STATE OF CALIFORNIA

Energy Resources Conservation and Development Commission

DOCKET 11-CAI-01		
DATE	SEP 30 2011	
RECD.	SEP 30 2011	

In the Matter of:

Complaint and Investigation

CALICO SOLAR PROJECT Calico Solar, LLC

Docket No. 11-CAI-01

K ROAD CALICO SOLAR LLC'S RESPONSE TO STAFF ASSESSMENT OF BNSF'S VERIFIED COMPLAINT AND OF CALICO'S ANSWER

September 30, 2011

Ella Foley Gannon, SBN 197591 Bingham McCutchen LLP Three Embarcadero Center San Francisco, CA 94111-4067 Telephone: 415.393.2000

Facsimile: 415.393.2286

email: ella.gannon@bingham.com

Attorneys for Applicant K Road Calico Solar LLC, formerly known as Calico Solar, LLC

STATE OF CALIFORNIA

Energy Resources Conservation and Development Commission

т —	. 1					
In	111	10	1 / 1	ი t1	0r	α t·
111	u	ı	11	aι	LUI	of:

Complaint and Investigation

CALICO SOLAR PROJECT Calico Solar, LLC

Docket No. 11-CAI-01

K ROAD CALICO SOLAR LLC'S RESPONSE TO STAFF ASSESSMENT OF BNSF'S VERIFIED COMPLAINT AND OF CALICO'S ANSWER

Pursuant to Hearing Officer Vaccaro's direction, ¹ K Road Calico Solar LLC² ("Calico") respectfully submits this Response to the September 28, 2011 Staff Assessment of BNSF's Verified Complaint and of Calico's Answer ("Staff Assessment").

I. INTRODUCTION

After thoroughly reviewing BNSF's Complaint and Calico's response, Staff was unable to identify any material false statement. Based on this assessment together with the reasons presented by Calico in its Answer dated September 1, 2001, and its Hearing Statement dated September 28, 2011, the Commission should dismiss BNSF's complaint.³

¹ See e-mail correspondence from Ms. Koutrney Vaccaro to the parties entitled "Calico Complaint and Investigation" dated September 22, 2011 at approximately 2:12pm (Pacific).

² As provided in a notice to all parties filed on August 31, 2011, Calico recently changed its name from Calico Solar, LLC to K Road Calico Solar LLC.

³ Because Patrick Jackson's Amended Request for an Investigation relies wholly on the statements identified by BNSF, the Committee should also dismiss Mr. Jackson's Amended Request.

II. STAFF'S ASSESSMENT OF THE COMPLAINT

Staff correctly recognizes that matters of opinion regarding future events are not representations of fact. Staff determined "that the information provided by complainant merely demonstrates the belief by the respondent that the SunCatchers would be available at some time in the future and that availability was dependent on investor financing." Staff Assessment at 4. Calico agrees. Because such belief, expectation, or business plan can, as a matter of law, only be an opinion, BNSF has not identified any material false statement.

Calico also agrees with Staff's unremarkable assessment that "if the Committee finds that there is insufficient information to support the assertion that the respondent's application and supplemental documentation contained material false statements regarding the commercial viability and availability of SunCatchers for the Calico Solar Project, staff recommends that the Committee dismiss the complaint." Staff Assessment at 6. In fact, Calico believes that based on the record the Committee must find that there is insufficient information to support BNSF's assertion and must dismiss the Complaint.

III. STAFF'S ASSESSMENT OF CALICO'S ANSWER

Staff determined that Calico's Answer "demonstrate[s] ample support for the position that the statements made during the course of the underlying licensing proceeding are not 'material false statements' as alleged by the complainant." *See* Staff Assessment at 6. This assessment is based in part on Staff's finding that "the Commission decision was not predicated on the *immediate* availability or *immediate* commercial viability of SunCatcher technology." Staff Assessment at 7 (emphasis in original). Calico agrees.

Staff suggests that there may be two areas of inquiry that may be relevant in these proceedings: (1) if there is any evidence that Calico definitively knew during the siting proceeding that SunCatchers would not be available; and (2) if there is any evidence that Calico definitively knew during the sting proceedings that SunCatchers would not be commercially viable. *See* Staff Assessment at 7. Calico disagrees that further inquiry is

appropriate here given that there is not any evidence to support either of these conclusions

and ample evidence exists to the contrary. Staff's view on these issues is that: (1) the

existence of the Maricopa Power Plant alone is strong evidence to support Calico's belief

that SunCatchers would be available; and (2) that further information regarding the post-

certification performance of the Maricopa Power Plant is necessary to evaluate Calico's

belief as to commercial viability. Calico agrees with Staff's first point, but disagrees with

the second. Post-certification performance data is in no way relevant to what Calico knew

or thought during the certification proceedings.

IV. CONCLUSION

Calico did not make any false statements to the Commission during the Project's

siting proceedings. BNSF has not offered any evidence of any such statement. Staff also

found no such statement. Therefore, BNSF's Complaint must be dismissed with prejudice.

Date: September 30, 2011

Respectfully submitted,

Ella Foley Gannon

Attorneys for K Road Calico Solar LLC,

formerly known as Calico Solar, LLC

3



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

FOR THE CALICO SOLAR PROJECT COMPLAINT AND INVESTIGATION

Docket Nos. 11-CAI-01 (Revised 9/15/11)

APPLICANT/RESPONDENT

*K Road Calico Solar, LLC Daniel J. O'Shea Managing Director 2600 10th Street, Suite 635 Berkeley, CA 94710 dano@kroadpower.com

APPLICANT'S CONSULTANT

URS Corporation
Angela Leiba
AFC Project Manager
4225 Executive Square, #1600
La Jolla, CA 92037
angela leiba@URSCorp.com

APPLICANT'S COUNSEL

Allan J. Thompson Attorney at Law 21 C Orinda Way , #314 Orinda, CA 94563 allanori@comcast.net

Bingham McCutchen, LLP Ella Foley Gannon Three Embarcadero Center San Francisco, CA 94111 e-mail service preferred ella.gannon@bingham.com

INTERVENOR

*Patrick C. Jackson 600 Darwood Avenue San Dimas, CA 91773 e-mail service preferred ochsjack@earthlink.net

COMPLAINANT

BNSF Railway Company Cynthia Lea Burch Katten Muchin Rosenman, LLP 2029 Century Park East, Suite 2700 Los Angeles, CA 90067-3012 cynthia.burch@kattenlaw.com

INTERESTED

AGENCIES/ENTITIES/PERSONS
Society for the Conservation of
Bighorn Sheep
Bob Burke
Gary Thomas
1980 East Main Street, #50
Barstow, CA 92311
e-mail service preferred
cameracoordinator@sheepsociety.com

Basin and Range Watch
Laura Cunningham
Kevin Emmerich
P.O. Box 70
Beatty, NV 89003
e-mail service preferred
atomictoadranch@netzero.net

California Unions for Reliable
Energy (CURE)
c/o Tanya A. Gulesserian
Marc D. Joseph
Adams Broadwell Joseph
& Cardozo
601 Gateway Boulevard,
Suite 1000
South San Francisco, CA 94080
e-mail service preferred
tgulesserian@adamsbroadwell.com

Sierra Club
Gloria D. Smith
Travis Ritchie
85 Second Street, Second floor
San Francisco, CA 94105
e-mail service preferred
gloria.smith@sierraclub.org
travis.ritchie@sierraclub.org

Newberry Community Service District c/o Wayne W. Weierbach P.O. Box 206 Newberry Springs, CA 92365 e-mail service preferred newberryCSD@gmail.com

Defenders of Wildlife
Kim Delfino
1303 J Street, Suite 270
Sacramento, California 95814
e-mail service preferred
kdelfino@defenders.org

Defenders of Wildlife
Jeff Aardahl
46600 Old State Highway,
Unit 13
Gualala, California 95445
e-mail service preferred
jaardahl@defenders.org

INTERESTED AGENCIES/ENTITIES/PERSONS (cont.)

County of San Bernardino
Jean-Rene Basle, County Counsel
Bart W. Brizzee, Principal Assistant
County Counsel
385 N. Arrowhead Avenue, 4th Fl.
San Bernardino, CA 92415-0140
bbrizzee@cc.sbcounty.gov

California ISO e-recipient@caiso.com

BLM – Nevada State Office Jim Stobaugh P.O. Box 12000 Reno, NV 89520 jim stobaugh@blm.gov

Bureau of Land Management Joan Patrovsky, Specialist/ Project Manager CDD-Barstow Field Office 2601 Barstow Road Barstow, CA 92311 jpatrovs@blm.gov

California Department of Fish & Game Becky Jones 36431 41st Street East Palmdale, CA 93552 dfgpalm@adelphia.net

California Energy Commission Kerry Willis Senior Staff Counsel Staff Attorney for Calico Amendment proceeding (08-AFC-13C) e-mail service preferred kwillis@energy.state.ca.us California Energy Commission Stephen Adams Senior Staff Counsel Staff Attorney for Calico Amendment proceeding (08-AFC-13C) e-mail service preferred sadams@energy.state.ca.us

California Energy Commission Craig Hoffman Project Manager for Calico Amendment proceeding (08-AFC-13C) e-mail service preferred choffman@energy.state.ca.us

California Energy Commission Caryn Holmes Staff Counsel IV e-mail service preferred cholmes@energy.state.ca.us ENERGY COMMISSION SITING COMMITTEE, COMMITTEE ADVISERS, HEARING OFFICER

KAREN DOUGLAS
Commissioner and Presiding Member
*e-mail service preferred
kldougla@energy.state.ca.us

ROBERT B. WEISENMILLER Chair and Associate Member *e-mail service preferred weisenm@energy.state.ca.us

Kourtney Vaccaro
Hearing Officer
*e-mail service preferred
kvaccaro@energy.state.ca.us

Galen Lemei, Adviser to Commissioner Douglas *e-mail service preferred glemei@energy.state.ca.us

Eileen Allen, Adviser to Chair Weisenmiller *e-mail service preferred eallen@energy.state.ca.us

ENERGY COMMISSION STAFF

Christine Stora
Project Manager
e-mail service preferred
cstora@energy.state.ca.us

Kevin W. Bell Senior Staff Counsel e-mail service preferred kwbell@energy.state.ca.us

PUBLIC ADVISER
Jennifer Jennings

Public Adviser
<u>e-mail service preferred</u>
publicadviser@energy.state.us

DECLARATION OF SERVICE

I, Margaret Pavao, declare that on September 30, 2011, I served and filed copies of the attached K Road Calico Solar LLC's Response to Staff Assessment of BNSF's Verified Complaint and of Calico's Answer, dated September 30, 2011. The original document, filed with the Docket Unit or the Chief Counsel, as required by the applicable regulations, 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/calicosolar/compliance/index.html].

The document has been sent to the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit or Chief Counsel, as appropriate, in the following manner:

(Check	all th	at App	oly)
--------	--------	--------	------

FOR SERVICE TO ALL OTHER PA	NRTIE	ES:
-----------------------------	--------------	-----

x	Served electronically to all email addresses on the Proof of Service list;
X	Served by delivering on this date, either personally, or 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 "emai preferred."

AND

FOR FILING WITH THE ENERGY COMMISSION:

by sending an original paper copy and one electronic copy, mailed with the U.S. Postal Se with first class postage thereon fully prepaid and e-mailed respectively, to the address (preferred method); <i>OR</i>	
DV denseiting an existing and 12 paper conics in the mail with the U.S. Bostol Service with	rh

BY depositing an original and 12 paper copies in the mail with the U.S. Postal Service with first class postage thereon fully prepaid, as follows:

CALIFORNIA ENERGY COMMISSION

Attn: Docket No. 11-CAI-01 1516 Ninth Street, MS-4 Sacramento, CA 95814-5512 docket@energy.state.ca.us

OR, if filing a Petition for Reconsideration of Decision or Order pursuant to Title 20, §§ 1720

Served by delivering on this date one electronic copy by e-mail, and an original paper copy to the Chief Counsel at the following address, either personally, or for mailing with the U.S. Postal Service with first class postage thereon fully prepaid:

California Energy Commission Michael J. Levy, Chief Counsel 1516 Ninth Street MS-14 Sacramento, CA 95814 mlevy@energy.state.ca.us

I declare under penalty of perjury under the laws of the State of California that 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.

Mought Pavais