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December 9, 2010

Mr. Craig Hoffman Project Manager California Energy Commission 1516 Ninth Street, MS 15 Sacramento, CA 95814-5512

Subject: Mariposa Energy Project (09-AFC-03)

Project Description - Water Conservation

DOCKET

07-AFC-3

DATE DEC 09 2010

RECD. DEC 13 2010

Dear Mr. Hoffman,

Following the discussion with California Energy Commission (CEC) Staff during the Staff Assessment (SA) workshop on November 29, 2010, Mariposa Energy would like to make following addition to the description of the Mariposa Energy Project.

As part of the proposed project, Mariposa Energy will commit to voluntarily funding a water conservation program designed to conserve annually a volume of raw water equal to the volume of water consumed by the Mariposa Energy Project annually (potable water for personnel consumption, eyewash stations, showers, and sanitary needs not included).

As a result of this commitment to voluntarily fund water conservation, the Mariposa Energy Project will not result in a net increase in consumption of raw water within Byron Bethany Irrigation District ("BBID"). Because the Mariposa Energy Project will not result in an increase in raw water consumption, the project will have no possibility of a significant impact on water supply.

To ensure that the above-described voluntary water conservation program is effectuated, we propose the following condition of certification. That portion of the proposed condition which refers to an annual payment of up to \$1,000 per acre feet is based directly upon Condition Soil and Water 4, in the Marsh Landing Final Decision, adopted by the Commission on August 31, 2010. We believe that the Marsh Landing condition is a reasonable framework for the Mariposa Energy Project, because this is a recent decision involving a similar generating technology located in the same region.

The project owner shall either (1) voluntarily pay no more than \$1,000 per acre foot of BBID water consumed annually (potable water for personnel consumption, eyewash stations, showers, and sanitary needs not included) to BBID's water conservation program to implement new water conservation measures, (2) voluntarily pay to BBID an amount necessary to fund a one-time capital investment that is reasonably expected to result in water conservation that will offset the projects maximum annual raw water usage of 187 acre-feet, or (3) subject to approval by the CPM, implement a combination of the two previous

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options based on recorded annual water usage. A payment of \$15,000 shall be made to BBID to offset water used for construction.

If you have any questions regarding the information presented in this letter, please contact me at (916) 286-0348.

Regards, CH2M HILL, Inc.

Doug Urry

Project Manager

C: Bo Buchynsky/MEP

W. Donlas