. The Commission staff will be responsible for preparing an independent analysis of the potential environmental impacts of the project.

The Commission review of the project will include review of the plant site and all related facilities such as water, wastewater, and gas lines, access roads built for the project, and electric transmission lines from the plant site to the first point of interconnection with electric transmission system.

As has been the case on other power projects in California with shared federal and state jurisdiction, BLM will be responsible for reviewing and commenting on the analysis of environmental impacts by the Commission staff and will provide comments on all draft sections of the preliminary and final Commission staff assessments and any other documents for which staff requests comments.

BLM will also be the lead Federal agency for the purposes of Section 106 of the National Historic Preservation Act, as amended (16 U.S.C. 470(f)), and the regulations at 36 C.F.R. 800. This means that BLM will have the responsibility to consult directly with the California State Historic Preservation Officer, Native American Communities and, if necessary, with the Advisory Council on Historic Preservation, pursuant to the regulations at 36 C.F.R. 800. BLM and Commission staff will normally confer to make determinations on the significance of any and all cultural resources that may be affected by the project.

BLM will also be the lead Federal agency for the purposes of the Endangered Species Act (ESA) (16 U.S.C. 1531-1544). BLM will have the responsibility, in accordance with Section 7 of the ESA, to obtain a list of endangered/threatened species from the U.S. Fish and Wildlife Service (FWS), prepare the necessary Biological Assessment, make a timely application to the FWS for a Biological opinion, and negotiate any mitigation measures between the FWS, the applicant, and the Commission staff.

TABLE 1

SUBJECT AREAS ADDRESSED BY THE CEC AND BLM
Project Overview
Alternatives
Compliance
Land Use
Traffic and Transportation
Visual
Socioeconomic
Public Health
Worker Safety and Fire Protection
Waste Management
Cultural Resources
Air Quality
Transmission Line, Safety & Nuisance
Hazardous Materials
Biological Resources
Soil and Water Resources
Noise and Vibration
Power Plant Reliability
Power Plant Efficiency
Geology and Paleontology
Transmission System Engineering
Facility Design