



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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In Reply Refer To: 2800 (CA930)P
CACA-48668, 49502, 49503, 49504

Jack Jenkins-Stark
Solar Partners I, II and VIII, LLC
1999 Harrison Street, Suite 2150
Oakland CA 94612

Notice to Proceed with Activities and Notice to Proceed with Unit 2 and Unit 3

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On October 7, 2010, BLM approved four right-of-way grants for the Ivanpah Solar Electric Generating System project. Grant CACA-49502, issued to Solar Partners I, II, and VIII, authorizes the use and occupancy of approximately 246 acres of public land for the Construction Logistics Area and common shared facilities necessary to construct, operate, maintain, and decommission the Ivanpah Solar Electric Generating System project. Grant CACA-49504, issued to Solar Partners II, LLC, authorizes the use and occupancy of 914 acres of public land as the Ivanpah 1 Site for the construction, operation, maintenance, and decommissioning of a 120 MW thermal concentrated solar power tower electric generation project and its ancillary facilities. Grant CACA-48668, issued to Solar Partners I, LLC, authorizes the use and occupancy of 1,076.51 acres of public land as the Ivanpah 2 Site for the construction, operation, maintenance, and decommissioning of a 125 MW thermal concentrated solar power tower electric generation project and its ancillary facilities. Grant CACA-49503, issued to Solar Partners VIII, LLC, authorizes the use and occupancy of 1,234.93 acres of public land as the Ivanpah 3 Site for the construction, operation, maintenance, and decommissioning of a 125 MW thermal concentrated solar power tower electric generation project and its ancillary facilities. These grants require the holder of the grant to comply with the October 1, 2010 Biological Opinion; failure to comply with the Biological Opinion is grounds for suspension or termination of the grant.

On April 15, 2011, BLM issued an immediate and temporary suspension Decision requiring you to cease fence construction within CACA-48668 and CACA-49503. This Decision was based on the status of the Biological Opinion and the incidental take limits established for the project. Our Decision did not affect ongoing construction activities in previously tortoise fenced and cleared areas within the Construction Logistics Area, Ivanpah Unit 1, and Ivanpah Unit 2 power block

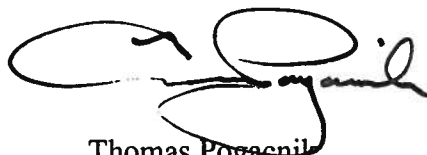
and access road. In addition, the Decision suspended approval of Change of Verification 002 for CACA-49502.

BLM reinitiated consultation under Section 7 of the Endangered Species Act for the project as a whole. On June 10, 2011, the U. S. Fish and Wildlife Service issued a Biological Opinion for the Project replacing the October 1, 2010, Biological Opinion. This Biological Opinion provides adjusted take limits for handling desert tortoise associated with the project and amends the terms and conditions contained in the October 1, 2010, Biological Opinion.

On June 8, 2011, the holders of the grants filed a written request for permission to resume activities pursuant to 43 CFR 2807.16(c). This Notice grants permission for the holders to resume those suspended fence construction activities in Units 2 and 3 and is issued pursuant to 43 CFR 2807.16 (d). The Immediate Temporary Suspension order dated April 15, 2011, is cancelled and the holders are authorized to resume all previously approved construction activities subject to any updated reasonable and prudent measures and terms and conditions in the Biological Opinion. This Notice also requires the holders of the grants to file a modification to the previously approved Plan of Development for the project within 90 days that acknowledges and incorporates any new reasonable and prudent measures and terms and conditions included in the Biological Opinion.

This Notice also comprises a new Notice to Proceed with all remaining construction related activities in ROW CACA-48668 (Unit 2) and CACA-49503 (Unit 3) in accordance with the approved Plan of Development and the terms, conditions and stipulations contained in the right-of-way grants dated October 7, 2010, and the Biological Opinion. Initial construction activities that will take place during the summer of 2011 are outlined in the enclosure titled, "Description of Work for Spring ISEGS", and the holders shall defer all work within the heliostat fields of Units 2 and 3 until such time as the work can be completed in accordance with the Biological Opinion. No further Notices to Proceed with construction activities are required from BLM for activities related to the heliostat fields.

This Notice does not affect our cancellation of Change of Verification 002 for CACA-49502, since the need for that change is no longer required.



Thomas Pogacnik
Deputy State Director, Natural Resources

Enclosure

Description of Work for Spring ISEGS

cc: Eric Knight, California Energy Commission
John Werfal, Bureau Veritas