



BrightSource

DOCKET

11-AFC-2

DATE FEB 27 2012

RECD. FEB 27 2012

February 27, 2012

California Energy Commission
Commissioner Karen Douglas, Presiding Member
Commissioner Carla Peterman, Associate Member
1516 Ninth Street, MS-14
Sacramento, CA 95614

Dear Commissioner Douglas and Commissioner Peterman:

Following a coordinated design review intended to identify opportunities for reduced environmental impacts and enhanced plant efficiencies, the ultimate parent company for Hidden Hills Solar I, LLC and Hidden Hills Solar II, LLC (collectively, the "Applicant"), BrightSource Energy, Inc. ("BSE"), is proposing to coordinate the boiler system designs amongst its projects, including the Hidden Hills Solar Electric Generating System ("HHSEGS"), to make those boiler system designs more consistent with that of the Ivanpah Solar Electric Generating System. Specifically, BSE is considering the removal of the large auxiliary boilers from the designs for HHSEGS. The removal of the large boilers from the project's design is referred to as the "Boiler Optimization." Boiler Optimization will result in air emission reductions for HHSEGS from those identified in the Application for Certification.

HHSEGS's air quality consultant, Sierra Research, is currently preparing the analysis of the Boiler Optimization and is consulting with the Air District to ensure the analysis meets the District's requirements. Applicant believes that the Air District could have draft permit conditions, which incorporate the Boiler Optimization, to the CEC Staff by approximately March 15th. The CEC Staff may then incorporate these draft conditions into the Preliminary Staff Assessment ("PSA") to be published on April 13th.

Consistent with this approach, we are requesting that the Committee consider the proposed schedule attached hereto to enable Applicant to incorporate the Boiler Optimization. We believe the proposed schedule is both reasonable and realistic, allowing for publication of the PSA on April 13th, as requested by Staff in their last two Status Reports. The proposed schedule also provides Staff with additional time to prepare the Final Staff Assessment and incorporate the air quality modifications.

Given HHSEGS's commercial obligations, avoiding schedule delay is paramount. If the Committee believes the proposed schedule is not reasonable, HHSEGS will withdraw the Boiler



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Optimization, keep the current large boiler design, and ask the Committee to proceed consistent with the current Scheduling Order.

The Applicant is prepared to discuss this proposal in more detail at the Status Conference. We believe the Boiler Optimization approach allows HHSEGS to improve the project and the proposed schedule provides Staff with the time they seek for the publication of the PSA. We look forward to discussing these issues with you and the parties at the Status Conference. Thank you for your time and consideration.

Sincerely,

Clay Jensen
Senior Director of Project Development
BrightSource Energy, Inc.



**BOILER OPTIMIZATION
PROPOSED SCHEDULE
HIDDEN HILLS SEGS (11-AFC-2)**

| ACTIVITY | HHSEGS SCHEDULING ORDER | STAFF SCHEDULE FROM STATUS REPORT #2 | APPLICANT'S SCHEDULE |
|--|--------------------------------|---|-----------------------------|
| Committee Status Conference | | 02-28-12 | 02-28-12 |
| Status Report #3 | | 03-15-12 | 03-15-12 |
| Draft proposed PDOC Conditions to submitted to CEC Staff | | | 03-15-12 |
| Final Sierra Research analysis of Boiler Optimization submitted to AQMD and CEC Staff. | | | 04-01-12 |
| Committee Status Conference | | 04-03-12 | 04-03-12 |
| PSA filed (including final proposed Draft PDOC Conditions) | 02-29-12 | 04-13-12 | 04-13-12 |
| PSA Workshop – Shoshone | 03-15-12 | 04-26-12 | 04-26-12 |
| Committee Status Conference | | 05-01-12 | 05-01-12 |
| PDOC Issued | TBD | | 05-01-12 |
| PSA Public Comment period concludes | 03-30-12 | 05-14-12 | 05-14-12 |
| Status Report #5 | | 05-15-12 | 05-15-12 |
| Committee Status Conference | | 05-22-12 | 05-22-12 |
| FDOC Issued | TBD | | 07-15-12 |
| FSA Issued | 05-02-12 | 06-15-12 | 08-01-12 |
| PHC | | | 09-01-12 |
| Evidentiary Hearings | | | 09-08-12 |
| PMPD | | | 11-15-12 |
| CEC Final Decision | | | 12-28-12 |

STATE OF CALIFORNIA

Energy Resources Conservation
and Development Commission

Application for Certification for the HIDDEN)
HILLS SOLAR ELECTRIC GENERATING) Docket No. 11-AFC-2
SYSTEM PROJECT)
_____)

PROOF OF SERVICE

I, Karen A. Mitchell, declare that on February 27, 2012, I served the attached *Letter Regarding Boiler Optimization from Applicant dated February 27, 2012* via electronic and U.S. mail to all parties on the attached service list.

I declare under the penalty of perjury that the foregoing is true and correct.



Karen A. Mitchell

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11-AFC-2

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