CALIFORNIA ENERGY COMMISSION

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



January 12, 2010

Mr. Scott Flake, P.E. Manager, Power Generation Sacramento Municipal Utility District 6201 S Street, MS B355 Sacramento, CA 95817

Dear Mr. Flake:

DOCKET 01-AFC-19C DATE JAN 12 2010

RECD. JAN 14 2010

Thank you for your letter dated December 8, 2009 regarding the solar thermal addition that the Sacramento Municipal Utility District is planning to build for SMUD's Cosumnes Power Plant project (previously licensed by the California Energy Commission in Docket No. 01-AFC-19C). The letter indicates that the steam that would be produced at the new solar thermal addition will be used by the Cosumnes Power Plant to generate approximately 20 megawatts of electricity during weather conditions conducive to solar thermal production. It also appears from the information provided that the solar thermal project is dedicated to the CPP, and that the steam is essential for the CPP to allow it to reach its rated output of 500 megawatts (MWs) during times when the facility is otherwise restricted from doing so. In sum, the addition would alter the design and operation of the existing Cosumnes Power Plant. Therefore, the addition constitutes a modification to the CPP for which a petition is required under section 1769 of the Commission's regulations (Cal. Code Regs., tit. 20, § 1769, subd. (a)(1)), and the Energy Commission will exert its jurisdictional responsibilities under the law.

We are encouraged to see SMUD working to develop a modern renewable project on the site of its old photovoltaic facility for the purpose of producing steam for use at the CPP. We share SMUD's interest in completing the project in 2010 and therefore encourage you to submit your petition to amend as soon as possible. Renewable energy projects are a high priority at the Energy Commission and we are committed to expediting our review of the license amendment for SMUD's Cosumnes Power Plant.

If you have any questions, please do not hesitate to contact Terry O'Brien, Deputy Director for Siting, Transmission and Environmental Protection, at (916) 654-3933.

Sincerely,

MELISSA JONES

Executive Director

Enclosure