



April 10, 2008

CPUC/BLM  
c/o Aspen Environmental Group  
235 Montgomery Street, Suite 935  
San Francisco, CA 94104

**VIA FEDERAL EXPRESS**

Subject: Sunrise Powerlink

To Whom It May Concern:

Thank you for giving CalEnergy Operating Corporation (CalEnergy) the opportunity to express to the California Public Utilities Commission (CPUC) our support for construction of the Sunrise Powerlink.

As you may know, CalEnergy is an international leader in the development and production of energy from diversified fuel sources including geothermal resources, a renewable source of energy that utilizes the heat from the earth's core to generate electricity. CalEnergy is one of the largest private sector employers in Imperial County and is the region's largest generator of electricity from geothermal resources.

CalEnergy facilities along the southeastern shore of the Salton Sea currently generate about 340 megawatts of electricity from ten generating plants. The California Energy Commission (CEC) and other regional studies suggest that the Salton Sea area may contain enough additional geothermal resources to produce 2,000 more megawatts of clean, renewable and environmentally responsible energy.

However, to optimize the development of additional geothermal energy for California consumers, we need the Sunrise Powerlink and additional investment in other new major transmission infrastructure. CalEnergy believes that Sunrise Powerlink is the best and most environmentally and fiscally responsible means of delivering geothermal energy to the San Diego region.

CalEnergy disagrees with the draft EIR published by the CPUC which endorsed a position that actually calls for additional fossil-fuel power plants to be built in the greater San Diego region, a proposition widely and strongly opposed by San Diego residents, communities and stakeholders. The CPUC, State Legislature and Governor Arnold Schwarzenegger have all supported reducing greenhouse gas emissions through the use of renewable and alternative energy. In that regard – and joining with state and national energy experts – we find it counterintuitive that the CPUC would support the development of additional fossil fuel plants, which further delays our renewable energy goals and objectives and sets back our mutual best interests by many years.

**CALENERGY** OPERATING CORPORATION  
A MIDAMERICAN ENERGY HOLDINGS COMPANY AFFILIATE

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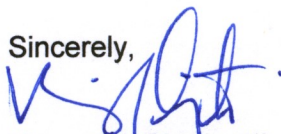
April 10, 2008  
Page 2

CalEnergy would like to point out that the construction of almost 34 miles of new transmission lines was approved as part of an existing permit issued by the CEC to CE Obsidian Energy LLC (a CalEnergy affiliate) that will support the development of planned new geothermal facilities at the Salton Sea. The CEC permit also provides for the construction of a new substation (tentatively called Bannister) that is located on the west side of Highway 86. Even more recently the Imperial Irrigation District Board of Directors approved a resolution to actually build the line at a cost of approximately \$74m.

Building the Sunrise Powerlink will enable San Diego Gas & Electric to more quickly achieve the state mandate that 20 percent of the energy they deliver to their customers come from renewable resources. The Sunrise Powerlink is the centerpiece for giving SDG&E the ability to transmit power from Imperial County to coastal load centers and urban areas, especially the San Diego region.

We urge the CPUC to make the responsible choice and approve the development of the Sunrise Powerlink. Please do not hesitate to contact me if you have questions or comments regarding our position on this matter.

Sincerely,



Vincent J. Signorotti  
Vice President, Real Estate Assets

VJS:sv  
cc: File/ff/sunriseletter.doc