DOCKET 11-AFC-2 DATE FEB 15 2012 RECD. FEB 15 2012

STATE OF CALIFORNIA

ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

In the Matter of:)	
)	
Application for Certification for the)	Docket No. 11-AFC-2
Hidden Hills Solar Electric Generating)	
System	-	

HIDDEN HILLS SOLAR ELECTRIC GENERATING SYSTEM STATUS REPORT #2

The Committee Scheduling Order issued on November 16, 2011, requested that the parties file monthly status reports to inform the Committee on the progress of the case. This Status Report for the Hidden Hills Solar Electric Generating System ("HHSEGS"), filed by Hidden Hills Solar I, LLC and Hidden Hills Solar II, LLC (collectively, the "Applicant"), provides a status of the proceeding since the issuance of Status Report #1 dated January 15, 2012.

DATA REQUEST/RESPONSES

Since January 15, 2012, Applicant has received 12 additional data requests (Data Requests 144-155, Air Quality, Traffic and Transportation, and Visual Resources) for which it is currently preparing responses. Applicant has provided responses to 15 Data Requests in the areas of Air Quality, Alternatives, Biological Resources, Cultural Resources, and Soils & Water Resources.

Applicant has participated in six CEC workshops, four in Sacramento and two in Tecopa. Another workshop is scheduled for February 22 in Sacramento.

TECHNICAL AREAS

Below is an update on the technical areas addressed in Status Report #1. The technical areas identified were included in Staff's Issues Identification Report as having potentially significant issues. Each of these technical areas is discussed below.

1. Alternatives

On February 9, 2012, Applicant filed Data Responses (Set 2A) pertaining to an alternative solar plant site (the Sandy Valley Alternative) and alternative solar technologies. Applicant believes that these responses to Staff's requests should address Staff's questions and enable Staff to complete its Alternatives analysis.

2. <u>Biological Resources</u>

Applicant submitted three biological resource reports in January. Additional reports will be filed in February. The biological reports and documents that have been submitted or will be submitted to the CEC, CDFG, and USFWS are listed below:

Submitted:

- Revised Presence/Absence Survey for the Desert Tortoise and other Sensitive Wildlife, Submitted in Data Response Set 1B, December 5, 2011;
- Preliminary Draft Desert Tortoise Translocation Plan, Submitted in Data Response Set 1B, December 5, 2011;
- Golden Eagle Study Plan, Submitted in Data Response Set 1B, December 5, 2011:
- Resource Summary for Phase I and Phase II Burrowing Owl Surveys, submitted in Data Response Set 1B, December 5, 2011;
- Draft Application for Incidental Take of Threatened and Endangered Species Section 2081 of the California Endangered Species Act, submitted in Data Response Set 1B, December 2011;
- Spring 2011 On-site Survey Botany Report, submitted in Data Response Set 1B-2, submitted in December 2011;
- Spring 2011 Off-site Botany Survey Report, submitted in Data Response Set 1B-3, submitted in January 2012
- Late Season On-site Botany Survey Report, submitted in Data Response Set 1B-3, submitted in January 2012
- Fall Golden Eagle Helicopter Survey Report, submitted in Data Response Set 1B-3, submitted in January 2012

To Be Submitted:

- Wintering Burrowing Owl Report, to be submitted in February 2012
- Avian Point Count Survey Report to be submitted in February 2012
- Winter 2012 Bat Survey Report to be submitted in February 2012
- Winter Golden Eagle Use Survey Report, to be submitted in February 2012
- CDFG 1600 Application for State Waters to be submitted in February/March 2012
- 401 Certification Application to the RWQCB for Federal and State Waters to be submitted in February/March 2012
- Follow-up Golden Eagle Nest Surveys, report to be submitted late spring/early summer 2012
- Phase III Burrowing Owl Survey Report, to be submitted in Spring 2012
- Anabat Monitoring Report First Quarter Results, to be submitted in April 2012

- 404 Application to the Army Corp of Engineers for Federal Waters to be submitted in mid-2012
- Biological Assessment from the Bureau of Land Management for submittal to the USFWS; to be submitted to the CEC once it has been deemed complete by the USFWS.

In addition to these reports, Applicant continues to work with the California Department of Fish and Game ("CDFG") on identifying a location to translocate any desert tortoise found on site prior to and during construction of the HHSEGS.

3. Cultural Resources

On January 6, 2012, Applicant provided responses to 29 Cultural Resources data requests. Applicant requested additional time to prepare responses to five requests, which have since been filed. Applicant objected to four requests (Data Requests 105, 106, 108, and 125) and partially objected to seven requests (Data Requests 101, 104, 109, 127, 129 – 131).

At the direction of the Committee at the January 24, 2012 Status Conference, Applicant's cultural resources specialists met with CEC cultural resources Staff to clarify some of these data requests. Discussions focused on the data requests that Staff had initially indicated in Status Report #1 they may take upon themselves. Most of these data requests have subsequently been withdrawn (Data Requests 109, 129 - 132). It was further agreed that, Applicant's prior objection notwithstanding, Applicant's cultural resources specialists would prepare a separate technical memorandum to address Data Request 125, relating to the Old Spanish Trail. This technical memorandum will be provided to CEC Staff at the end of February. Applicant also agreed to provide a full response to Data Request 127, which requested the development of a work plan to evaluate a specific subset of the known cultural resources on the project site. Applicant submitted Data Response 127 on February 6, 2012, under a repeated application for confidential designation.

Regarding the remaining data requests to which Applicant objected (105, 106, and 108), the Staff agreed to prepare a clarification to Data Request 105 highlighting its main data needs, given the data responses provided to date, as well as technical discussions. Data Request 106 is the execution of the research program originally called for in Data Request 105 and does not require a response until after a response to the revised Data Request 105 has been provided. Applicant continues to object to Data Request 108, in part because it calls for much of the same information called for in Data Request 105.

Given the discussion with Staff and the information to be provided by Applicant, Applicant believes that the Staff will have the information it needs to complete its analysis.

4. Land Use

Applicant has been engaged in discussions with Inyo County regarding project consistency with applicable local land use laws, ordinances, regulations, and standards. These discussions are ongoing. The Applicant will update the CEC Staff once those discussions conclude.

5. Socioeconomics

Applicant has been in discussions with the Southern Inyo Fire Protection District ("SIFPD") and the Inyo County Sheriff's Department. It has hosted a site visit for SIFPD representatives at the Ivanpah Solar Electric Generating System site. Representatives from the San Bernardino County Fire Department also attended to assist in answering questions of the Inyo County responders. Applicant will continue to work with the SIFPD and the Inyo County Sheriff's Department.

6. Visual Resources

Applicant continues to work with Staff to address their visual resource related questions. On February 3, 2012, Staff issued data requests pertaining to Visual Resources. Applicant is in the process of responding to these requests.

Applicant would also like to address the comments made by Staff in Status Report #1 regarding the visual simulations prepared for the HHSEGS. Specifically, the Staff's Status Report #1 stated that Staff "has concerns as to the accuracy of several of the KOP simulations. . . and has retained a consultant to review the simulations for their accuracy." ¹

Applicant prepared its visual simulations, delivered with the AFC in August of 2011, using the same methodologies the Commission has applied for a number of years. Applicant is troubled that such concerns were not raised directly with Applicant, but instead raised for the first time in Staff's Status Report # 1. Additionally, if there are questions about the AFC's simulations, those questions could have been raised earlier in the Discovery process. Should the Staff believe additional simulations are necessary, Applicant does not believe it is appropriate for Staff to prepare its own visual simulations given that it does not have access to the same engineering documentation used by Applicant in preparing the simulations. Furthermore, Applicant questions the relevance of any simulations not based on the proper engineering documentation. Notwithstanding these points, Applicant looks forward to reviewing the evaluation of Staff's consultant.

¹ Staff Status Report #1, Hidden Hills Solar Electric Generating System (11-AFC-2), p. 15 (Jan. 17, 2012).

Applicant looks forward to further discussing Visual Resources with Staff at the workshop scheduled for February 22, 2012.

7. Water Resources

In response to Data Request 141, Applicant commissioned a pump test for the HHSEGS site, drafted a pump test plan, and provided the pump test plan to Staff and Inyo County for review and comment. On January 25, 2012, Staff and Inyo County provided their input on the pump test plan. Applicant is currently in the process of implementing the pump test plan. Specifically, the following activities have been completed:

- The investigation to determine the feasibility of using existing on site wells for the pump test has been completed. Two wells identified as the Orchard Well and Well #3 will be used for the pump test.
- Groundwater monitoring equipment has been installed at Stump Springs.
 The monitoring equipment will help determine groundwater fluctuations at Stump Springs.
- Monitoring wells have been drilled adjacent to the Orchard Well and Well #3.
- The points of discharge are being prepared for testing and will likely be completed the week of February 13, 2012.

The pump test is anticipated to commence on or about February 15, 2012. Absent any complications, results of the pump test will be submitted on or about February 29, 2012.

8. Transmission System Engineering

As stated during the January Status Conference, HHSEGS is undergoing the Cluster Study process with the California Independent System Operator (CAISO), like every other project before the Commission. The Phase I Cluster Study draft report for the HHSEGS project is available and will be filed under a request for confidential designation with the CEC. While the Applicant will provide the requested information, like all Phase I CAISO studies, it is questionable as to whether the information therein is relevant to any decision the Commission must make in this proceeding.

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CONCLUSION

Progress is being made on the resolution of outstanding issues. The Applicant looks forward to timely completion of this proceeding.

February 15, 2012

Respectfully submitted,

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STATE OF CALIFORNIA

Energy Resources Conservation and Development Commission

Application for Certification for the HIDDEN)	
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PROJECT)	
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PROOF OF SERVICE

I, Karen A. Mitchell, declare that on February 15, 2012, I served the attached

HIDDEN HILLS SOLAR ELECTRIC GENERATING SYSTEM STATUS REPORT #2

via electronic and U.S. mail to all parties on the attached service list.

I declare under the penalty of perjury that the foregoing is true and correct.

Karen A. Mitchell

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