

CALIFORNIA ENERGY COMMISSION
1516 NINTH STREET
SACRAMENTO, CA 95814-5512

DOCKET**08-AFC-13**

DATE MAY 05 2010

REC'D MAY 05 2010



May 5, 2010

**NOTICE OF AVAILABILITY
STAFF ASSESSMENT and DRAFT ENVIRONMENTAL IMPACT STATEMENT
FOR THE PROPOSED CALICO SOLAR PROJECT
(08-AFC-13)**

TO: MEMBERS OF THE PUBLIC

This notice is to inform you of the availability of the Staff Assessment and Draft Environmental Impact Statement (SA/DEIS) for the Calico Solar Project (08-AFC-13). The SA/DEIS contains the California Energy Commission staff's and U.S. Bureau of Land Management's (BLM's) environmental, public health and engineering evaluation of the proposed Calico Solar Project. The SA/DEIS also contains a proposed BLM land use plan amendment to the California Desert Conservation Area Plan. The SA/DEIS was published by the Energy Commission on March 30, 2010.

The California Energy Commission encourages public participation in the review of the Calico Solar Project Application for Certification and the SA/DEIS. Written comments on the SA/DEIS which a member of the public or interested party would like to have entered into the record before the Energy Commission's Evidentiary Hearing should be provided to Christopher Meyer, Energy Commission Project Manager, no later than 5:00 p.m., June 4, 2010 at the address on this letterhead or by email to cmeyer@energy.state.ca.us.

The Energy Commission and the BLM have been jointly conducting the state and federal environmental review for the Calico Solar Project and recently released a joint SA/DEIS; however, the two agencies have now determined that it is necessary to produce separate, but coordinated, final environmental reviews and decision documents.

When the applicant filed separate applications with the Energy Commission and the BLM to obtain separate approvals to develop the project, it was deemed to be in the interest of both agencies and the public to share in the preparation of a joint environmental analysis of the proposed project to avoid duplication of staff efforts, to share staff expertise and information, to promote intergovernmental coordination at the local, state, and federal levels, and to facilitate public review by providing a joint SA/DEIS and a more efficient environmental review process.

The SA/DEIS also serves as the DEIS for an amendment to the California Desert Conservation Area (CDCA) plan that will allow for the development of the renewable energy projects should the BLM grant a Right-of-Way for the project. The BLM is required to issue a Final Environmental Impact Statement (FEIS) that will meet the specific National Environmental Policy Act (NEPA) requirements to accomplish the Plan Amendment, and to complete the Right-of-Way process. Similarly, the Energy Commission staff will publish a Revised Staff Assessment which, with the SA/DEIS, will be the staff's testimony and will allow the Energy Commission to proceed with evidentiary hearings, take public comment and testimony from parties to the process, and allow the Committee of two Commissioners to proceed with developing the

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Presiding Member's Proposed Decision in a timeframe that will allow both Agencies' required permitting actions to be concluded in a coordinated manner.

The Energy Commission Committee assigned to the Calico Solar Project proceedings will consider and weigh the testimony or comments or recommendations of all interested parties, including Energy Commission staff, the applicant, intervenors, public, and other local, state, and federal agencies, before issuing the Presiding Member's Proposed Decision (PMPD) for consideration by the full Energy Commission. The public, intervenors, local, state and federal agencies are encouraged to participate in these hearings. BLM will participate with the Energy Commission's Calico Solar Project Committee and staff in the hearings. The Energy Commission will issue notices at least ten days prior to any scheduled hearings.

The public comment period noticed in the Federal Register for the SA/DEIS and the Desert Plan Amendment closes on July 1, 2010. Please send your comments to Christopher Meyer, the Energy Commission Project Manager, at the Energy Commission's street address shown on the letterhead of this notice or by e-mail at cmeyer@energy.state.ca.us or Jim Stobaugh, the BLM Project Manager, at the BLM Nevada State Office at P.O. Box 12000, Reno NV 89520, or by e-mail at: cacalicospp@blm.gov. Both agencies will address all comments received on the SA/DEIS in their decision processes.

Summary of the Proposed Calico Solar Project

On December 1, 2008, Stirling Engine Systems Solar Three, LLC and Stirling Engine Systems Solar Six, LLC (SES, LLC) submitted an Application for Certification (AFC) to the California Energy Commission to develop the Stirling Engine Systems Solar One Project (now referred to as the Calico Solar Project) on 8,230 acres of public land managed by the Bureau of Land Management (BLM) in San Bernardino County, California. The project site is along Interstate 40 (I-40) approximately 115 miles east of Los Angeles, 37 miles east of Barstow, 17 miles east of Newberry Springs, and 57 miles northeast of Victorville.

The proposed project would utilize SunCatcher technology, consisting of approximately 34,000 25-kilowatt solar power dishes with a generating capacity of approximately 850 megawatts (MW). The project is proposed for development in two phases. Phase I includes 11,000 SunCatchers located on approximately 2,320 acres (3.6 square miles) to produce 275 MW. Phase II would include an additional 23,000 SunCatchers on an additional approximately 5,910 acres (9.2 square miles) to produce an additional 575 MW for the total 850 MW planned production. The total area required for both phases, including the area for the operation and administration building, the maintenance building, and the substation building, is approximately 8,230 acres. Each SunCatcher system consists of an approximate 40-foot high by 40-foot wide solar concentrator dish that supports an array of curved glass mirror facets designed to automatically track the sun and focus solar energy onto a Stirling engine Power Conversion Unit which generates electricity.

A new 230-kilovolt (kV) substation for the proposed project would be located approximately in the center of the project site. This new substation would be connected to the existing Southern California Edison (SCE) Pisgah Substation adjacent to the

project site via approximately 2 miles (primarily on-site) of single-circuit, 220kV transmission line. In addition to this interconnection transmission line that will be constructed by Calico Solar, LLC, the proposed project would require SCE to expand and upgrade the existing 220kV SCE Pisgah Substation to support the increase in voltage to 500kV, loop the Eldorado-Lugo 500kV line into the SCE Pisgah Substation and demolish 65 miles of the existing Lugo-Pisgah No. 2 220kV transmission line and replace it with 500kV towers and conductors. In addition, modifications within the SCE Eldorado and Lugo substations would be required.

Energy Commission Licensing Authority

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications for construction and operation of thermal electric power plants, 50 MW and greater, proposed for construction 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 is the lead agency under the California Environmental Quality Act (CEQA), and produces several environmental and decision documents rather than an Environmental Impact Report.

Summary of the Energy Commission Staff's Conclusions and BLM's Analysis

The Calico Solar facility would help meet California's goals of reducing greenhouse gas emissions and producing 33 percent of its electricity retail sales from renewable resources by 2020. The project technology uses water primarily for the washing of mirrors and does not require water for steam production, reducing water use to fraction of the water that would be consumed with an evaporative cooling system as is associated with some other power plants.

While acknowledging the benefit of developing renewable energy to curb climate change and achieve state/federal goals, the SA/DEIS states that the proposed project would result in significant and unavoidable environmental effects. The project would have direct impacts on biological, cultural, and visual resources, and cumulative impacts on biological resources, land use, and visual resources; however, mitigation measures have been identified to avoid or lessen project impacts to the extent possible.

The project proposed by Calico Solar, at a site situated in San Bernardino County in proximity to Interstate 40 and bisected by a Burlington Northern Santa Fe (BNSF) railroad mainline, would develop approximately 8,230 acres of occupied desert tortoise habitat. Approximately 100 desert tortoises, a state and federal-listed endangered species, would need to be relocated. Loss of habitat would be compensated by acquiring, improving conditions for, and preserving other existing habitat to increase the carrying capacity for desert tortoise to offset this loss of habitat. The project site also supports a diverse flora including numerous special-status plant species. While recommended mitigation measures would help avoid and minimize impacts to special-status plants, not all effects would be fully mitigated.

The Calico Solar Project would have significant impacts/effects on a presently unknown subset of approximately 139 known prehistoric and historical surface archaeological resources and may have significant impacts/effects on an unknown number of buried

archaeological deposits, many of which may be determined historically significant (i.e. eligible for the National Register of Historic Places and the California Register of Historical Resources) under the Programmatic Agreement currently under development as part of the Bureau of Land Management's National Historic Preservation Act Section 106 (Section 106) consultation process. The adoption and implementation of staff's proposed mitigation measures and Conditions of Certification would reduce the potential impacts of the proposed project on these cultural resources to less than significant under CEQA, would resolve effects under Section 106, and would further ensure that the proposed project would be in conformity with all applicable LORS.

Impacts of the Calico Solar Project combined with the potential impacts of reasonably foreseeable projects in the project vicinity and southern California Mojave desert would result in significant and unavoidable cumulative impacts related to land used currently for multiple purposes such as recreation, wildlife habitat, and open space.

The proposed project would substantially degrade the existing visual character and quality of the site and its surroundings, including motorists on Interstate 40 and National Trails Highway/Route 66. With staff recommended Conditions of Certification, these impacts could be greatly reduced but would remain significant and unavoidable. In addition, the proposed project could result in a substantial impact that could not be mitigated as it would be altering existing scenic resource values as seen from several vantage points in the Rodman Mountains Wilderness Area, and from a cumulative perspective within the southern California Mojave Desert.

Mitigation measures have been proposed to address the potential glare from the project's SunCatchers on the adjacent Interstate 40, as well as to operators on the BNSF mainline.

Public Resources, Contact Information and Additional Sources for Information

Technical or project schedule questions should be directed to Christopher Meyer, Energy Commission Project Manager, at (916) 653-1639 or cmeyer@energy.state.ca.us. Also, for those persons with limited English knowledge, please request interpreter services by contacting Christopher Meyer.

If you desire information on how to participate in the Energy Commission's review of the proposed project, please contact the Energy Commission's Public Adviser, Jennifer Jennings, at (916) 654-4489 or toll free in California at (800) 822-6228, or publicadviser@energy.state.ca.us.

If you need reasonable accommodation in terms of assistance due to a disability, please contact Lourdes Quiroz of the Administrative Services Division at (916) 654-5146 or lquiroz@energy.state.ca.us.

The status of the project, an electronic copy of the Application for Certification, the SA/DEIS, copies of notices, and other relevant documents are also available on the Energy Commission's web site at <http://www.energy.ca.gov/sitingcases/calicosolar/index.html>.

News media inquiries for the Energy Commission should be directed to Susanne Garfield, Assistant Director, at (916) 654-4989 or mediaoffice@energy.state.ca.us.

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The SA/DEIS will be available for review at the following local libraries:

San Bernardino County Library
Barstow Branch
304 East Buena Vista
Barstow, CA 92311

San Bernardino County Library
Needles Branch
1111 Bailey
Needles, CA 92363

Victorville Public Library
15011 Circle Drive
Victorville, CA 92395

Copies will also be available at the Energy Commission's Library in Sacramento, the California State Library in Sacramento, and at California public libraries in Eureka, Fresno, San Francisco, Los Angeles, and San Diego. Copies will also be available at two of BLM's offices including the public room at the BLM California State Office in Sacramento and the BLM Barstow Field Office in Barstow, CA. In addition, copies will be distributed to those public agencies that would normally have jurisdiction except for the Energy Commission's exclusive authority to certify sites and related facilities.

If you would like a CD of the SA/DEIS, please fill out the enclosed form and return it to California Energy Commission, Attention: April Albright, Siting Project Assistant, at (916) 653-1640, or by e-mail at aalbright@energy.state.ca.us.

Sincerely,

Date: 5/5/10

Original signed by: _____
ROGER JOHNSON, Office Manager
Siting, Transmission and Environmental
Protection Division

Enclosure

Mailed to list:
7338 - Property Owners

Please send me a CD of the California Energy Commission staff's and U.S. Bureau of Land Management's Staff Assessment / Draft Environmental Impact Statement for the Calico Solar Project Application for Certification (08-AFC-13).

Name:

Address:

City/State/Zip:

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California Energy Commission
Attention: April Albright
1516 Ninth Street, MS-15
Sacramento, CA 95814-5512

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Staple or Tape closed.



**BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT
COMMISSION OF THE STATE OF CALIFORNIA
1516 NINTH STREET, SACRAMENTO, CA 95814
1-800-822-6228 – WWW.ENERGY.CA.GOV**

**APPLICATION FOR CERTIFICATION
For the CALICO SOLAR (Formerly SES Solar One)**

Docket No. 08-AFC-13

**PROOF OF SERVICE
(Revised 3/11/10)**

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DECLARATION OF SERVICE

I, April Albright declare that on May 5, 2010, I served and filed copies of the attached Notice of Availability of Staff Assessment/Draft Environmental Impact Statement; Request for Agency Comments on the Staff Assessment; and Document Handling for the Staff Assessment. The original document, filed with the Docket Unit, is accompanied by a copy of the most recent Proof of Service list, located on the web page for this project at: [www.energy.ca.gov/sitingcases/solarone].

The documents have been sent to both the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit, in the following manner:

(Check all that Apply)

FOR SERVICE TO ALL OTHER PARTIES:

- sent electronically to all email addresses on the Proof of Service list;
- by personal delivery;
- by personal delivery on this date, for mailing with the United States Postal Service with first-class postage thereon fully prepaid, to the name and address of the person served, for mailing that same day in the ordinary course of business; that the envelope was sealed and placed for collection and mailing on that date to those addresses **NOT** marked "email preferred."

AND

FOR FILING WITH THE ENERGY COMMISSION:

- sending an original paper copy and one electronic copy, mailed and emailed respectively, to the address below (*preferred method*);

OR

- depositing in the mail an original and 12 paper copies, as follows:

CALIFORNIA ENERGY COMMISSION

Attn: Docket No. 08-AFC-13
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.state.ca.us

I declare under penalty of perjury that the foregoing is true and correct, that I am employed in the county where this mailing occurred, and that I am over the age of 18 years and not a party to the proceeding.

Original signed by: _____
April Albright