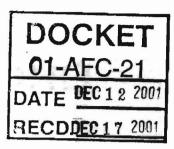


DEPARTMENT OF THE ARMY U.S. ARMY ENGINEER DISTRICT, SACRAMENTO CORPS OF ENGINEERS 1325 J STREET SACRAMENTO, CALIFORNIA 95814-2922 December 12, 2001



REPLY TO ATTENTION OF

Regulatory Branch (200100707)

Jack W. Caswell California Energy Commission 1516 Ninth Street Sacramento, California 95814-5512

Dear Mr. Caswell:

I am responding to your October 23, 2001, request for agency participation in the review of the Tesla Power Plant application for certification (01-afc-21). This project is located in Section 30, Township 2 South, Range 4 East, M.D.B&M, Alameda County, California.

The Corps of Engineers jurisdiction within the study area is under the authority of Section 404 of the Clean Water Act for the discharge of dredged or fill material into waters of the United States. Waters of the United States include, but are not limited to, rivers, perennial or intermittent streams, lakes, ponds, wetlands, vernal pools, marshes, wet meadows, and seeps. Project features that result in the discharge of dredged or fill material into waters of the United States will require Department of the Army authorization prior to starting work.

The range of alternatives considered in any project should include alternatives that avoid impacts to wetlands or other waters of the United States. Every effort should be made to avoid project features which require the discharge of dredged or fill material into waters of the United States. In the event it can be clearly demonstrated there are no practicable alternatives to filling waters of the United States, mitigation plans should be developed to compensate for the unavoidable losses resulting from project implementation.

If you have any questions, please write to William Guthrie, Room 1480, or telephone 916-557-5269 reference Corps # 200100707. We appreciate the opportunity to be included in your review process.

Sincere

Michael Finan Chief, Delta Office