



September 30, 2009

Mr. Christopher Meyer CEC Project Manager Attn: Docket No. 08-AFC-13 California Energy Commission 1516 Ninth Street Sacramento, CA 95814-5512 Mr. Jim Stobaugh BLM Project Manager Attn: Docket No. 08-AFC-13 Bureau of Land Management P.O. Box 12000 Reno, NV 89520

RE: SES Solar One Project Applicant's Letter to Mr. Fred Stearn

Dear Mr. Meyer and Mr. Stobaugh,

Tessera Solar hereby submits a letter written by the Applicant in response to Mr. Fred Stearn. Please find the Applicant's letter attached. I certify under penalty of perjury that the foregoing is true, correct, and complete to the best of my knowledge.

Sincerely,

Felicia L. Bellows Vice President of Development



September 29, 2009

CEC DOCKET

Mr. Fred Stearn, Broker 44244 National Trails Highway

Newberry Springs, CA 92365

Dear Mr. Stearn:

We are in receipt of your letter dated September 21, 2009. The purpose of this letter is to respond to the four questions you pose in that letter rather than address your comments. Below is a response to each of the questions:

1. The gate at the BNSF private crossing at Hector Road.

As you know, since you attended the meeting held on September 23, 2009 with BNSF, the County of San Bernardino, BLM, Tessera Solar as well as some of the private property owners near the Calico – Solar One site, the gate at the BNSF private crossing was installed by BNSF when Tessera Solar requested permission to use the private crossing as part of the development of the Calico – Solar One project. As BNSF explained to all of us in the meeting on the 23rd, due to additional safety requirements of the railroad, BNSF now requires gates to be installed at all private crossings if someone other than BNSF is going to use that crossing. In addition, the entity that is granted permission to use the private crossing must put up insurance to protect BNSF from any damage from the permitted entity's usage of the crossing as well as take a safety course from BNSF. So, when Tessera Solar met with BNSF in 2007 to determine how it could gain access to its Calico – Solar One site, it was told by BNSF that it must pay for the construction of the gate as well as put up insurance and take a safety course in order to have access. Tessera Solar did these three things, executed an agreement with BNSF for usage of the private crossing at Hector Road.

Tessera Solar cannot speak to what implied access the landowners may or may not have had across BNSF's private crossing. That is a matter between the landowners and BNSF. Thus, we cannot speak to what damages, if any, the landowners may have suffered as a result of BNSF's safety actions.

2. Eminent Domain

Tessera Solar does not have the power of eminent domain and has not taken any property or rights from any of the adjacent landowners. Tessera Solar has usage of the BNSF private crossing via the agreement it signed with BNSF in 2007, and it has limited ability to perform survey work on the BLM lands planned for the Calico – Solar One site.

3. Use of union workers

There will be two contractors doing work on the site during construction. Stirling Energy Systems, Tessera Solar's sister company, will be doing the SunCatcher assembly while Mortenson Construction will be doing the balance of plant work which includes the civil and electrical work on the site. It is Tessera Solar's understanding that Mortenson Construction will be using a mix of union and non-union workers depending on the particular job classification but that is a decision for Mortenson Construction. In any event, we do understand that non-union workers will be paid the "prevailing wage" as that is defined under Federal law.

4. Payment of fringe benefits

In terms of fringe benefits during construction, Mortenson Construction will be determining this. Tessera Solar is still designing its benefit plans for the operation and maintenance phase, but these plans should be in line with normal practices for the industry and region.

We appreciate the fact that BNSF's decision, based on safety considerations, to require a locked gate at the Hector Road crossing may have caused inconvenience to some of the nearby landowners who had previously used the crossing. As I mentioned at our September 23 meeting, Tessera Solar is willing to provide reasonable alternative access for these landowners. One route would involve access across the Hector Road crossing but would require the landowners to get permission, as Tessera Solar was required to do, from BNSF to use that crossing. Such a route would mitigate any inconvenience that the landowners may have experienced by the installation of the gate. Our understanding is that BNSF is willing to discuss giving the landowners that permission.

Sincerely,

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Felicia L. Bellows Vice President, Business Development



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA 1516 NINTH STREET, SACRAMENTO, CA 95814 1-800-822-6228 – WWW.ENERGY.CA.GOV

APPLICATION FOR CERTIFICATION For the SES SOLAR ONE PROJECT

Docket No. 08-AFC-13

PROOF OF SERVICE

(Revised 7/20/09)

<u>APPLICANT</u>

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INTERESTED AGENCIES

California ISO <u>e-recipient@caiso.com</u>

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DECLARATION OF SERVICE

I, <u>Corinne Lytle</u> declare that on <u>Sept. 30, 2009</u>, I served and filed copies of the attached <u>Applicant's</u> <u>Letter in Response to Mr. Fred Stearn.</u> 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 document has 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 :

<u>X</u> 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:

<u>X</u> 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. <u>08-AFC-13</u> 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