



CH2M HILL

2485 Natomas Park Drive

Suite 600

Sacramento, CA 95833-2937

Tel 916.920.0300

Fax 916.920.8463

July 9, 2009

389165.01.01

Mr. Matt Trask
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814-5512

DOCKET	
02-AFC-2C	
DATE	JUL 09 2009
RECD	JUL 09 2009

Subject: Black Rock 1-3 Amendment (02-AFC-02)
Data Response Set 1A, Responses to CEC Staff Data Requests 47-53

Dear Mr. Trask:

Attached please find one original of CE Obsidian Energy LLC's responses to California Energy Commission Staff Data Requests 47 through 53 for the Black Rock 1-3 License Petition Amendment (02-AFC-02).

If you have any questions about this matter, please contact Jerry Salamy at (916) 286-0207 or Mike Fawdry at (518) 810-1395.

Sincerely,

CH2M HILL

A handwritten signature in black ink, appearing to read "Jerry Salamy".

(for) Jerry Salamy
AFC Project Manager

Attachment

cc: M. Fawdry
D. Hackley/CalEnergy

CalEnergy Black Rock 1-3

(02-AFC-2C)

Data Responses

(Responses to Data Requests 47 though 53)

Submitted to
California Energy Commission

Submitted by
CE Obsidian Energy, LLC

July 2009

With Assistance from

CH2MHILL
2485 Natomas Park Drive
Suite 600
Sacramento, CA 95833

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Introduction

Attached are CE Obsidian Energy LLC's (Applicant) responses to the California Energy Commission (CEC) staff's Data Requests numbered 47 through 53 for the Black Rock 1-3 License Petition Amendment. The CEC staff served these data requests on May 29, 2009, as part of the discovery process for Salton Sea Unit 6 License Amendment (02- AFC-02). The responses are presented in the same order as the CEC staff presented them and are keyed to the Data Request numbers (47 through 53). New or revised graphics or tables are numbered in reference to the Data Request number. For example, the first table used in response to Data Request 15 would be numbered Table DR15-1. The first figure used in response to Data Request 15 would be Figure DR15-1, and so on.

Additional documents submitted in response to a data request (i.e., stand-alone documents) are found at the end of this Data Response submittal and are not sequentially page-numbered consistently with the remainder of the document, though they may have their own internal page numbering system.

CE Obsidian Energy, LLC looks forward to working cooperatively with CEC staff as Black Rock 1-3 License Amendment proceeds through the approval process. We trust that these responses address the staff's questions and remain available to have any additional dialogue the staff may require.

This document is the first of several envisioned for submission to the California Energy Commission. This document presents responses to Data Requests (DRs) by functional area. The sections omitted in this document will be presented for review in ensuing CEC submittal documents. At this time only responses for items 47-53, Socioeconomics, has been provided.

Socioeconomics (47-53)

BACKGROUND

The year for the IMPLAN model economic impacts (secondary impacts i.e., indirect and induced impacts) caused by the construction and operation of the project was provided as 2008. However, the time value of money should be reflected for all economic estimates. Staff needs to know the year that corresponds to all dollar estimates.

Data Requests

47. Please indicate the year for all economic estimates (e.g., construction costs, construction and operation payroll, property taxes, and school impact fees etc.).

Response: All cost figures are in 2008 dollars, as indicated on Page 5.11-25 (last sentence).

BACKGROUND

Economic benefits, including capital costs (plant and equipment) are an important part of socioeconomic analysis.

Data Requests

48. Please provide an estimate of the Salton Sea Unit Six Project Amendment capital costs.

Response: Estimated capital cost of construction is expected to be \$862 million over the 46 month construction period, as noted on page 5-11-24 of the Amendment.

BACKGROUND

Economic benefits, including property taxes, are an important part of socioeconomic analysis.

Data Requests

49. Please show all the numeric calculations for the property taxes for the Salton Sea Unit Six Project Amendment given a tax rate of 1.71500 for Imperial County which would yield approximately \$8.5 million to \$9 million annually.

Response: Assuming the project's assessed value is between \$725 and \$768 million and a property tax rate of 1.171500 percent of the assessed value, the expected county tax rate would be approximately \$8.5 and \$9 million.

50. Given the planned operational life for the Salton Sea Six Project Amendment was estimated at 30 years in the Application For Certification (AFC), why was the property tax estimated for only 22 years from 2013 to 2035?

Response: This Data Response will be submitted under the California Energy Commission's confidentiality procedures.

BACKGROUND

Economic benefits, including sales taxes, are an important part of socioeconomic analysis.

Data Requests

51. Construction tax revenues were reported as \$10.2 million in the AFC. Was this for sales taxes or does it include other tax revenue? (If appropriate, please specify the types of tax revenues and break out the amounts by totals and percentages.)

Response: The estimated \$10.2 million includes sales tax revenue for purchased equipment and materials for construction and construction employee expenditures in the local area.

52. For construction and operations, please provide an estimate of the distribution of tax revenues among different governmental units e.g., state, county, city etc.

Response: The sales tax rate in Imperial County is 8.75 percent, with a state tax rate of 7.25 percent, a County tax rate of 1.0 percent, and an Imperial County Local Transportation Authority tax rate of 0.5 percent¹. Construction tax revenue to each of the above entities will be \$8,451,000 to the state, \$1,166,000 to the County, and \$583,000 to the Imperial County Local Transportation Authority. Annual property tax revenues are estimated to be \$8.5 to \$9.0 million dollars (See page 5.11-27 of the Amendment Petition).

BACKGROUND

The non-local project construction workforce may commute/locate to the local area (study area communities of Imperial County, El Centro, Brawley, Calipatria, Westmoreland, and Niland etc.) during construction of the Salton Sea Six Project Amendment. Knowledge of RV and mobile home sites is an important part of Staff's socioeconomic analysis in order to assess potential socioeconomic impacts.

Data Request

53. What is the number and vacancy rates for the study area communities' RV and mobile home sites?

Response: Imperial County Department of Planning and Building maintains a listing of all RV and mobile home parks in the county². Based on the information maintained by

¹ <http://www.boe.ca.gov/pdf/pub71.pdf>

² http://www.co.imperial.ca.us/planning/building_div/mobile_home_parks.htm

Imperial County, there are 3,059 mobile home sites and 3,672 RV spaces in the county. Vacancy rates for these facilities were not readily available.