

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512



July 27, 2001

Mr. Ed Merrihew
Compliance Manager
Calpine
701 B Street, Suite 248
San Diego, CA 92101

SUBJECT: Approval to Change Endowment Fund to the San Diego Foundation for Otay Mesa Generating Project (99-AFC-5C)

Dear Mr. Merrihew:

California Energy Commission (Energy Commission) staff reviewed your petition dated July 2, 2001, requesting a change to the Quino Checkerspot Butterfly Conservation Fund with the San Diego Foundation. Currently Condition of Certification BIO-10 of the Energy Commission's Decision, dated April 18, 2001, requires you to provide \$305,016 to the Center for Natural Lands Management to establish the Otay Mesa Project Quino Checkerspot Butterfly Endowment. The change you are requesting identifies the San Diego Foundation as the recipient of \$333,333.

As directed by Governor's Executive Order D-25-01, concerning post-certification amendments, we have expedited review of this proposed project modification because statutes and implementing regulations that normally apply to review and approval of this amendment have been suspended. Energy Commission staff have concluded that this modification has no potential for adverse environmental or public health and safety impacts. Therefore, you are authorized to proceed with the project modifications as requested. A copy of this letter will be posted on the Energy Commission's website at www.energy.ca.gov, and we will file a California Environmental Quality Act Notice of Exemption with the State Clearinghouse.

Energy Commission staff concluded that modification of the April 18, 2001 Commission Decision for the Otay Mesa Generating Project (99-AFC-5C), Condition of Certification BIO 11, as specified below has been approved as follows (eliminated text is shown in ~~strikeout~~ and new text is shown in underline):

BIO 11: To compensate for impacts to the quino checkerspot butterfly and its habitat from the OMPG Nox emissions, the project owner will provide ~~\$305,016~~ \$333,333 to the ~~Center for Natural Lands Management (CNLM)~~ San Diego Foundation to establish the Otay Mesa Project Quino Checkerspot Butterfly Endowment....

Verification: At least 30 days prior to the start of any project-related ground disturbance, the project owner will provide a certified check to the ~~CNLM~~ San Diego Foundation for ~~\$305,016~~ \$333,333 and written verification to the CPM that the check has been provided to ~~CNLM~~ the San Diego Foundation.

Date
Page 2

An advisory committee needs to be created to administer expenditures of the fund. Energy Commission staff representatives on the Advisory Committee to the San Diego Foundation are: Jim Brownell (Biology Unit Senior) and Rick York (Biology staff member).

If you have any questions, please contact Ila Lewis, Compliance Project Manager, at (916) 654-4678, or by e-mail at ilewis@energy.state.ca.us

Sincerely,



ROBERT L. THERKELSEN, Deputy Director
Systems Assessment & Facilities Siting

cc: Ila Lewis, Energy Commission
Jim Brownell, Energy Commission