



Tessera Solar

power from stirling energy systems

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DOCKET

08-AFC-5

DATE 9/29/2009

RECD. 9/30/2009

To: Commissioner Jeffrey D. Byron, Presiding Member
Commissioner Julia Levin, Associate Member

From: Richard Knox, Project Manager

Subject: SES Solar Two, LLC (08-AFC-5) Additional Project Status Report

Date: September 29, 2009

Dear Commissioners Byron and Levin:

Since Status Report #4 filed August 7, 2009, we have made considerable progress both in responding to the CEC staff's final data requests and making commitments to preparing the Solar Two project for future construction and operation.

The only data requests currently outstanding are #142-150 dealing with resurvey work and additional information required for cultural resources. The resurvey work for the 25% sample has been completed relying on the guidance and priorities of CEC and BLM staff and has included inspections of the work by both agencies. Approximately 80 site forms (which comprise the 25% sample), and responses to Data Requests 142-150 will be submitted to the CEC and BLM no later than October 15, 2009.

Data Requests 145 and 146 deal with special ethnographic studies, modeling of potential traditional use areas, and potential visual impacts to these unknown traditional use areas. We have already begun formal consultation with Native American Tribes, have had Native Americans monitor our on-the-ground survey activities, and met with three different Tribal representatives and toured areas on and off the site with them. A number of off-site traditional use areas were identified and the project's potential visual intrusion on these sites was previously discussed in response to Data Request 119. We realize that there is a potential for other unknown traditional use areas to be identified through continued outreach requested by the staff and are in the process of seeking additional ethnographic information. However, because the effort conducted to date is consistent with State and Federal practices for CEQA and NEPA compliance documentation respectively at this stage, we have asked the CEC to allow us to provide further response to these two data requests after the PSA/DEIS is published and during the Section 106 process and before the FSA/FEIS is published. It is our understanding that the staff agrees with submitting this data after the PSA/DEIS is published.

Regarding the future of our project, Stirling Energy Systems has submitted the required application for federal loan guarantees and is in the process of committing substantial funds for necessary equipment, utility interconnections, and manufacturing. To qualify for federal funds and the related benefits for California and meet other obligations, it is critical for us to begin construction before the fourth quarter of 2010. If the schedule follows the timelines laid out in the Committee's Scheduling Order, we request that the staff publish the PSA/DEIS by

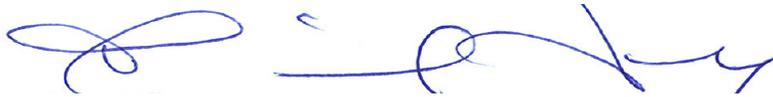
November 16, 2009, approximately a month after the final data responses are submitted. We are also willing to work with the staff on an alternative schedule that allows for a decision before the end of the third quarter of 2010.

Because of the importance of the schedule for meeting the federal timeframes, we request that the Committee require the staff and applicant to submit monthly status reports describing both status of activity moving toward a decision and progress toward resolving issues. We also request that the Committee hold one or more scheduling conferences between publication of the PSA/DEIS and the FSA/FEIS. This will allow the Committee to understand the progress of resolving issues during the workshop process preceding Committee hearings.

In the 11½ months since we were determined to be data adequate, we have been impressed with the dedication and professionalism of most of the CEC staff. During that time we have become extremely concerned about the staff's significant workload, their lack of resources, and the restrictions in their time. We stand ready to assist the Commission in any way we can to obtain additional resources to perform the work for the solar projects eligible for federal funds.

If you have any questions, please contact me at: (602)957-1818.

Respectively,

A handwritten signature in blue ink, consisting of a large, stylized initial 'R' followed by a series of connected loops and a final horizontal stroke.

Richard Knox, Project Manager



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT
COMMISSION OF THE STATE OF CALIFORNIA
1516 NINTH STREET, SACRAMENTO, CA 95814
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**APPLICATION FOR CERTIFICATION
For the SES SOLAR TWO PROJECT**

Docket No. 08-AFC-5

PROOF OF SERVICE

(Revised 8/17/09)

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*indicates change

DECLARATION OF SERVICE

I, Angela Leiba, declare that on Sept. 29, 2009, I served and filed copies of the attached Applicant's Status Report dated Sept. 29, 2009. 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: [\[http://www.energy.ca.gov/sitingcases/solartwo/index.html\]](http://www.energy.ca.gov/sitingcases/solartwo/index.html).

The documents have 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:

 X 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:

 X 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. 08-AFC-5
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

Angela Leiba