

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512

July 23, 2008

Jon Maring, Director
Pacific Gas and Electric Company
915 Highland Pointe Drive, Suite 130
Roseville, CA 95678**SUBJECT: COLUSA GENERATING STATION (06-AFC-9C)
LIMITED START OF CONSTRUCTION**

DOCKET 06-AFC-9	
DATE	JUL 23 2008
RECD.	JUL 23 2008

Dear Mr. Maring:

Upon receiving the Clean Water Act Section 404 permit today, the Colusa Generating Station Project is now in compliance with most conditions of certification that are required to be satisfied prior to the start of construction of the power plant and related facilities. In addition, Bureau Veritas reports that all required plan approvals and permits from the Chief Building Official have been secured. Still outstanding are the Prevention of Significant Deterioration (PSD) permit from the United States Environmental Protection Agency and a parcel map from the Colusa County Recorder. However, specified, limited activities may commence at the power plant site, the Glenn/Colusa Canal bridge site and the bridge at Teresa Creek prior to issuance of the PSD permit.

The limited activities to be allowed are preconstruction site mobilization, ground disturbance, grading, boring and trenching on the site of the power plant, with no construction of any kind allowed at the power plant site until the PSD permit is issued. Grading may commence at the site of the Glenn/Colusa Canal bridge. Construction activities related to the bridge replacement at Teresa Creek may also commence, with the understanding that such work is not included under the PSD permit. During the limited construction activities, biological and cultural monitors must be on site at all times. Wetlands areas must be protected from encroachment by crews and equipment with a minimum 25-foot buffer zone. The limited activities must avoid causing ground disturbance within 250 feet of vernal pools.

In addition to the PSD permit, a parcel map to satisfy Condition of Certification LAND-1 shall be submitted before Energy Commission staff will allow industrial development on the site and issue the letter allowing construction of power plant facilities to proceed, unless another arrangement is specifically approved by the Compliance Project Manager (CPM).

If you have any questions, please call me at (916) 654-4842 or e-mail me at CMDavis@energy.state.ca.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Davis".

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Chris Davis
Compliance Project Manager

cc: Andrea Grenier
1420 East Roseville Parkway, Suite 140-377
Roseville, CA 95661