



Department of Energy
Western Area Power Administration
Desert Southwest Customer Service Region
P.O. Box 6457
Phoenix, AZ 85005-6457

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DATE	FEB 04 2008
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Mr. Jack Caswell
Project Manager
Siting and Compliance Unit
Energy Facilities Siting Division (MS-15)
California Energy Commission
1516 9th Street
Sacramento, California, 95814

FEB 4 2008

Dear Mr. Caswell:

This letter serves to notify you that, based on the Blythe Energy, LLC's cancellation of all interconnection requests, the Western Area Power Administration (Western) is no longer a participant in the Blythe Energy Project Transmission Line Modifications Project. As you may recall, Blythe Energy, LLC, owned by FPL Energy, LLC, proposed to construct a transmission line and substation on Bureau of Land Management (BLM) lands, and interconnect with Western's transmission system at Buck Boulevard Substation. Western, the BLM, and your office worked cooperatively on your Final Staff Assessment, a joint California Environmental Quality Act and National Environmental Policy Act (NEPA) document that served as the Federal agencies' draft environmental assessment. Based on the Final Staff Assessment and the California Energy Commission's Final Decision, Western and BLM signed a joint finding of no significant impact (FONSI) in March of this year for this proposed project. The environmental documentation produced identified specific responsibilities for each agency in terms of section 7 and 106 processes, mitigation, monitoring, and oversight.

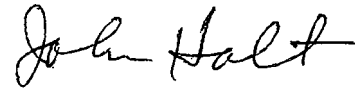
Since the FONSI was signed, Blythe Energy has made several changes to their proposed project, which have been presented to your agency as further amendments. Of particular importance to Western is their decision to eliminate an interconnection at Buck Boulevard Substation in favor of building their own substation near the Blythe Energy Project. With this change, Western no longer has an action to address under NEPA, or any other involvement with the proposed project.

Since Western is no longer involved, we have requested that the BLM, Palm Springs-South Coast Field Office, assume the project responsibilities formerly specified as Western's, specifically implementing the provisions of the amended Biological Opinion issued by the U.S. Fish and Wildlife Service and cultural resources actions under the Programmatic Agreement. Stipulation XVII, Withdrawal of Western From the Project, of the PA specifies that in the event of Western's withdrawal from the project, BLM becomes the acting lead agency for implementation of the PA. Western's responsibilities

for mitigation and monitoring are described in the Mitigation Action Plan that was issued concurrently with the FONSI, and provided to your office at that time.

If you have any questions about this matter, please contact me at 602-605-2592.

Sincerely,

A handwritten signature in black ink that reads "John Holt". The signature is written in a cursive style with a large, stylized "H".

John Holt
Environmental Manager

cc:

Mr. Dale Edwards
Compliance Unit Manager
Siting and Compliance Unit
Energy Facilities Siting Division (MS-15)
California Energy Commission
1516 9th Street
Sacramento, California, 95814

bcc:

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