DOWNEY | BRAND
ATTORNEYS LLP

555 Capitol Mall, 10th Floor
Sacramento, CA 95814

P: 916/444-1000
F: 916/444-2100
downeybrand.com

Jane E. Luckhardt
jluckhardt@downeybrand.com

DOCKET
01-AFC-20
DATE APR 24 2006
RECD. APR 24 2006

April 24, 2006

BY HAND DELIVERY

James D. Boyd
Presiding Member
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

Re: Avenal Energy Project (Docket No. 01-AFC-20): Request for Extension of Existing Suspension to May 1, 2007

Dear Commissioners:

On behalf of Federal Power Avenal, LLC ("Avenal") I am writing to request that the California Energy Commission (the "Commission") extend the existing suspension of review of the Avenal Energy Project (the "Project") to May 1, 2007. This request is in accordance with your *Order Suspending AFC Review to May 1, 2006*, dated April 25, 2005. Avenal has not secured a power purchase contract for this site, Avenal is actively marketing the Project. Unfortunately, Avenal was not selected in Pacific Gas and Electric Company's ("PG&E") 2004 Long Term Power Purchase Request for Offers, but Avenal did submit a proposal. As further solicitations come from either PG&E or Southern California Edison, Avenal will work to create a competitive proposal. Furthermore, Avenal has not limited its marketing efforts to investor owned utility requests for offers but also actively seeks power sales or other agreements with publicly owned utilities and other power purchasers.

Even though the permitting process has not proceeded, Avenal has and continues to actively market the Project, which is able to participate in both northern and southern California energy markets. Furthermore and unlike the Potrero Power Plan Unit 7 Project, the suspension of this Project does not and has not negatively impacted any other project. No project has been subject to additional analysis or mitigation because of the suspension of permitting of the Project. Also, Avenal is not aware of any parties that object to the continued suspension of this Project.

Should the Commissioners grant this extension, Avenal proposes to meet with Commission Staff when this Project is ready to move forward and discuss the existing environmental analysis and the areas that will need to be updated. Avenal intends to work with Commission Staff at that time to develop a plan for bringing any stale analysis or studies up to current conditions so that the Commission will have a solid record on which to base its decision.

Even so, Avenal believes that the information included in the original Application for Certification and the Preliminary Staff Assessment for this Project will prove useful when this proceeding is reconvened. Avenal has been respectful of both the Commission and its Staff's resources by not proceeding to license this Project when the timetable for construction of the project was indefinite. Although some information will need to be updated and supplemented, any Commission Staff review or document preparation time that can be avoided through the use of existing documents should be maintained by continuing to suspend this Project.

Avenal is not sitting idle but is actively and aggressively marketing this Project. Avenal believes that its presence in the market helps to maintain a healthy competition for the energy supply for California consumers. As such, Avenal has maintained site control and plans to proceed with licensing of this Project when electricity sales or a Project sale can be consummated. Avenal has also maintained its position in the Pacific Gas and Electric Company queue for interconnection purposes. Avenal will notify the Commission and meet with the Commission Staff when the Project is ready to continue the review process.

If you have any questions about this request please do not hesitate to contact me.

Very truly yours,

DOWNEY BRAND LLP

Jane E. Luckhardt

Jane E. Luckhardt

JEL:cnb

cc: Gary Fay, Hearing Officer
Lance Shaw, Project Manager
Lisa DeCarlo, Staff Counsel
Steven Gilliland, Federal Power Avenal, LLC
Docket (12 copies)
Service List (01-AFC-20)

STATE OF CALIFORNIA

Energy Resources Conservation and Development Commission

In the Matter of:	**Docket No. 01-AFC-20**
Application for Certification for the AVENAL ENERGY Project	PROOF OF SERVICE ***[*REVISED 8/1/05]***

DOCKET UNIT

Instructions: Send an original signed document plus 12 copies or an electronic copy plus one original paper copy to the address below:

CALIFORNIA ENERGY COMMISSION
DOCKET UNIT, MS-4
Attn: Docket No. 01-AFC-20
1516 Ninth Street
Sacramento, CA 95814-5512

* * * *

*Also send a printed **or** electronic copy of all documents to each of the following:*

APPLICANT

***Audra Hartmann**
Government Affairs Manager
Duke Energy North America
980 Ninth Street, Suite 1540
Sacramento, CA 94814
athartmann@duke-energy.com

INTERVENORS

***California Unions for Reliable Energy (CURE)**
c/o Marc D. Joseph, Esq.
Adams Broadwell Joseph & Cardozo
651 Gateway Boulevard, Suite 900
South San Francisco, CA 94080

COUNSEL FOR APPLICANT

*** Downey Brand LLP**
Jane E. Luckhardt
555 Capitol Mall, 10th Floor
Sacramento, CA 95814-4686
Jluckhardt@downeybrand.com

INTERESTED AGENCIES

M. Whitten
City Manager
City of Avenal
919 Skyline Blvd.
Avenal, CA 93204

Steven Sopp, Director
Planning and Development
City of Avenal
919 Skyline Blvd.
Avenal, CA 93204

**Revisions to POS List, i.e. updates, additions and/or deletions*
AVENAL ENERGY Project/Docket No. 01-AFC-20.POS.doc

* * * *

INTERNAL DISTRIBUTION LIST

FOR YOUR INFORMATION ONLY! Parties **DO NOT** mail to the following individuals. The Energy Commission Docket Unit will internally distribute documents filed in this case to the following:

JAMES D. BOYD, Commissioner
Presiding Member
MS-34

WILLIAM J. KEESE, Chairman
Associate Member
MS-32

GARY FAY
Hearing Officer
MS-9

LANCE SHAW
Project Manager
MS-15

LISA DE CARLO
Staff Counsel
MS-14

JONATHAN BLEES
Assistant Chief Counsel
MS-14

PUBLIC ADVISER

Margret J. Kim
Public Adviser's Office
1516 Ninth Street, MS-12
Sacramento, CA 95814
pao@energy.state.ca.us

**Revisions to POS List, i.e. updates, additions and/or deletions*
AVENAL ENERGY Project/Docket No. 01-AFC-20.POS.doc

DECLARATION OF SERVICE

I, Colleen Bullock, declare that on April 24, 2006, I deposited copies of the attached Request for Extension of Existing Suspension in the United States mail at 555 Capitol Mall, 10th Floor, Sacramento, CA 95814, with first class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above. Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. I declare under penalty of perjury that the foregoing is true and correct.

Colleen Bullock

Colleen Bullock