



April 17, 2008

Mr. Dale Rundquist
Compliance Project Manager
California Energy Commission
Energy Facilities Siting Division
1516 Ninth Street, MS 2000
Sacramento, CA 95814-5512

DOCKET	
06-AFC-5C	
DATE	APR 17 2008
RECD.	APR 18 2008

**RE: Panoche Energy Center (06-AFC-5)
Import Fill Program**

Dear Mr. Rundquist:

On behalf of Panoche Energy Center (PEC), I am pleased to submit this letter acknowledging our recent discussions regarding the fill import program proposed for the PEC. PEC appreciates the timely approval (April 16, 2008) of the fill import program and agrees to comply with the appropriate conditions of certification. Further, we acknowledge that the proposed fill source, the impoundment area described below, is considered an extension of the project site.

Kiewit, the construction contractor at the PEC site, has determined that approximately 30,000 cubic yards additional earth fill is required at the Panoche Energy Center. While addressed on pages 194 and 195 of the Final Decision by the Commission, the use of imported fill was not anticipated when the DESCP was submitted in late 2007. However, shrink during compaction was greater than anticipated based on review of the Geotechnical Report. Imported fill will be required in the northern portion of the site where the switchyard will be installed and to bring some of the remaining portions of the site to grade. The material will be compacted per project specifications. Segregated stone will be placed over the surface of the imported fill material in the switchyard area. In other areas, the imported fill will be covered with gravel, paved surfaces, or other improvements.

Baker Farms owns the land surrounding the PEC and is currently expanding an existing, approximately 8.5 acre agricultural water impoundment about one and a half miles from the project site, and that the material is available for use at the PEC. The impoundment is intermittently used for surplus water storage, and is currently dry. Kiewit has entered into an agreement with San Joaquin Sand and Gravel (a local commercial source) to deliver the material to the PEC site. Kiewit estimates that the soil within the berms and about the upper three feet of the soil removed for the expanded impoundment will be needed for imported fill at the PEC. Additional soil will be excavated during the expansion and will be available for use by others.

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The fill import program is expected to commence on Monday, April 21, 2008 and continue through Friday, April 25, 2008. The following measures will be implemented to satisfy appropriate Conditions of Certification:

- A Cultural Resource Monitor and a Paleontological Resource Monitor will observe excavation of impoundment area soil to be transported to the PEC, and second pair of monitors will observe the unloading of imported fill at the PEC. These monitors will be authorized to halt or redirect fill excavation and unloading as needed to protect resources as described in applicable Conditions of Certification.
- Although the equipment operators removing soil from the impoundment area will not be PEC contractors or subcontractors, they will be required to attend Worker Environmental Awareness Program (WEAP) training before excavating soil to be transported to the PEC.
- The Dust Control Plan will be modified to include the impoundment area by submitting a letter to the San Joaquin Valley Air Pollution Control District.
- The on-site Biological Resources Monitor will inspect the impoundment area prior to initiation of excavation activities.

It is our understanding that the impoundment area will no longer be considered an extension of the project site once excavation for purposes of importing fill to the PEC site is completed. Please let me know if you need any additional information. Again, thank you for your prompt attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'M Fitzgerald'.

Margaret Fitzgerald
Program Manager

Cc: Paul Artis/Kiewit
Don Burkard/PEC
David Jenkins/PEC
Amanda Johnson/URS