

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



August 1, 2012

Frank Carelli, Plant Manager
High Desert Power Plant
19000 Perimeter Rd
Victorville, CA 92394

**SUBJECT: General Order (G.O.) 167 Audit
High Desert Power Plant (HDPP)
CPUC Audit Number GO167-1017**

Dear Mr. Carelli:

The Consumer Protection and Safety Division (CPSD) has completed an Audit Report of the High Desert Power Plant (copy enclosed).

Please submit a response to CPSD by August 31, 2012. The response should include a Corrective Action Plan (CAP) for the violations listed in Section III (Violations Requiring Corrective Action) of the report. The CAP should provide a description and schedule of the actions HDPP plans to take to achieve full and prompt compliance with the Standards. If you believe the report contains factual or other errors, you may discuss those issues in your response.

Please submit your response electronically to me at rkt@cpuc.ca.gov. After CPSD reviews your response, the audit team will arrange for a meeting with you and your staff.

Please note that the 30-day comment period does not alter HDPP's continuing obligation to comply with all applicable requirements of General Order 167.

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 Lisa-Marie Salvacion (lms@cpuc.ca.gov) of our Legal Division, with a copy to rkt@cpuc.ca.gov.

Thank you for your courtesy and cooperation throughout the audit process. If you have any questions, please call me at (415) 355-5581, or email at rkt@cpuc.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Tse".

Rick Tse, Utilities Engineer
Consumer Protection and Safety Division

Enclosure: 2012 Audit Report of High Desert Power Plant

Cc: David Wingfield
Tom Stinson
Allen Schindler
Ben Wilton
Lisa-Marie Salvacion
Valerie Beck
Winnie Ho
Chuck Magee
Alan Shinkman
Brian Leung
Rick Tse