

DOCKET

11-AFC-2

DATE NOV 10 2011

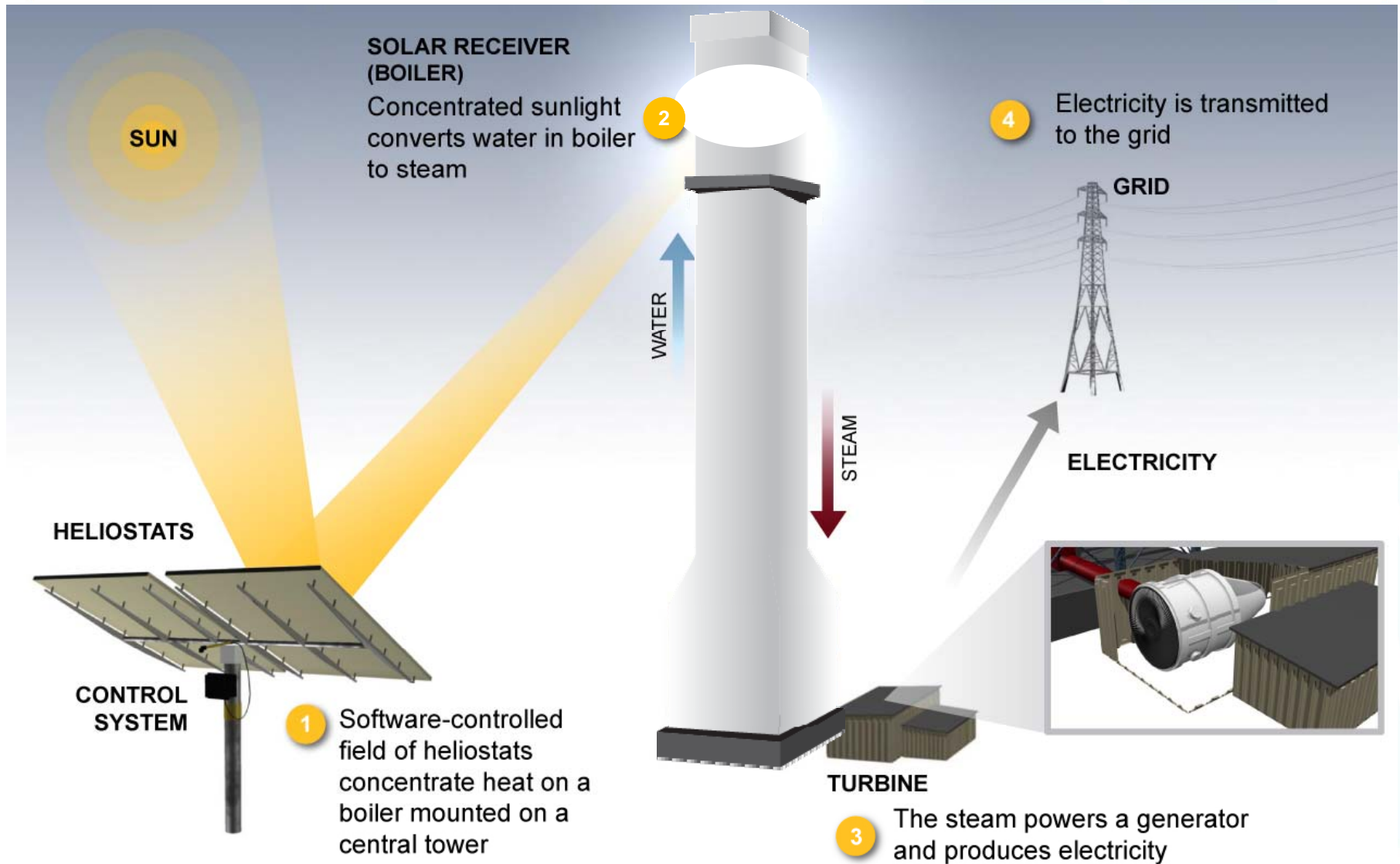
RECD. NOV 10 2011



BrightSource

**HIDDEN HILLS SEGS
INFORMATIONAL HEARING
AND SITE VISIT**

Technology Summary



BrightSource Energy Highlights

Proven, Environmentally-Responsible Technology:

- BrightSource's Solar Energy Development Center (SEDC) generating highest temperature and pressure solar steam in the world
- Dry-cooling reduces water use
- Environmentally-friendly design



Largest Backlog in Industry:

- 2.6GWs of signed PPAs with PG&E, SCE
- Shortlisted for a project in Israel



Projects Under Development:

- Chevron Solar-to-Steam for EOR



- Ivanpah - 392MW Electric for PG&E & SCE

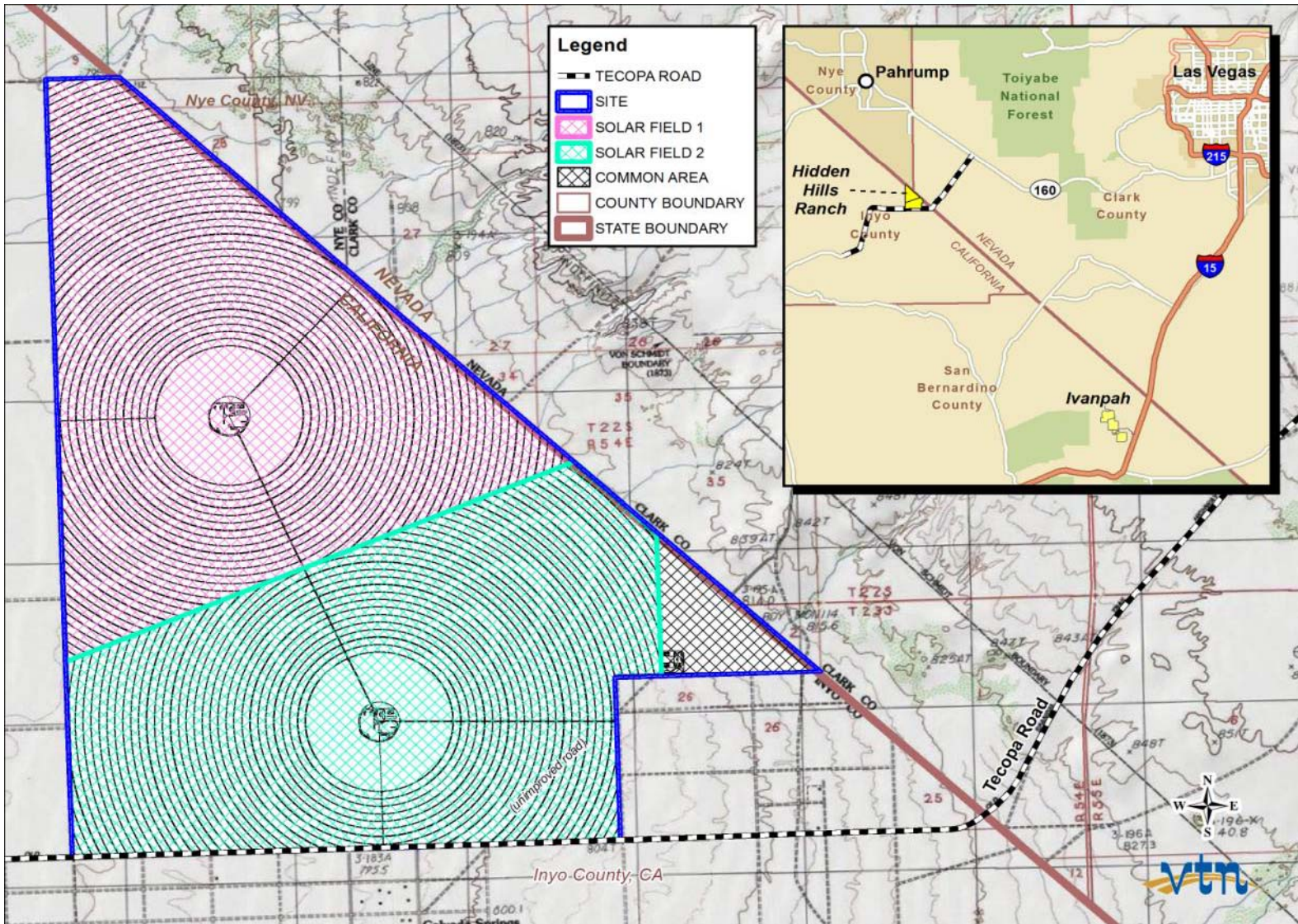
- Bechtel as EPC and Investor
- \$300 M NRG equity stake
- \$1.37B DOE loan guarantee
- ITC cash grant eligible
- Commenced construction October 2010



Hidden Hills SEGS – Project Overview

- Property Description
 - Location: Inyo County, CA
 - Project area: project site – approximately 3200 acres
 - Land history: privately owned land;
 - Planned residential master planned community
- Project Specifics
- Technology: BrightSource's CSP Tower Technology
- Total Output: 540 MW (gross) 500 MW (net) comprised of two solar plants
- Solar Field Design
 - Approximately 85,000 heliostats (per plant)
 - Wireless distribution network with PV power at heliostats
- Power Tower Description –
 - 750 feet to top of boiler (including SRSG)
 - Concrete cylindrical tower (as opposed to a steel lattice)

Hidden Hills SEGS – Relative Location

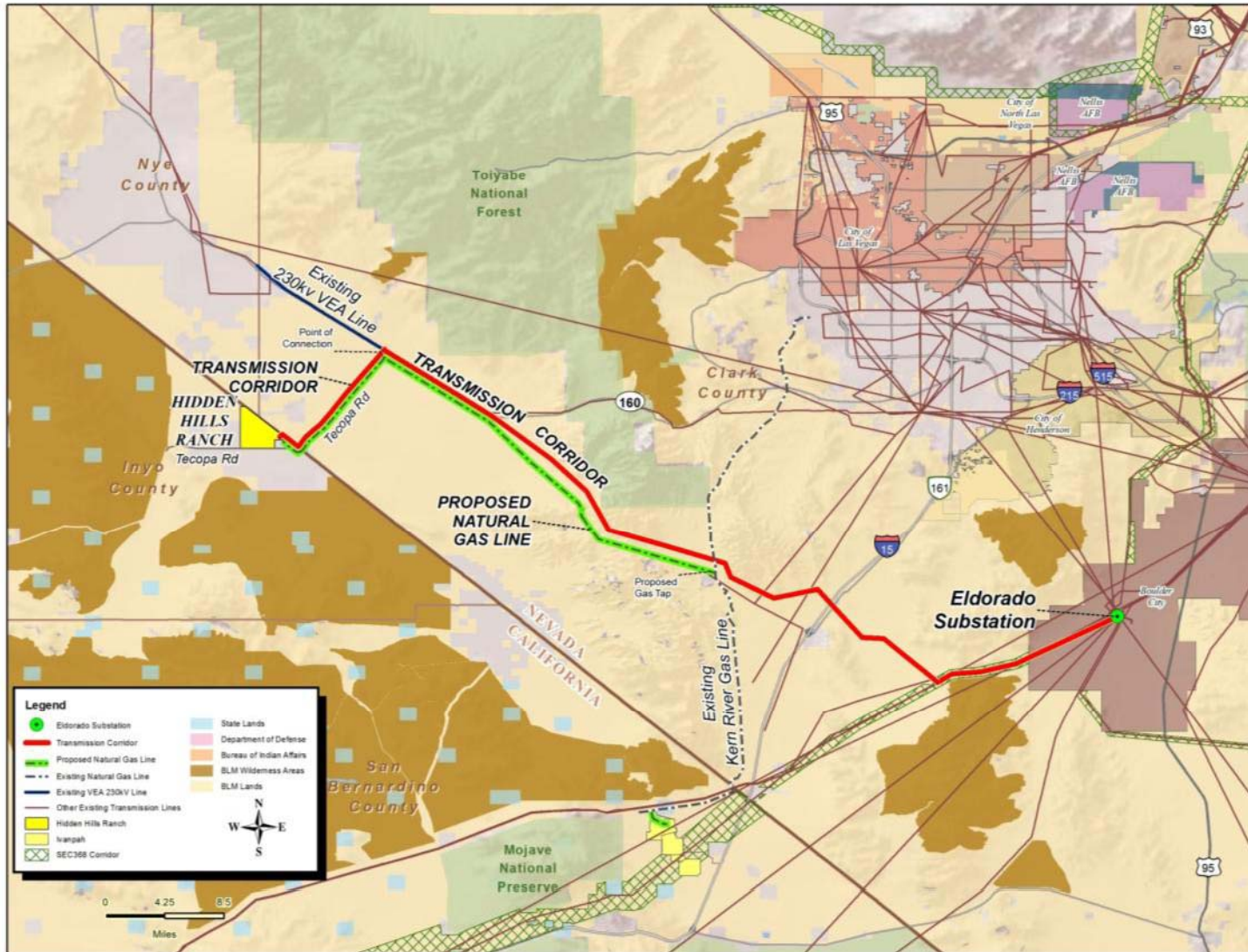


What makes HHSEGS unique?

California and Nevada

- HHSEGS project is located in California. The transmission and natural gas lines are located in Nevada.
- Power Plant Site: The 500 net megawatt solar thermal power plant is located on privately owned, previously disturbed land in Inyo County, California. The power plant's eastern boundary is the California-Nevada border.
- Linear Facilities: The linear facilities (transmission line and natural gas line) are located on Bureau of Land Management and private land in Nevada.

Hidden Hills SEGS – Regulatory Environment



Coordinated Federal and State Environmental Review

- Coordinated, but separate, parallel federal and state processes.
- NEPA: The HHSEGS linear facilities located in Nevada will be evaluated by the BLM pursuant to NEPA. The HHSEGS power plant will be evaluated pursuant to NEPA as a “Connected Action.”
- CEQA: The solar thermal plant and related facilities located in California will be evaluated by the CEC.

NEPA REVIEW

- Valley Electric Association (VEA) has applied to the BLM for a right of way (ROW) grant for the linear facilities in Nevada.
 - HHSEGS is not the BLM applicant
 - HHSEGS will not own or operate the transmission line or the natural gas pipeline
- Pursuant to NEPA, the power plant is a “Connected Action” relative to the Nevada linear facilities. (40 C.F.R. 1508.25(a)(i)-(iii).)

Scope of NEPA REVIEW

- As a Connected Action, NEPA requires BLM to examine both the power plant and the linear facilities.
- BLM's review of the "Connected Action" provide the federal nexus for the following:
 - ESA Section 7 review
 - US Army Corps
 - Section 106 process
 - Any other Federal approvals

CEC CEQA REVIEW

- CEC Jurisdiction: exclusive jurisdiction to certify thermal power plants and related facilities located in California.
- CEQA applies to the solar thermal power plant and project components located in California.
- CEQA exempts from CEQA review the linear facilities located out-of-state in Nevada that are subject to the BLM's NEPA Process.

PUBLIC RESOURCES CODE 21080(B)(14)

§ 21080(b): This division [CEQA] does not apply to any of the following activities:

* * *

(14) Any project or portion thereof located in another state which will be subject to environmental impact review pursuant to the [NEPA] or similar state laws of that state. Any emissions or discharges that would have a significant effect on the environment in this state are subject to this division.

CEQA Guidelines: 14 CCR 15277

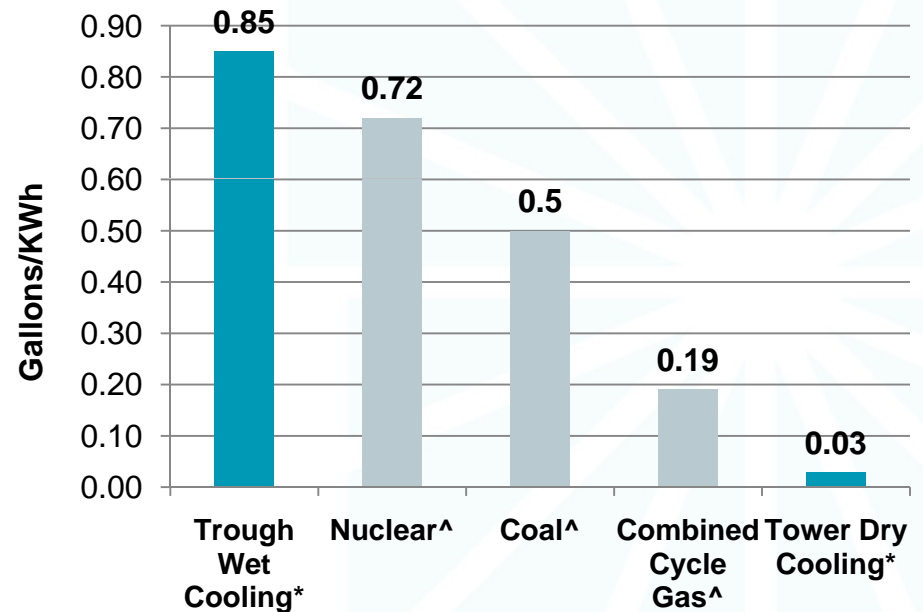
“CEQA does not apply to any project or portion thereof located outside of California which will be subject to environmental impact review pursuant to the [NEPA] or pursuant to a law of that state requiring preparation of a document containing essentially the same points of analysis as in an Environmental Impact Statement prepared under [NEPA].”

Conclusions NEPA and CEQA Review for HHSEGS

- Coordinated But Separate, Parallel Processes
- NEPA: HHSEGS Power Plant is a “Connected Action” that will be examined under NEPA, along with the linear facilities in Nevada.
- CEQA: The Power Plant and those portions of the linears located in California are subject to the CEC’s Exclusive Siting Jurisdiction.

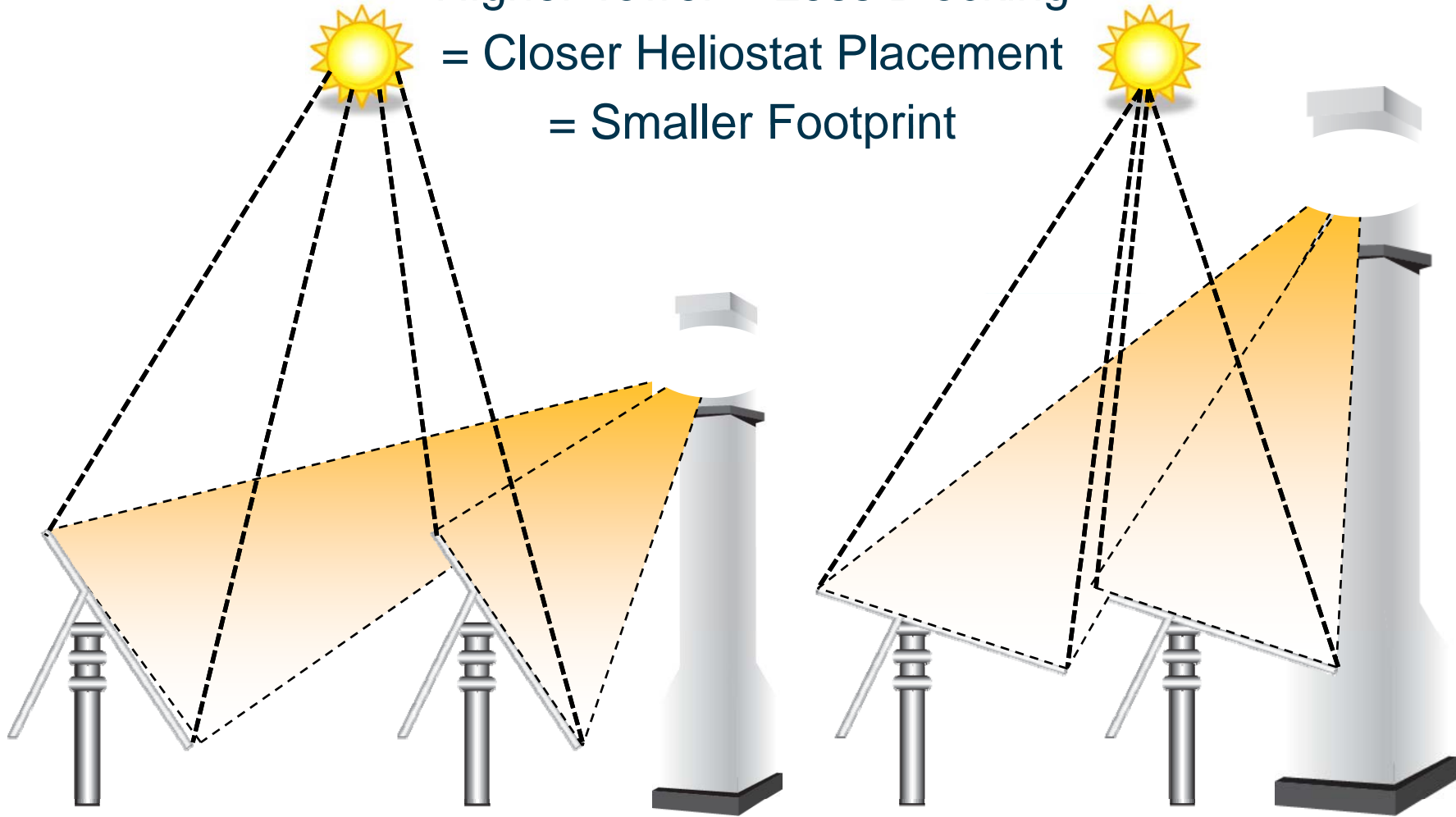
Dry Cooling Technology Significantly Reduces Water Use

- Water Use: dry-cooling, conservation & closed-loop recycling
- Uses air instead of water to condense steam
- More than 90% less water use when compared to CSP using traditional wet-cooling
- Hidden Hills will use up to 140 acre-ft of water for both plants combined



Hidden Hills SEGS – Improved Efficiency

Higher Tower = Less Blocking
= Closer Heliostat Placement
= Smaller Footprint



Hidden Hills SEGS – Key Issues: Biology

- Threatened or Endangered Species (Animals)
 - Only two Desert Tortoise found within project boundary
 - No other Federal or State Threatened or Endangered Species
- Birds & Bats
 - Golden Eagle Surveys (Helicopter surveys in progress. Follow-up pedestrian surveys early 2012)
 - Burrowing Owl surveys completed
 - Bats: Site has low foraging potential. Anabat monitor to be installed.
- Botany
 - No Federal or State Threatened or Endangered Plant Species
 - CDFG/CNPS “Special Status” plants identified
- Federal/State Waters
 - Federal waterways under Army Corps Review (January 2011)
 - Further State Consultation to occur post Army Corps

Hidden Hills SEGS – Key Issues: Socioeconomics

- Direct Employment
 - Construction: Workforce estimated to exceed 1,000+ workers at peak
 - Operations: Permanent Family Wage jobs est. 100-120 workers
- Employee Wages
 - \$160 Million in Construction Wages
 - \$15.6 Million per year in Wages during Operations
 - \$390 Million in Total Wages
- State and Local Taxes
 - \$265 Million in State and Local Taxes (Life of project)



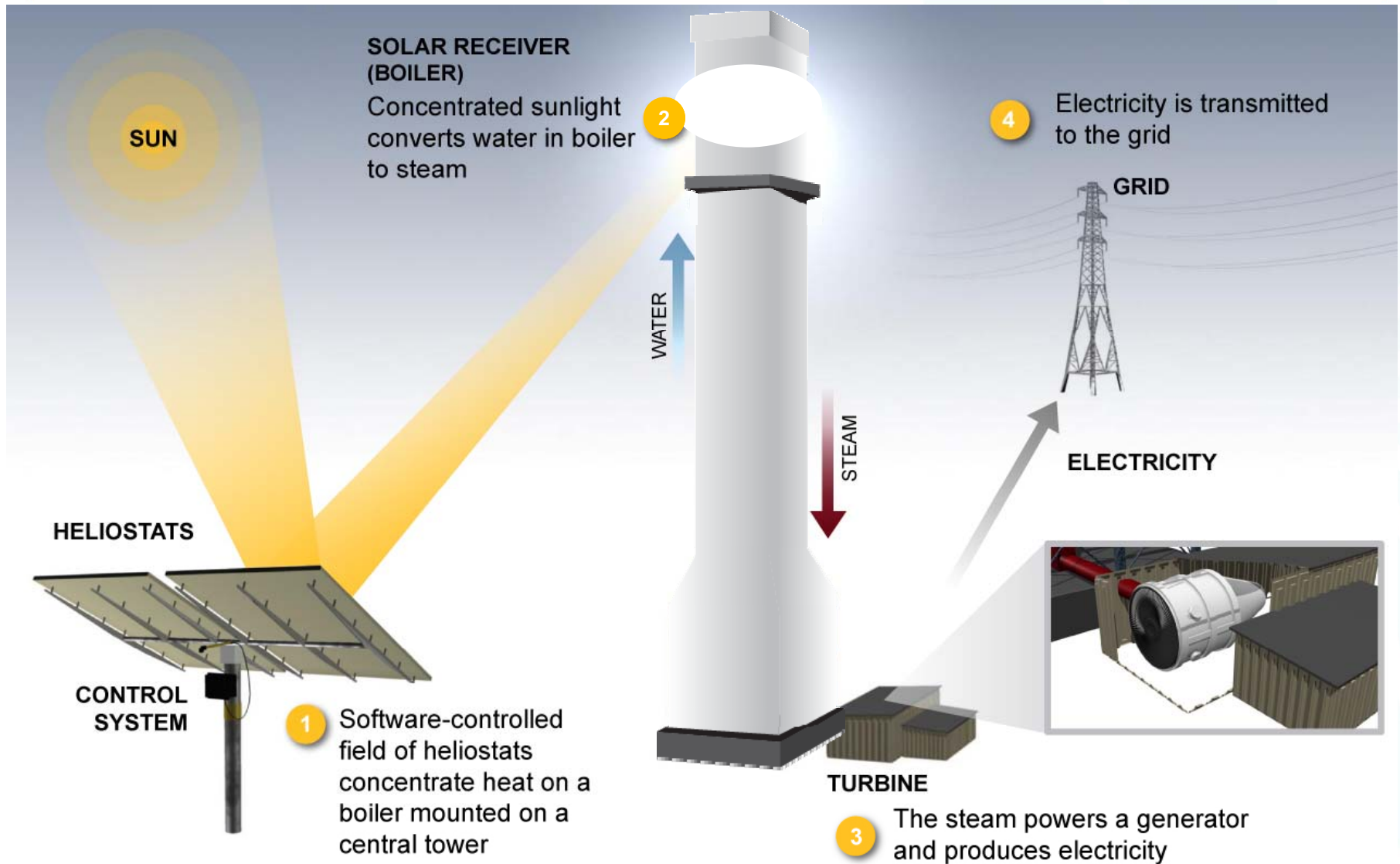
Questions and Answers



BrightSource

**HIDDEN HILLS SEGS
INFORMATIONAL HEARING
AND SITE VISIT**

Technology Summary



BrightSource Energy Highlights

Proven, Environmentally-Responsible Technology:

- BrightSource's Solar Energy Development Center (SEDC) generating highest temperature and pressure solar steam in the world
- Dry-cooling reduces water use
- Environmentally-friendly design



Largest Backlog in Industry:

- 2.6GWs of signed PPAs with PG&E, SCE
- Shortlisted for a project in Israel



Projects Under Development:

- Chevron Solar-to-Steam for EOR



- Ivanpah - 392MW Electric for PG&E & SCE

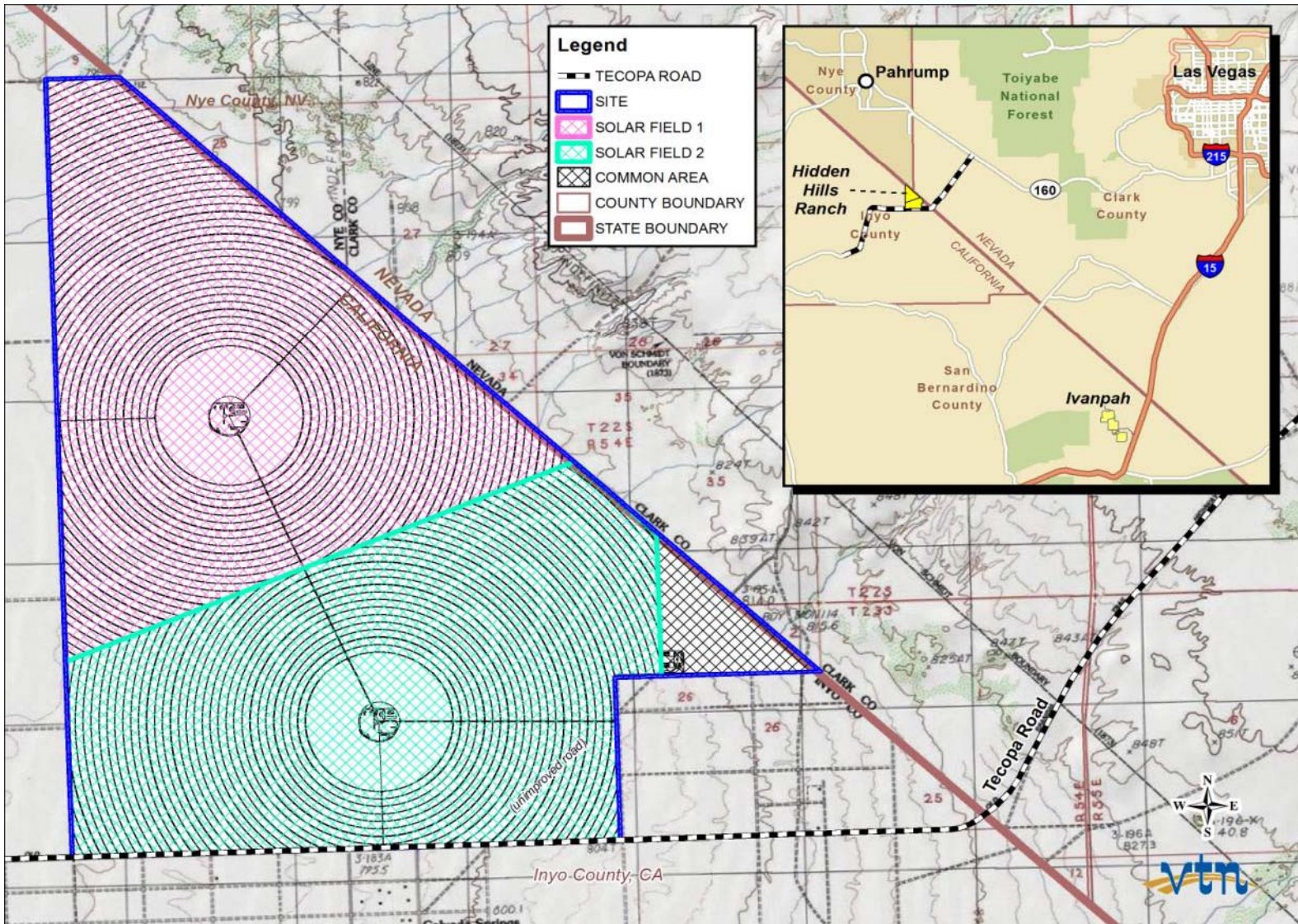
- Bechtel as EPC and Investor
- \$300 M NRG equity stake
- \$1.37B DOE loan guarantee
- ITC cash grant eligible
- Commenced construction October 2010



Hidden Hills SEGS – Project Overview

- Property Description
 - Location: Inyo County, CA
 - Project area: project site – approximately 3200 acres
 - Land history: privately owned land;
 - Planned residential master planned community
- Project Specifics
- Technology: BrightSource's CSP Tower Technology
- Total Output: 540 MW (gross) 500 MW (net) comprised of two solar plants
- Solar Field Design
 - Approximately 85,000 heliostats (per plant)
 - Wireless distribution network with PV power at heliostats
- Power Tower Description –
 - 750 feet to top of boiler (including SRSG)
 - Concrete cylindrical tower (as opposed to a steel lattice)

Hidden Hills SEGS – Relative Location

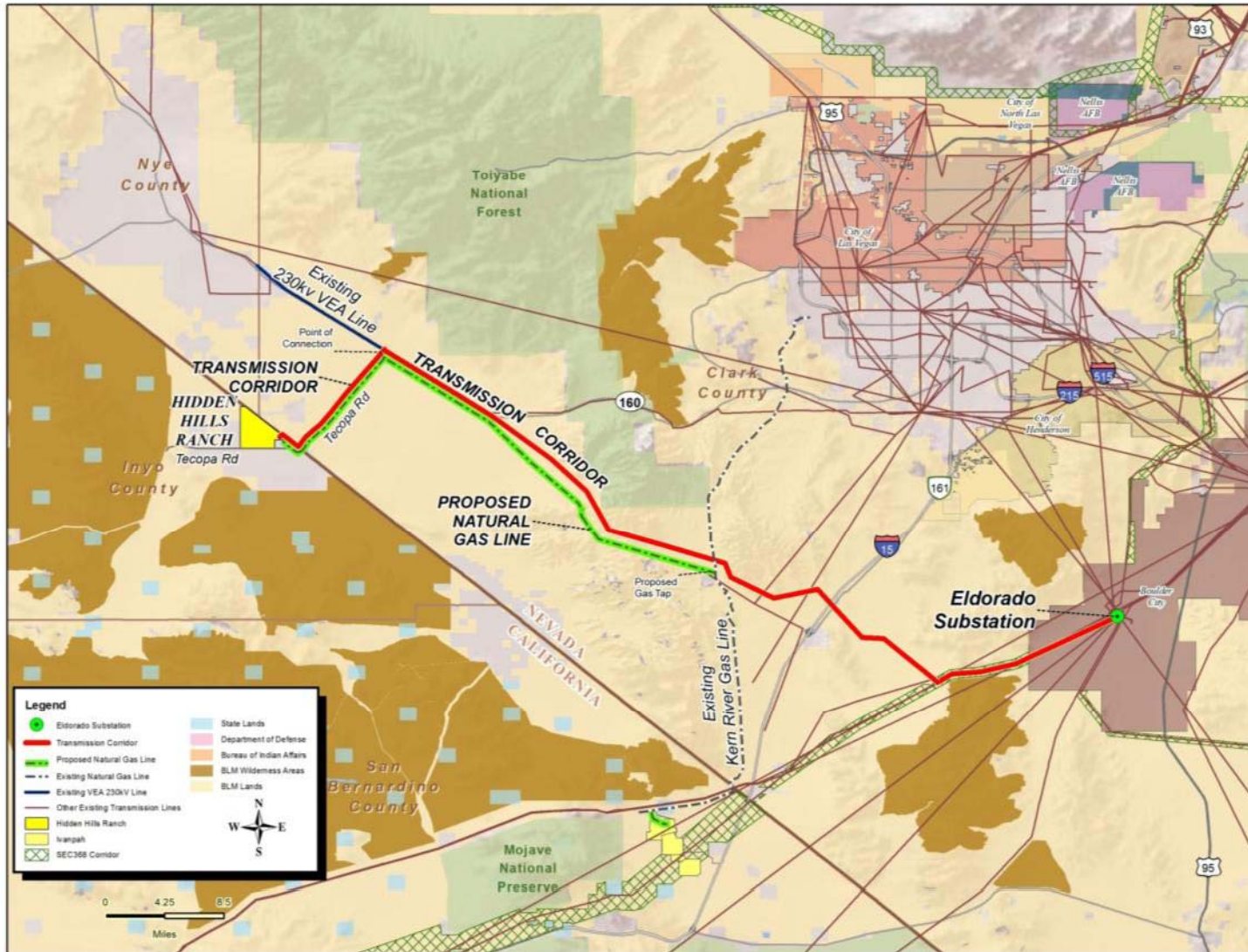


What makes HHSEGS unique?

California and Nevada

- HHSEGS project is located in California. The transmission and natural gas lines are located in Nevada.
- Power Plant Site: The 500 net megawatt solar thermal power plant is located on privately owned, previously disturbed land in Inyo County, California. The power plant's eastern boundary is the California-Nevada border.
- Linear Facilities: The linear facilities (transmission line and natural gas line) are located on Bureau of Land Management and private land in Nevada.

Hidden Hills SEGS – Regulatory Environment



Coordinated Federal and State Environmental Review

- Coordinated, but separate, parallel federal and state processes.
- NEPA: The HHSEGS linear facilities located in Nevada will be evaluated by the BLM pursuant to NEPA. The HHSEGS power plant will be evaluated pursuant to NEPA as a “Connected Action.”
- CEQA: The solar thermal plant and related facilities located in California will be evaluated by the CEC.

NEPA REVIEW

- Valley Electric Association (VEA) has applied to the BLM for a right of way (ROW) grant for the linear facilities in Nevada.
 - HHSEGS is not the BLM applicant
 - HHSEGS will not own or operate the transmission line or the natural gas pipeline
- Pursuant to NEPA, the power plant is a “Connected Action” relative to the Nevada linear facilities. (40 C.F.R. 1508.25(a)(i)-(iii).)

Scope of NEPA REVIEW

- As a Connected Action, NEPA requires BLM to examine both the power plant and the linear facilities.
- BLM's review of the "Connected Action" provide the federal nexus for the following:
 - ESA Section 7 review
 - US Army Corps
 - Section 106 process
 - Any other Federal approvals

CEC CEQA REVIEW

- CEC Jurisdiction: exclusive jurisdiction to certify thermal power plants and related facilities located in California.
- CEQA applies to the solar thermal power plant and project components located in California.
- CEQA exempts from CEQA review the linear facilities located out-of-state in Nevada that are subject to the BLM's NEPA Process.

PUBLIC RESOURCES CODE 21080(B)(14)

§ 21080(b): This division [CEQA] does not apply to any of the following activities:

* * *

(14) Any project or portion thereof located in another state which will be subject to environmental impact review pursuant to the [NEPA] or similar state laws of that state. Any emissions or discharges that would have a significant effect on the environment in this state are subject to this division.

CEQA Guidelines: 14 CCR 15277

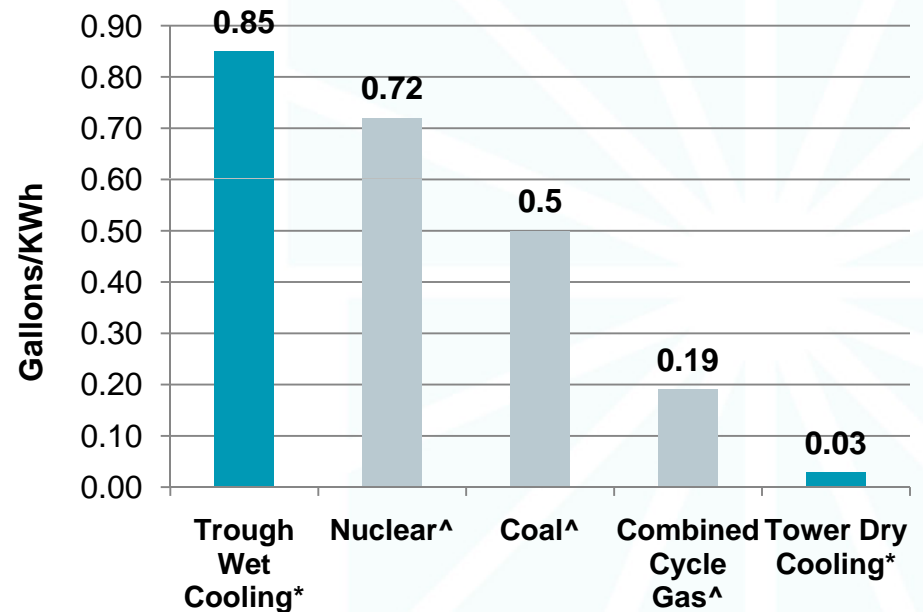
“CEQA does not apply to any project or portion thereof located outside of California which will be subject to environmental impact review pursuant to the [NEPA] or pursuant to a law of that state requiring preparation of a document containing essentially the same points of analysis as in an Environmental Impact Statement prepared under [NEPA].”

Conclusions NEPA and CEQA Review for HHSEGS

- Coordinated But Separate, Parallel Processes
- NEPA: HHSEGS Power Plant is a “Connected Action” that will be examined under NEPA, along with the linear facilities in Nevada.
- CEQA: The Power Plant and those portions of the linears located in California are subject to the CEC’s Exclusive Siting Jurisdiction.

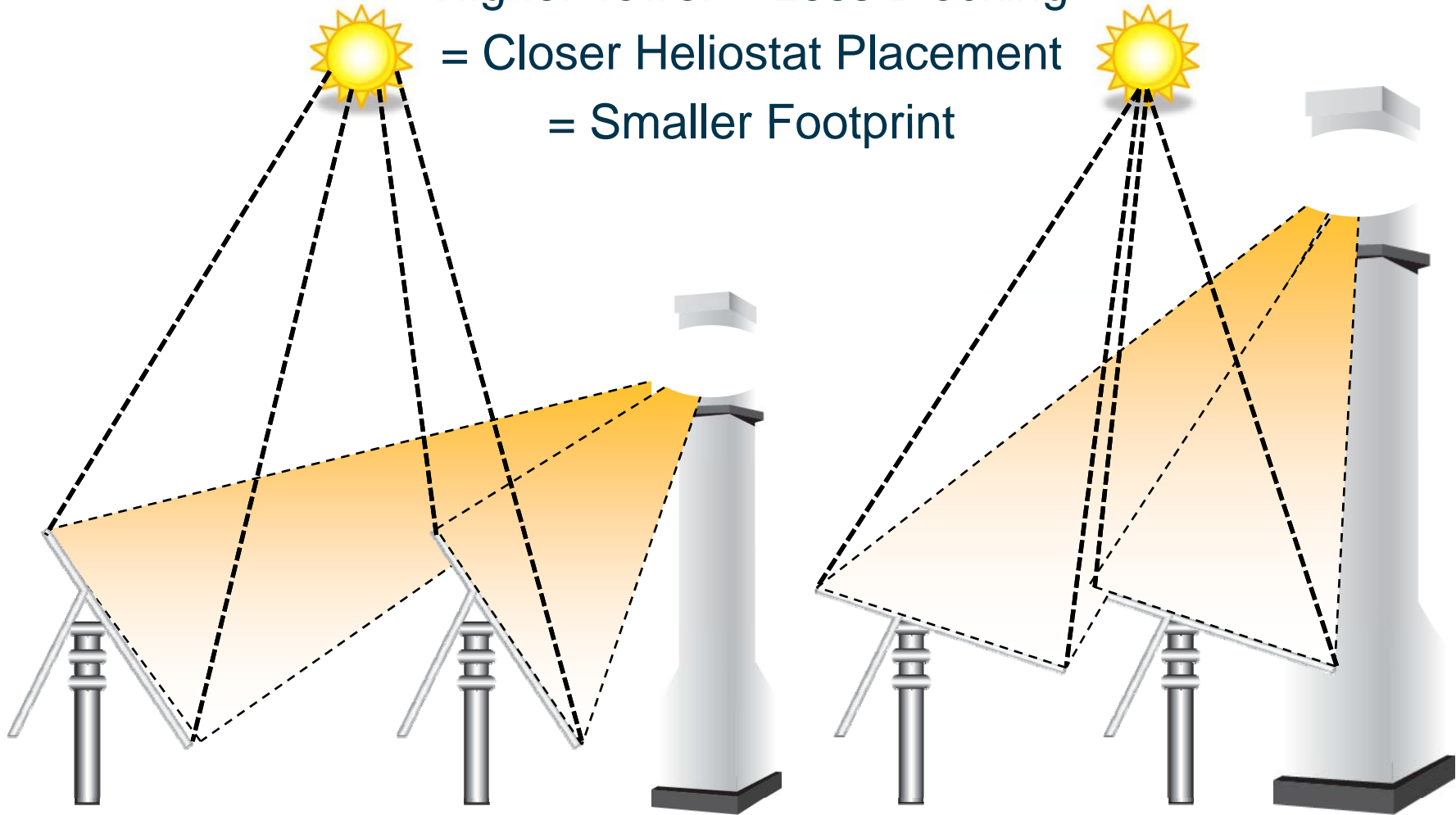
Dry Cooling Technology Significantly Reduces Water Use

- Water Use: dry-cooling, conservation & closed-loop recycling
- Uses air instead of water to condense steam
- More than 90% less water use when compared to CSP using traditional wet-cooling
- Hidden Hills will use up to 140 acre-ft of water for both plants combined



Hidden Hills SEGS – Improved Efficiency

Higher Tower = Less Blocking
= Closer Heliostat Placement
= Smaller Footprint



Hidden Hills SEGS – Key Issues: Biology

- Threatened or Endangered Species (Animals)
 - Only two Desert Tortoise found within project boundary
 - No other Federal or State Threatened or Endangered Species
- Birds & Bats
 - Golden Eagle Surveys (Helicopter surveys in progress. Follow-up pedestrian surveys early 2012)
 - Burrowing Owl surveys completed
 - Bats: Site has low foraging potential. Anabat monitor to be installed.
- Botany
 - No Federal or State Threatened or Endangered Plant Species
 - CDFG/CNPS “Special Status” plants identified
- Federal/State Waters
 - Federal waterways under Army Corps Review (January 2011)
 - Further State Consultation to occur post Army Corps

Hidden Hills SEGS – Key Issues: Socioeconomics

- Direct Employment
 - Construction: Workforce estimated to exceed 1,000+ workers at peak
 - Operations: Permanent Family Wage jobs est. 100-120 workers
- Employee Wages
 - \$160 Million in Construction Wages
 - \$15.6 Million per year in Wages during Operations
 - \$390 Million in Total Wages
- State and Local Taxes
 - \$265 Million in State and Local Taxes (Life of project)



Questions and Answers