



1615 Murray Canyon Road, Suite 1000  
San Diego, CA 92108  
Phone: (619) 294-9400  
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**LETTER OF TRANSMITTAL**

**TO:** Docket Unit

**DATE:** January 8, 2010

**PROJECT:** SES Solar Two

<b>DOCKET</b>	
<b>08-AFC-5</b>	
<b>DATE</b>	<u>JAN 08 2010</u>
<b>RECD.</b>	<u>JAN 08 2010</u>

**Enclosed/Attached please find the following:**

- Applicant's Submittal of the San Diego MTS Agreement
- Applicant's Submittal of the Corridor Conflict Analysis

**For:**  Review and Comment  As Requested  
 Signature and Return  For Your Use  
 Appropriate Action

**Remarks:**

The materials included in this submittal are listed below:

- 1 hard copy of the Applicant's Submittal of the San Diego MTS Agreement
- 12 hard copies of the Applicant's Submittal of the Corridor Conflict Analysis
- 12 electronic copies of the Applicant's Submittal of the Corridor Conflict Analysis

If you have any questions or need any further information, please feel free to call. Thank you!

Kindly,

Corinne Lytle  
Assistant Project Manager



January 7, 2010

Mr. Christopher Meyer  
Project Manager  
Attn: Docket No. 08-AFC-5  
California Energy Commission  
1516 Ninth Street  
Sacramento, CA 95814-5512

Subject: SES Solar Two (08-AFC-5)  
San Diego Metropolitan Transit System Agreement  
URS Project No. 27657103.00200

Dear Mr. Meyer:

On behalf of SES Solar Two, LLC, URS Corporation Americas (URS) hereby submits the San Diego Metropolitan Transit System (MTS) License to Place Permanent Improvements in MTS/SD&AE Right-Of-Way.

I certify under penalty of perjury that the foregoing is true, correct, and complete to the best of my knowledge. I also certify that I am authorized to submit on behalf of SES Solar Two, LLC.

Sincerely,

A handwritten signature in black ink, appearing to read "Angela Leiba".

Angela Leiba  
Project Manager

AL: ml

**COPY FOR YOUR  
INFORMATION**

MTS Doc. No. S200-10-424  
ADM 160.1

LICENSE TO PLACE PERMANENT IMPROVEMENTS  
IN MTS/SD&AE RIGHT-OF-WAY

THIS LICENSE, made this 7 day of JANUARY 2009 (the "COMMENCEMENT DATE"), between the San Diego & Arizona Eastern Railway Company (SD&AE), a Nevada, nonprofit corporation and wholly owned subsidiary of the San Diego Metropolitan Transit System (MTS) (hereinafter referred to as "LICENSOR") and SES Solar Two LLC (hereinafter referred to as "LICENSEE").

WITNESSETH, that LICENSOR and LICENSEE, in consideration of one thousand five hundred dollars (\$1,500.00) per year, subject to a three-percent (3%) annual increase from Commencement Date (the "LICENSE FEE"), paid by LICENSEE to LICENSOR, covenant and agree as follows:

1. LICENSOR hereby licenses LICENSEE to use, subject to the rights and easements hereinafter excepted and reserved and upon the terms and conditions hereinafter set forth, the area of railway (PREMISES) as is more particularly depicted on Exhibit "A" attached hereto and made a part hereof, for the exclusive purpose of:

A private crossing at-grade located west of Plaster City, south of S80 (Evan Hewes Highway) at Road 2003 along the Desert Line at approximately Mile Post 128.5 in Imperial County. The private crossing will be used to provide access for vehicles. It is understood and agreed that said crossing is a private one and not intended for public use.

2. LICENSEE shall not use or permit the PREMISES to be used for any other purpose whatsoever, without the prior written consent of LICENSOR.
3. ADDRESS FOR PAYMENT TO LICENSOR: Checks payable to San Diego & Arizona Eastern Railway Company shall be mailed to 1255 Imperial Ave, Ste. 1000, San Diego, CA, 92101-7490, Attn: Finance Department, or to such other address as LICENSOR or LICENSOR'S agent may designate by written notice to LICENSEE.
4. LICENSEE shall, at its own cost and subject to the supervision and control of LICENSOR'S appointed representative - engineer, locate, construct, and maintain the IMPROVEMENTS in such a manner and of such material that it will not at any time be a source of danger or interference with the present or future operation of any facilities owned and/or operated by LICENSOR or with LICENSOR'S right-of-way. Any damage to LICENSOR'S railroad tracks, track structure or ballast caused from the existence or maintenance of the IMPROVEMENTS shall be repaired by LICENSOR at LICENSEE'S expense.
5. LICENSEE shall reimburse LICENSOR for any expenses incurred by LICENSOR during the installation, construction or maintenance of the IMPROVEMENTS identified herein.
6. LICENSEE shall indemnify and hold LICENSOR and the property of LICENSOR free and harmless from any and all liability, claims, loss, damages, or expenses, including attorney fees

and costs, resulting from LICENSEE'S occupation and use of the PREMISES under this License, specifically including, without limitation, any liability, claim, loss, damage, or expense arising by reason of:

The death or injury of any person, including LICENSEE or any person who is an employee, contractor, or agent of the LICENSEE, or by reason of the damage to or destruction of any property, including property owned by LICENSEE or by any person who is an employee, contractor, or agent of LICENSEE, from any cause whatever while such person or property is in or on the PREMISES or in any way connected with the PREMISES or with any of the improvements or personal property on the PREMISES.

Any work performed on the PREMISES or materials furnished to the PREMISES at the request of the LICENSEE or any person or entity acting for or on behalf of the LICENSEE.

7. LICENSEE shall, at LICENSEE'S own cost and expense, promptly secure (after execution of this License) and maintain during the entire term of this License a broad form of comprehensive coverage policy of public liability insurance acceptable to LICENSOR and issued by an entity authorized to issue liability insurance in California, insuring LICENSEE and LICENSOR against loss or liability caused by or connected with LICENSEE'S occupation and use of the PREMISES under this License in the amounts not less than:

Two Million Dollars (\$2,000,000) for injury to or death to one or more persons as a result of any accident or incident; and

One Million Dollars (\$1,000,000) for damages to or destruction of any property of others.

LICENSEE will include the contract number on all insurance-related correspondence, i.e., the insurance certificate itself.

All policies required shall be issued by companies who are licensed to do business in the State of California and hold a current policyholder's alphabetic and financial-size category rating of not less than A-VI, in accordance with A.M. Best.

All policies and coverages shall contain a provision for 30 days written notice by the Insurer(s) to MTS Contracts Specialist of any cancellation or material reduction of coverage. A ten-day notice is required for non-payment of premium.

**All such policies shall name the San Diego Metropolitan Transit System (MTS), San Diego Trolley, Inc. (SDTI), San Diego and Arizona Eastern Railway (SD&AE), San Diego and Imperial Valley Railroad (SD&IV), and the San Diego Transit Corporation (SDTC), their directors, officers, agents and employees as additional insureds as their interests may appear.**

LICENSEE Agrees that all general liability coverages required under this insurance section are PRIMARY and that any insurance of MTS, SDTI, SD&AE, SD&IV, and SDTC shall be excess and noncontributory (endorsement required).

8. The LICENSEE shall, within one hundred and twenty (120) days after receiving written notice from LICENSOR, remove and relocate the IMPROVEMENTS constructed pursuant to this License Agreement if LICENSOR determines that the IMPROVEMENTS interfere with

LICENSOR'S current or future use of its property for public transit purposes. The IMPROVEMENTS may be relocated within LICENSOR'S right-of-way if it is feasible to do so. The expense of relocating the IMPROVEMENTS shall be borne by LICENSEE.

If, in the opinion of Licensor, the crossing infrastructure requires upgrades to current or future operating standards, all such costs for engineering, construction, and maintenance of upgrades will be borne by the Licensee.

9. If at any time LICENSEE fails or refuses to comply with or carry out any or all of the covenants herein, LICENSOR may, at its election, revoke this license upon thirty (30) days written notice to LICENSEE.
10. THIS LICENSE is given by LICENSOR and accepted by LICENSEE upon the express condition that the same may be terminated at any time by either party upon thirty (30) days notice in writing to be served upon the other party, stating therein the date that such termination shall take place, and that upon the termination of this license in this or any other manner herein provided, LICENSEE, upon demand of LICENSOR, shall abandon the use of the IMPROVEMENTS and remove the same and restore the PREMISES and any other improvements or facilities within said PREMISES whether owned by LICENSOR or others to their original condition in which they were prior to the installation of the IMPROVEMENTS. In case LICENSEE fails to restore LICENSOR'S PREMISES and improvements or facilities as aforementioned within ten (10) days after the effective date of termination, LICENSOR may proceed with such work at the expense of LICENSEE. No termination hereof shall release LICENSEE from any liability or obligation hereunder, whether of indemnity or otherwise, resulting from any acts, omissions, or events happening prior to the date the IMPROVEMENTS are removed and the PREMISES of LICENSOR restored as above provided.
11. In the case of eviction of LICENSEE by anyone owning or obtaining title to the right-of-way on which the IMPROVEMENTS are located, or the sale or abandonment by LICENSOR of said right-of-way, LICENSOR shall not be liable to LICENSEE for any damage of any nature whatsoever or refund any payment made by LICENSEE to LICENSOR hereunder, except the proportionate part of any recurring rental charge which may have been paid hereunder in advance.
12. All notices to be given hereunder shall be given in writing, by depositing same in the United States mail duly registered or certified, with postage prepaid, and addressed to the LICENSEE or LICENSOR as the case may be at the addresses shown on the signature page hereof, or addressed to such other address as the parties hereto may from time to time designate.
13. In the event that two or more parties execute this instrument as LICENSEE, all the covenants and agreements of LICENSEE in this license shall be the joint and several covenants and agreements of such parties.
14. All the covenants and provisions of this instrument shall be binding upon and inure to the benefit of the successors, legal representatives and assigns of the parties to the same extent and effect as the same are binding upon and inure to the benefit of the parties hereto, but no assignment hereof by LICENSEE, its successors, legal representatives or assigns, or any subsequent assignee, shall be binding upon LICENSOR without the written consent of LICENSOR in each instance. LICENSOR understands that LICENSEE may sell or otherwise

transfer its property during the term of this License and is agreeable to such assignment or transfer, subject to LICENSOR'S written consent. Such written consent shall not be unreasonably withheld.

15. Any work performed on LICENSOR'S right-of-way by LICENSEE or LICENSEE'S contractor shall be done in a satisfactory workmanlike manner and in accordance with plans and specifications approved by LICENSOR. No work shall be permitted until said plans and specifications have been approved by LICENSOR.

16. LICENSEE shall obtain a valid RIGHT OF ENTRY permit from LICENSOR as a part of this license prior to entering upon LICENSOR'S right-of-way at any time whether to install, inspect, maintain, or remove the IMPROVEMENTS and shall comply with the terms, conditions, and requirements of said permit, including the insurance requirements, as a part of this license.

THIS LICENSE DOES NOT GRANT UNLIMITED ACCESS TO LICENSOR'S RIGHT-OF-WAY. FAILURE TO OBTAIN AND COMPLY WITH THE REQUIREMENTS OF A VALID RIGHT-OF-ENTRY PERMIT WILL BE SUFFICIENT REASON FOR LICENSOR TO TERMINATE THIS LICENSE.

17. Any contractor or subcontractor performing work on or in connection with the IMPROVEMENTS shall for the purpose of this license, and particularly for the purposes of Paragraph 6 of this instrument, be conclusively deemed to be the servant and agent of LICENSEE acting on behalf and within the scope of such contractor's or subcontractor's employment for LICENSEE.

18. It is an express condition of this license that said license shall not be complete or effective until signed by LICENSEE'S authorized designee on behalf of LICENSEE, and by LICENSOR.

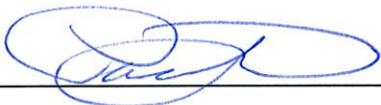
**REMAINDER OF PAGE INTENTIONALLY LEFT BLANK**

IN WITNESS WHEREOF:

LICENSOR: SAN DIEGO & ARIZONA  
EASTERN RAILWAY COMPANY  
1255 Imperial Avenue, Suite 1000  
San Diego, CA 92101-7490

LICENSEE: SES SOLAR TWO LLC

4800 N Scottsdale Road, Suite 5500  
Scottsdale, AZ 85251

Signature: 

Signature:   
Tony Dorazio  
Chief Operating Officer

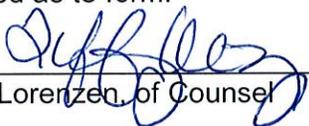
Title: CEO

Title: \_\_\_\_\_

Date: 12/14/08

Date: 1/7/10

Approved as to form:

By:   
Tiffany Lorenzen, of Counsel

Phone: (602) 957-1818

Attachments: Exhibit A





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 TWO PROJECT**

**Docket No. 08-AFC-5**

**PROOF OF SERVICE**

(Revised 8/17/09)

**APPLICANT**

Richard Knox  
Project Manager  
SES Solar Two, LLC  
4800 N Scottsdale Road.,  
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Scottsdale, AZ 85251  
[richard.knox@tesseractosolar.com](mailto:richard.knox@tesseractosolar.com)

**\*Kim Whitney,**  
**Associate Project Manager**  
**SES Solar Two, LLC**  
**4800 N Scottsdale Road.,**  
**Suite 5500**  
**Scottsdale, AZ 85251**  
[kim.whitney@tesseractosolar.com](mailto:kim.whitney@tesseractosolar.com)

**CONSULTANT**

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1615 Murray Canyon Rd.,  
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San Diego, CA 92108  
[Angela\\_Leiba@urscorp.com](mailto:Angela_Leiba@urscorp.com)

**APPLICANT'S COUNSEL**

Allan J. Thompson  
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Orinda, CA 94563  
[allanori@comcast.net](mailto:allanori@comcast.net)

**INTERESTED AGENCIES**

California ISO  
[e-recipient@caiso.com](mailto:e-recipient@caiso.com)

Daniel Steward, Project Lead  
BLM – El Centro Office  
1661 S. 4<sup>th</sup> Street  
El Centro, CA 92243  
[daniel\\_steward@ca.blm.gov](mailto:daniel_steward@ca.blm.gov)

Jim Stobaugh,  
Project Manager &  
National Project Manager  
Bureau of Land Management  
BLM Nevada State Office  
P.O. Box 12000  
Reno, NV 89520-0006  
[jim\\_stobaugh@blm.gov](mailto:jim_stobaugh@blm.gov)

**INTERVENORS**

CURE  
c/o Tanya A. Gulesserian  
Loulena Miles  
Marc D. Joseph  
Adams Broadwell Joseph  
& Cardozo  
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**ENERGY COMMISSION**

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\*indicates change

**DECLARATION OF SERVICE**

I, Corinne Lytle, declare that on January 7, 2010, I served and filed copies of the Applicant's San Diego Metropolitan Transit System Agreement. 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](mailto:docket@energy.state.ca.us)

I declare under penalty of perjury that the foregoing is true and correct.

Original Signed By \_\_\_\_\_

Corinne Lytle