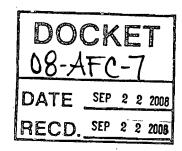
CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET SACRAMENTO, CA 95814-5512 www.energy.ca.gov SEP 2 2 2008



The Honorable Michael Machado California State Senate State Capitol, Room 5066 Sacramento, CA 95814



Dear Senator Machado.

On July 18, 2008, the California Energy Commission received an Application for Certification (AFC) from GWF Energy, LLC for the GWF Tracy Combined Cycle Power Plant (GWF Tracy). GWF Energy, LLC proposes to modify the existing Tracy Peaker Plant (TPP) (01-AFC-16), a nominal 169-megawatt (MW) simple-cycle power plant by converting the facility into a combined-cycle power plant with a new nominal generating capacity of 314 MW. The proposed project would occupy a 16.38-acre, fenced site within the existing GWF Energy, LLC-owned 40-acre parcel in an unincorporated portion of San Joaquin County immediately southwest of Tracy, California, and approximately 20 miles southwest of Stockton, California.

On September 10, 2008, the AFC for GWF Tracy was deemed data adequate by the California Energy Commission and our staff will now begin the discovery and analysis phases of our permitting process. Over the coming months, the Energy Commission will conduct a number of public workshops and hearings on the proposal to determine whether GWF Tracy should be approved for construction and operation and under what set of conditions. These workshops and hearings will provide the public and local, state and federal agencies the opportunity to ask questions about, and provide input on, the proposed project. The Energy Commission will issue notices for these workshops and hearings at least 10 days prior to each meeting.

We are available to brief you and your staff on the Energy Commission's power plant review process and the specifics of the GWF Energy, LLC, application. Please contact Chris Marxen, Director, Office of Governmental Affairs, at (916) 654-4942, if you would like a briefing. If your constituents would like to participate in the Energy Commission's review of the project, they should contact the Energy Commission's Public Adviser, Elena Miller, at (916) 654-4489 or toll free in California, at (800) 822-6228.

The status of the project, copies of notices, an electronic version of the AFC, and other relevant documents are available on the Energy Commission's Internet web site at: http://www.energy.ca.gov/sitingcases/tracyexpansion. You can also subscribe to receive e-mail notification of all notices at http://www.energy.ca.gov/listservers/index.html.

Sincerely,

MELISSA JONES

Executive Director