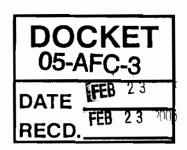
CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET SACRAMENTO, CA 95814-5512 www.energy.ca.gov



February 23, 2006

Mr. Robert Johnson, Planning Director Riverside County Planning Department 4080 Lemon Street, 9th Floor Riverside, CA 92501



Sun Valley Energy Project (05-AFC-3)

Dear Mr. Johnson:

In early December 2005, your agency received a letter from our agency apprising you of the Sun Valley Energy Project (SVEP) Application for Certification (AFC) to construct and operate a nominal 500 megawatt (MW) simple-cycle power plant near the unincorporated community of Romoland. Your Agency also received a CD of the AFC and the Energy Commission's Internet website address where the status of the project, copies of notices, and other relevant documents are available. This information was also provided to Ms. Dianna Ross of the Riverside City Transportation and Land Management Agency.

The Energy Commission has the exclusive authority to license all new or modified power facilities, 50 MW or greater in the state (Public Resources Code section 25500). Thus, the Energy Commission's license takes the place of all other state, regional, or local permits, and other entitlements that would otherwise be required.

As part of the licensing process, the Energy Commission must determine whether a proposed facility complies with all applicable federal, state, regional, and local laws, ordinances, regulations, and standards (Public Resources Code section 25523(d)(1)). When determining whether a proposed project is consistent with local land use laws, Energy Commission staff consults with local agencies to determine conformity and gives due deference to an agency's comments and recommendations. At this time, Energy Commission staff has some questions related to the land use, visual, traffic, and biological resource aspects of the project.

Land Use

1. Figures 8.6-2 and -3 of the AFC show that the project site's general plan designation is Industrial and the zoning is M-SC. Prior to making findings for its license, the Energy Commission needs to know whether Riverside County, were it the permitting agency, would require a conditional use permit for this project in the M-SC zone and what conditions it would normally attach to this entitlement.

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2. Section 8.6.1.1 of the AFC states that the SVEP property consists of five parcels of land totaling about 37 acres: Assessor's Parcel Numbers (APN) 331-250-08, -14, -18, -19, and -20, and that the project would be constructed on parcels -19 and -20, which total about 23 acres. In addition, Appendix 1A of the AFC shows an underlying subdivision on parcel 331-250-19 and Appendix 1B does not clearly show the presence of an existing road or easement to the proposed project site.

Based on the applicant's project site information, if Riverside County were the permitting agency, would the county require the applicant to merge parcels 331-250-19 and -20 and build the entire project on one parcel? What improvements would the county require for road access to the site?

3. Table 8.6-3 in the AFC states the exhaust stacks, which are the tallest project structures, will be 90 feet high. Section 18.34 of Riverside County Ordinance 348 limits the height of structures to 50 feet unless approval is secured.

Based on the applicant's project site information, what findings and conditions would Riverside County make to grant the variance if it were the permitting agency? Please cite the section of the zoning or other code that states the findings the county would make for a variance, and any specific conditions that Riverside County would attach to the project, were it the permitting agency.

Visual Resources

The Visual Resources section of the AFC (pages 8.13-1 through -31) outlines the applicant's assessment of the proposed project's consistency with Riverside County's aesthetic/visual regulations, architectural design review, landscape requirements, and scenic area regulations for the site. Energy Commission staff would like to know whether your agency considers the applicant's visual information complete and accurate and what aesthetic/visual conditions, if any, would be required.

Traffic and Transportation

The Traffic and Transportation section of the AFC (pages 8.12-1 through - 28) presents the applicant's assessment of the proposed project's consistency with Riverside County's traffic and transportation plan, policies and regulations.

Energy Commission staff would like to know if Riverside County believes that the applicant's traffic/transportation information is complete and accurate and what traffic/transportation conditions, if any, would be required.

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Biological Resources

Section 8.2.7 of the AFC indicates that a Riverside County Grading Permit would be required but for the exclusive authority of the Energy Commission to license the project. It also indicates that submittal of biological survey reports are a requirement for the issuance of a grading permit. What biological resources conditions would Riverside County attach to the issuance of a grading permit for this project were it the permitting agency?

Additionally, Energy Commission staff would like to know of any issues related to the project's participation in the Stephen's Kangaroo Rat Habitat Conservation Plan and the Western Riverside County Habitat Conservation Plan. Does participation in said plans require approval from Riverside County, and if so, how is approval obtained? How is the issuance of federal and state incidental take permits for the project related to the habitat conservation plans?

The Energy Commission found the project data adequate at its February 1, 2006 Business Meeting. A site visit and informational hearing is scheduled for February 27, 2006. Energy Commission staff request that Riverside County provide a letter by June 1, 2006, addressing the land use, visual, traffic, and biological resource questions noted above. In your review of the AFC, if you have any other issues or concerns, please let us know.

If you have any questions, please contact me by phone at (916) 651-8853 or via email at rworl@energy.state.ca.us.

Sincerely,

Robert Worl, Project Manager

Siting Office, MS 15

cc: Dockets

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