

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512

**DOCKET****01-AFC-7C**

DATE AUG 26 2010

RECD. AUG 26 2010

August 26, 2010

Gevan Reeves
Director, Origination
Calpine Corporation
4160 Dublin Blvd, Ste 100
Dublin, CA 94568

**SUBJECT: RUSSELL CITY ENERGY CENTER (01-AFC-7C)
START OF CONSTRUCTION APPROVAL**

Dear Mr. Reeves:

The Russell City Energy Center power plant project has completed all submittals and received California Energy Commission staff approval for the pre-construction conditions of certification that are required prior to the start of construction for the power plant and related facilities. The project is in compliance with all preconstruction Conditions of Certification required in the Energy Commission-issued license for the start of construction.

This letter authorizes Russell City Energy Company, LLC to start construction activities for the power plant and the related linear facilities. In addition, all required preconstruction plan approvals and review of the required permits have been completed by TRB+ Associates, the California Energy Commission's delegate Chief Building Official.

Construction may commence as of August 26, 2010.

If you have any questions, please call me at (916) 651-8891, or E-mail me at mdyas@energy.state.ca.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Mary Dyas", written over a horizontal line.

Mary Dyas
Compliance Project Manager
Siting, Transmission & Environmental
Protection Division

cc: Docket Unit (01-AFC-7C)
Allison Bryan, Calpine
Barbara McBride, Calpine