

CALIFORNIA ENERGY COMMISSION1516 NINTH STREET
SACRAMENTO, CA 95814-5112

 DOCKET	
11-AFC-02	
DATE	AUG 19 2011
RECD.	AUG 19 2011

August 19, 2011

TO: AGENCY DISTRIBUTION LIST**REQUEST FOR AGENCY PARTICIPATION IN THE REVIEW OF THE HIDDEN HILLS SOALR ENERGY PROJECT, APPLICATION FOR CERTIFICATION (11-AFC-2)**

On August 5, 2011, Hidden Hills Solar Holdings, LLC, submitted an Application for Certification (AFC) to construct and operate the Hidden Hills Solar Electric Generating System (HHSEGS). HHSEGS will be located on approximately 3,277 acres of privately owned land leased in Inyo County, California, immediately adjacent to the Nevada border. The project site is approximately 18 miles south of Pahrump, Nevada, and approximately 45 miles west of Las Vegas, Nevada.

PROJECT DESCRIPTION

HHSEGS will comprise two solar fields and associated facilities: the northern solar plant (Solar Plant 1) and the southern solar plant (Solar Plant 2). Each solar plant will generate 250 megawatts (MW), for a total net output of 500 MW. Solar Plant 1 will occupy approximately 1,483 acres (or 2.3 square miles), and Solar Plant 2 will occupy approximately 1,510 acres (or 2.4 square miles). Each solar plant will use heliostats—elevated mirrors guided by a tracking system mounted on a pylon—to focus the sun's rays on a solar receiver steam generator (SRSG) atop a 750-foot tall solar power tower near the center of each solar field. Each plant will consist of the following elements:

- One heliostat array with about 85,000 heliostats;
- A power block containing a Rankine-cycle non-reheat steam turbine, SRSG, feed water heaters, a deaerator, an emergency diesel generator, and a diesel fire pump;
- Five natural-gas-fired boilers, ranging in size from 1.2 MW to 50 MW;
- An air-cooled condenser to minimize water use in the desert environment; and,
- Access roads and drive zones will also be developed on the project site to facilitate operations and maintenance activities, emergency access, and site security.

Additionally, six onsite groundwater supply wells will be drilled and developed to provide raw, process water for the HHSEGS; two new wells per power block (primary and backup) and two wells at the common administration complex shared by both plants.

The transmission and natural gas pipeline alignments will be located in Nevada, primarily on federal land managed by the U.S. Bureau of Land Management (BLM), except for one small segment of the transmission line between HHSEGS and the Nevada border, and another in the vicinity of the Eldorado Substation in Boulder City, Nevada. A detailed environmental impact analysis of the transmission and natural gas pipeline alignments will be prepared by Nevada BLM.

Following completion of project licensing and close of financing, HHSEGS will be constructed in approximately 29 months (target completion by fourth quarter 2014 / first quarter 2015), with a commercial on-line date of first quarter 2015 for Solar Plant 1, and the second quarter of 2015 for Solar Plant 2.

ENERGY COMMISSION'S SITE CERTIFICATION PROCESS

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications to construct and operate thermal electric power plants, 50 MW and greater, in California. The Energy Commission's facility certification process carefully examines public health and safety, environmental impacts and engineering aspects of proposed power plants and all related facilities such as electric transmission lines and natural gas and water pipelines. The Energy Commission has a certified regulatory program and is the lead agency under the California Environmental Quality Act (CEQA).

The first step in the review process is for Energy Commission staff to determine whether or not the AFC contains all the information and data required by our regulations. When the AFC is deemed complete, we will begin the discovery and issue analysis phases. At that time, a detailed and thorough examination of issues will occur.

AGENCY PARTICIPATION

To ensure that the Energy Commission has the information needed in order to make a decision, the Energy Commission's regulations identify a special role for federal, state, and local agencies (See, Cal. Code Regs., tit. 20, section 1714, 1714.3, 1714.5, 1742, 1743, and 1744). As a result, we request that you conduct a review of the AFC and provide us with the following information:

- 1) a discussion of those aspects of the proposed site and related facilities for which your agency would have jurisdiction but for the exclusive jurisdiction of the Energy Commission to certify sites and related facilities;
- 2) a determination of the completeness of the list in the AFC of the laws, regulations, ordinances, or standards that are applicable to the proposed site and related facilities, and which your agency would administer or enforce but for the Energy Commission's exclusive jurisdiction;
- 3) a description of the nature and scope of the requirements that the applicant would need to meet in order to satisfy the substantive requirements of your agency but for the Energy Commission's exclusive jurisdiction, and identification of any analyses that the Energy Commission should perform in order to determine whether these substantive requirements can be met; and
- 4) an analysis of whether there is a reasonable likelihood that the proposed project will be able to comply with your agency's applicable substantive requirements.

The scope of your agency's comments on the AFC should encompass *significant* concerns, and substantive requirements that would be required for permitting by your Agency but for the Energy Commission's exclusive jurisdiction or certification. (Cal. Code Regs., tit. 20, section 1714.5, subd. (a)(2)). Please let us know if you need additional information or need to perform analyses or studies in order to resolve any concerns of your agency. (Cal. Code Regs., tit, 20, section 1714.5.)

Assuming that the proposed project is found to be data adequate on **September 28, 2011**, we request that your agency comments be provided to us by Wednesday, **November 30, 2011**, except for the Great Basin Unified Air Pollution Control District's Preliminary and Final Determinations of Compliance, which should be provided by **November 30, 2011**, and **February 1, 2012** respectively. You may be asked to present and explain your conclusions at public and evidentiary hearings on the project. (see Cal. Code Regs., tit. 20, sections 1714.3, 1714.5, 1743, 1744.5, and 1748).

When the AFC is accepted as data adequate, your participation in the proceeding will continue to be valuable and encouraged and will allow you to identify and try to resolve issues of concern to your agency. There may be specific requests for agency review and comment during the proceedings after the AFC has been determined to be complete. Local agencies may seek reimbursement for costs incurred in responding to these requests.¹ However, comments provided in response to this request during data adequacy are not reimbursable under Energy Commission guidelines.

Enclosed is a copy of the AFC in electronic format (CD). If you would like to have a hard copy of the AFC sent to you, if you have questions, or if you would like to participate in the Energy Commission's review of the proposed project, please contact Mike Monasmith, Energy Commission Senior Project Manager, at (916) 654-4894, or by email at Mike.Monasmith@energy.state.ca.us. The status of the proposed project, copies of notices, a copy of the AFC, and other relevant documents are also available on the Energy Commission's Internet web site at <http://www.energy.ca.gov/sitingcases/hiddenhills>. You can also receive email notification of all project related activities and availability of reports by subscribing to the Listserve at <http://www.energy.ca.gov/listservers/index.html>.

Sincerely,

Chris Davis, Manager
Energy Facilities Siting Office

Enclosure

¹ Please note that pursuant to 20 CCR 1715 reimbursement is not available to state and federal agencies.