

CALIFORNIA ENERGY COMMISSION

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



March 15, 2011

DOCKET

00-AFC-13C

DATE MAR 15 2011

RECD. MAR 17 2011

Mr. Dennis H. Dalton
Chief Operating Officer
Spectrum Asset Management, Inc.
1301 Dove Street, Suite 970
Newport Beach, CA 92660

**RE: HUNTINGTON BEACH RETOOL PROJECT MITIGATION FUNDS:
APPROVAL OF QUARTERLY MANAGEMENT FEES IN ACCORDANCE WITH
COMMISSION LETTER OF UNDERSTANDING REGARDING THE
HUNTINGTON BEACH WETLANDS RESTORATION PROJECT**

Dear Mr. Dalton:

This letter approves your request for management fees from the Huntington Beach Wetlands Conservancy mitigation funds for the following three-month periods:

Q2	April 1, 2010 to June 30, 2010	\$ 344.00
Q3	July 1, 2010 to September 30, 2010	297.00
Q4	October 1, 2010 to December 31, 2010	297.00
Q1	January 1, 2011 to March 31, 2011	297.00
TOTAL		\$ 1,235.00

Per a Letter of Understanding between Spectrum Asset Management, Inc. (Spectrum), AES Huntington Beach, LLC (AES) and the California Energy Commission (Energy Commission), Spectrum has agreed not to release any funds from the Huntington Beach Wetlands Conservancy Trust Account (Trust) without prior approval of the Energy Commission's Compliance Project Manager.

The Trust was originally established in 2007 with \$5,372,745 in mitigation monies from AES, as provided for in the Energy Commission's Huntington Beach Decision (00-AFC-13) Condition of Certification BIO-5.

Thank you for your request. If you have questions, please contact Compliance Project Manager Mary Dyas of my staff, at (916) 651-8891.

Sincerely,

MELISSA JONES
Executive Director

cc: Mary Dyas, Compliance Project Manager