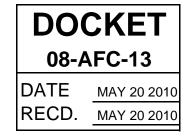
May 20, 2010





TO: Anthony Eggert, Presiding Member Jeffrey C. Byron, Associate Member

FROM: Calico Solar, LLC

SUBJECT: Calico Solar (08-AFC-13) Status Report Eight

Pursuant to the Committee Scheduling Order dated February 2, 2010, the Applicant hereby submits its Status Report Eight for the proposed Calico Solar Project (formerly Solar One) for a solar generating facility. I would like to take this opportunity to update you on the status and issues associated with the Calico Solar project. I would especially like to thank both the BLM and CEC for working to make the separated processes work, and we appreciate their commitment to the exchange of information and collaboration, and adhering to the schedule.

Schedule

As with our sister project – Imperial Valley Solar - we continue to work closely with the agencies in an effort to reach a permitting decision on the Calico Solar Project in late September 2010. We fully understand the intense workload of the agencies as they grapple with all the proposed ARRA projects and appreciate their efforts.

Additional Biological Work

In response to additional requests from agency staff and intervenors, we have completed and submitted the following survey results and documents:

- Desert tortoise Summary Report (submitted to the BLM under review)
- Burrowing owl survey results
- Golden eagle survey results
- Big horn sheep survey results
- Spring botanical survey results 1st Round (submitted to the BLM under review)
- Draft Biological Assessment (submitted to the BLM under review)
- Draft Desert Tortoise Translocation Plan (submitted to Agencies being revised)
- Additional information found during burrowing owl surveys

As indicated above, in some cases these results and documents have not been released by the responsible agencies.

The 2nd round spring botany survey will be completed this month and submitted to BLM in June.

We have also received a request from the wildlife agencies to identify a mitigation proposal that reduces impacts on desert tortoise and allows greater tortoise and other wildlife movement below the Cady Mountains. We have evaluated various options and created a mitigation proposal that eliminates approximately 1,100 acres of development on the northern portion of the site. This is a variation of the donated-lands avoidance alternative proposed in the SA/DEIS but has several advantages over that alternative. First, it allows for the avoidance of a large area of land that is adjacent to other open space areas. This is in contrast to the avoidance of the donated lands alternative that would create avoided areas that would be surrounded by the solar project. Second, it can accommodate the development of the full 850 MW, allowing us to meet the conditions of our power purchase agreement. We submitted greater detail on this mitigation proposal in the Supplement filed May 14, 2010. We have since received requests from the agencies to evaluate the possibility of a further reduction in the Project footprint to reduce impacts to Desert Tortoise even more. This is being analyzed to determine if a further reduction is possible while maintaining the 850 MW contract quantity with Southern California Edison.

Water Supply

Although the Cadiz BNSF well was the water supply analyzed in the joint CEC and BLM Staff Assessment and Draft Environmental Impact Statement released in March 2010, the Applicant has continued to inform the Commission of its progress evaluating its alternative water supply, the adjacent water wells, and state its intent, that if these wells proved to be adequate, they would be used as back-up or the preferred source of water for the Project. The Applicant filed a supplement on May 14, 2010 describing a change in the primary water supply to groundwater from a well located adjacent to the Project site and provided an environmental assessment of the use of groundwater and transport of water from the well to the Project via an underground waterline. The reason for this change is both environmental and economic. Use of the wells eliminates the emissions associated with transporting water to the site, eliminates the need to unload the water at the rail siding, and uses water of a lower quality for plant operations. It is also more accessible and less expensive.

Cultural Resources

We submitted the Revised Class III Confidential Cultural Resources Technical Report including 100% survey coverage of the project site to BLM on May 7, 2010. We are working with the BLM and interested parties toward the development of the Programmatic Agreement.

Hydrogen

The Applicant's supplement filed on May 14, 2010 provides more detail on two alternate hydrogen supply systems: a centralized hydrogen system in which hydrogen is generated onsite and distributed to each SunCatcher via storage tanks and pipelines, and a distributed system in which hydrogen is stored at the SunCatchers in hydrogen gas cylinders (k-bottles). The Project analyzed in the SA/DEIS utilized a centralized hydrogen distribution system. The Applicant presents both systems as viable options for the Project; however, each system has evolved since the SA/DEIS was published due to lessons learned from the commercial Maricopa Solar project. This Supplement presents the environmental assessments of each potential hydrogen system.

Air Quality

We submitted an updated NO2 air modeling analysis on 4/30/10 in response to new air regulatory requirements.

Jurisdictional Waters

We have received and docketed the final determination by the U.S. Army Corps of Engineers that there are no jurisdictional waters of the US located on the project site.

Visual Resources

On 5/3/10, we submitted additional information on the potential for glint and glare impacts from the SunCatchers. This information was developed for CEC staff as part of the Imperial Valley Solar Project and submitted into the Calico record because of its direct applicability.

Respectfully Submitted,

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Felicia Bellows Vice President Calico Solar, LLC



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA 1516 NINTH STREET, SACRAMENTO, CA 95814 1-800-822-6228 – WWW.ENERGY.CA.GOV

APPLICATION FOR CERTIFICATION For the CALICO SOLAR (Formerly SES Solar One)

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INTERVENORS

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Docket No. 08-AFC-13

PROOF OF SERVICE (Revised 5/11/10)

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DECLARATION OF SERVICE

I, Jennifer Draper, declare that on May 20, 2010, I mailed hard copies of the attached Applicant's Status Report Eight, dated May 20, 2010. The original document, filed with the Docket Unit, is accompanied by a copy of the most recent Proof of Service list, located on the web page for this project at:

[www.energy.ca.gov/sitingcases/solarone].

The documents have been sent to both the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit, in the following manner:

(Check all that Apply)

FOR SERVICE TO ALL OTHER PARTIES:

X sent electronically to all email addresses on the Proof of Service list;

- _____ by personal delivery;
- X by delivering on this date, for mailing with the United States Postal Service with first-class postage thereon fully prepaid, to the name and address of the person served, for mailing that same day in the ordinary course of business; that the envelope was sealed and placed for collection and mailing on that date to those addresses NOT marked "email preferred."

AND

FOR FILING WITH THE ENERGY COMMISSION:

X sending an ori ginal paper copy and one electronic copy, mailed and emailed respectively, to the address below (*preferred method*);

OR

depositing in the mail an original and 12 paper copies, as follows:

CALIFORNIA ENERGY COMMISSION Attn: Docket No. <u>08-AFC-13</u> 1516 Ninth Street, MS-4 Sacramento, CA 95814-5512 <u>docket@energy.state.ca.us</u>

I declare under penalty of perjury that the foregoing is true and correct, that I am employed in the county where this mailing occurred, and that I am over the age of 18 years and not a party to the proceeding.

Original signed by

Jennifer Draper