

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

**VIA EMAIL**

Terry Mahoney
Los Esteros Critical Energy Facility
800 Thomas Foon Chew Way
San Jose, CA 95134

December 9, 2015

**SUBJECT: General Order (GO) 167 Audit of the Los Esteros Critical Energy Facility
Audit Number GO167-1014**

Dear Mr. Mahoney:

The Safety and Enforcement Division (SED) has completed the Audit Report for the Los Esteros Critical Energy Facility (copy enclosed).

Please submit a response to SED by January 15, 2016. The response should include a Corrective Action Plan (CAP) for all of the violations listed in Section 3 (Violations Requiring Corrective Action) of the report. The CAP should include a description and schedule of the corrective actions Los Esteros plans to take to achieve full and prompt compliance with General Order 167. If you believe the report contains factual or other errors, you may discuss those in your response.

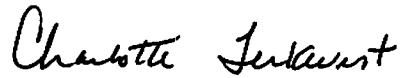
Please submit your response electronically to Rick Tse (rick.tse@cpuc.ca.gov). After SED reviews your response, the audit team may set up a meeting with you for further discussions.

Please note that Los Esteros has been given 37 days to respond because of the upcoming holidays. However, Los Esteros has a continuing obligation to comply with all applicable requirements of General Order 167. The 37-day response period does not alter this continuing duty.

If you wish to make a claim of confidentiality covering any of the information in the audit report, please submit a confidentiality request pursuant to Section 15.4 of General Order 167, using the heading "General Order 167 Confidentiality Claim." Please send the request to Iryna Kwasny (iryna.kwasny@cpuc.ca.gov) of our Legal Division, with a copy to Rick Tse.

Thank you for your courtesy and cooperation throughout the audit process. If you have any questions, please contact Rick Tse at (415) 355-5581.

Sincerely,



Charlotte TerKeurst, Program Manager
Electric Safety and Reliability Branch

Attachment:
2015 Audit Report of Los Esteros Critical Energy Facility

cc:
Rick Tse, CPUC
Jim Cheng, CPUC
Chris Lee, CPUC
Iryna Kwasny, CPUC
Phil Porter, Calpine
Chris German, Calpine