

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov

**DOCKET****09-AFC-7**DATE MAR 23 2010RECD MAR 24 2010

March 23, 2010

Notice of Availability and Notice of a Public Workshop

Related to the

Staff Assessment/Draft Environmental Impact Study for the proposed

Palen Solar Power Project (09-AFC-7)

The U.S. Bureau of Land Management (BLM) and the California Energy Commission (CEC) filed a joint Staff Assessment /Draft Environmental Impact Study (SA/DEIS) on March 19, 2010 for the proposed Palen Solar Power Project. Additionally, Energy Commission staff will conduct a workshop on this SA/DEIS. All interested agencies and members of the public are invited to review the SA/DEIS and participate in the workshop. The workshop will be held:

Wednesday and Thursday, April 28 and 29, 2010

Starting at 9:00am

WORKSHOP VENUE

Bureau of Land Management (BLM)

1201 Bird Center Drive

Palm Springs, California 92262

(Wheelchair Accessible)

**To participate in the meeting by telephone,
Please call: (800) 619-8873 (toll-free in the U.S. and Canada)
Enter passcode: 28622**

TO: AGENCY DISTRIBUTION LIST

This notice is to inform you of the availability of the Staff Assessment and Draft Environmental Impact Statement (SA/DEIS) for the proposed Palen Solar Power Project (PSPP). 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 PSPP. The SA/DEIS also contains a proposed BLM land use plan amendment to the California Desert Conservation Area Plan.

The SA/DEIS will serve as the Energy Commission staff's testimony during the Commission's evidentiary hearings. The Energy Commission Committee assigned to the PSPP proceedings will consider and weigh the testimony, comments, and 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

PROOF OF SERVICE (REVISED 3/11/10) FILED WITH
ORIGINAL MAILED FROM SACRAMENTO ON 3/24/10

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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.

Public Workshop

This notice is also to inform you that Energy Commission staff will hold a workshop to discuss the SA/DEIS. This public notice is to further encourage public participation, as it relates to the proposed PSPP and the Energy Commission's permitting process. The workshop will provide an opportunity for agencies, the public and other interested parties to present questions and comments on the SA/DEIS. All interested agencies and members of the public are invited to participate.

Based on the workshop dialogue, written comments received regarding the SA/DEIS, and additional information that will be gathered, the SA/DEIS will be revised, where appropriate, and an SSA/FEIS will be issued. The SSA/FEIS will serve as staff's formal testimony in evidentiary hearings to be held by the Energy Commission Committee assigned to hear this case.

Background

On August 24, 2009, the California Energy Commission received an Application For Certification (AFC) from Palen Solar I¹ to construct and operate the Palen Solar Power Project in Riverside County. On October 26, 2009, a Supplement to the AFC was received and evaluated by staff. Subsequently, at the Energy Commission's November 18, 2009 Business Meeting, the AFC was deemed complete, beginning staff's analysis of the proposed project.

Project Description

The Palen Solar Power Project (project) is a concentrated solar thermal electric generating facility with two adjacent, independent, and identical units of 250 megawatt (MW) nominal capacity each for a total nominal capacity of 500 MW. The project is proposed to be located in the Southern California inland desert, approximately 10 miles east of the small community of Desert Center, in eastern Riverside County, California; approximately halfway between the cities of Indio and Blythe; and about three miles east of the southeast end of Joshua Tree National Park. The applicants are seeking a right-of-way grant for approximately 5,200 acres of lands owned by the federal government and administrated by the Bureau of Land Management (BLM). Construction and operation of the project would disturb a total of about 2,970 acres.

The project would generate electric power through solar energy using parabolic trough technology. Pipelines supplying water would be routed from on-site wells to water treatment units. Water would be used principally for solar mirror washing, feedwater makeup, onsite domestic use, cooling of auxiliary equipment, and firewater supply. Total water consumption for the project is estimated at 300 acre-feet per year.

¹ Chevron Energy Solutions and Solar Millennium have a joint development agreement. Chevron Energy Solutions applied for the Right of Way for Palen Solar Power Project. To facilitate the permitting of the Palen Solar Power Project (PSPP), the Applicant is requesting that the CEC issue one License to a Project- specific company. The company for PSPP is Palen Solar I, LLC a wholly owned subsidiary of Solar Millennium and the single Applicant for the PSPP.

The project would use two propane-fueled boilers for quick startup. Electric transmission lines would connect each steam turbine generator to a central internal switchyard. From this switchyard, a new double-circuit 230 kilovolt (kV) transmission line would interconnect with Southern California Edison's (SCE) regional transmission system at its planned Red Bluff substation. If approved, project construction would begin in the fourth quarter of 2010, with commercial operation commencing in mid 2013.

Energy Commission and Bureau of Land Management Joint Review Process

The BLM and the Energy Commission have executed a Memorandum of Understanding concerning their intent to conduct a joint environmental review of the project in a single National Environmental Policy Act (NEPA)/California Environmental Quality Act (CEQA) process. It is in the interest of the BLM and the Energy Commission 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 document and a more efficient environmental review process.

Under federal law, the BLM is responsible for processing requests for rights-of-way to authorize the proposed project and associated transmission lines and other facilities to be constructed and operated on land it manages. In processing applications, the BLM must comply with the requirements of NEPA, which requires that federal agencies reviewing projects under their jurisdiction consider the environmental impacts associated with the proposed project construction and operation.

As the lead agency under CEQA, 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.

Agency Participation

The California Energy Commission encourages public agency participation in the review of the PSPP Application for Certification and the SA/DEIS. Written comments on the SA/DEIS should be provided to Alan Solomon, Project Manager, no later than 5:00 p.m., April 22, 2010, at the address on this letterhead or by email to asolomon@energy.state.ca.us.

BLM will also be conducting a 90-day comment period in association with BLM's EIS process, which will be noticed separately. Following completion of BLM's comment period, Energy Commission staff and BLM will prepare a Supplemental Staff Assessment /Final Environmental Impact Statement (SSA/FEIS). The SSA/FEIS will respond to public comments and will incorporate any changes deemed necessary to update the analysis of project impacts.

Public Resources, Contact Information and Additional Sources for Information

Please direct your technical or project schedule questions to Alan Solomon, Energy Commission Project Manager, at (916) 653-8236, or by email at asolomon@energy.state.ca.us.

March 23, 2010

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If you desire information on participating in the Energy Commission's review of the proposed project, please contact the Energy Commission's Public Adviser's Office, at (916) 654-4701, or toll free in California at (800) 822-6228, or by email at publicadviser@energy.state.ca.us. News media inquiries should be directed to (916) 654-4989, or by email at mediaoffice@energy.state.ca.us.

The status of the proposed project, copies of notices, an electronic version of the AFC, and other relevant documents are available on the Energy Commission's Internet web site at: http://www.energy.ca.gov/sitingcases/solar_millennium_palen/index.html. You can also subscribe to receive email notification of all notices at <http://www.energy.ca.gov/listservers>.

Sincerely,

Date: _____

TERRENCE O'BRIEN, Deputy Director
Siting, Transmission and Environmental
Protection Division

Enclosure
Mailed to list: 7373 - Agency

**STAFF ASSESSMENT/DRAFT ENVIROMENTAL IMPACT STUDY PUBLIC
WORKSHOP FOR:**

**PROPOSED BLYTHE SOLAR POWER PROJECT
PROPOSED PALEN SOLAR POWER PROJECT**

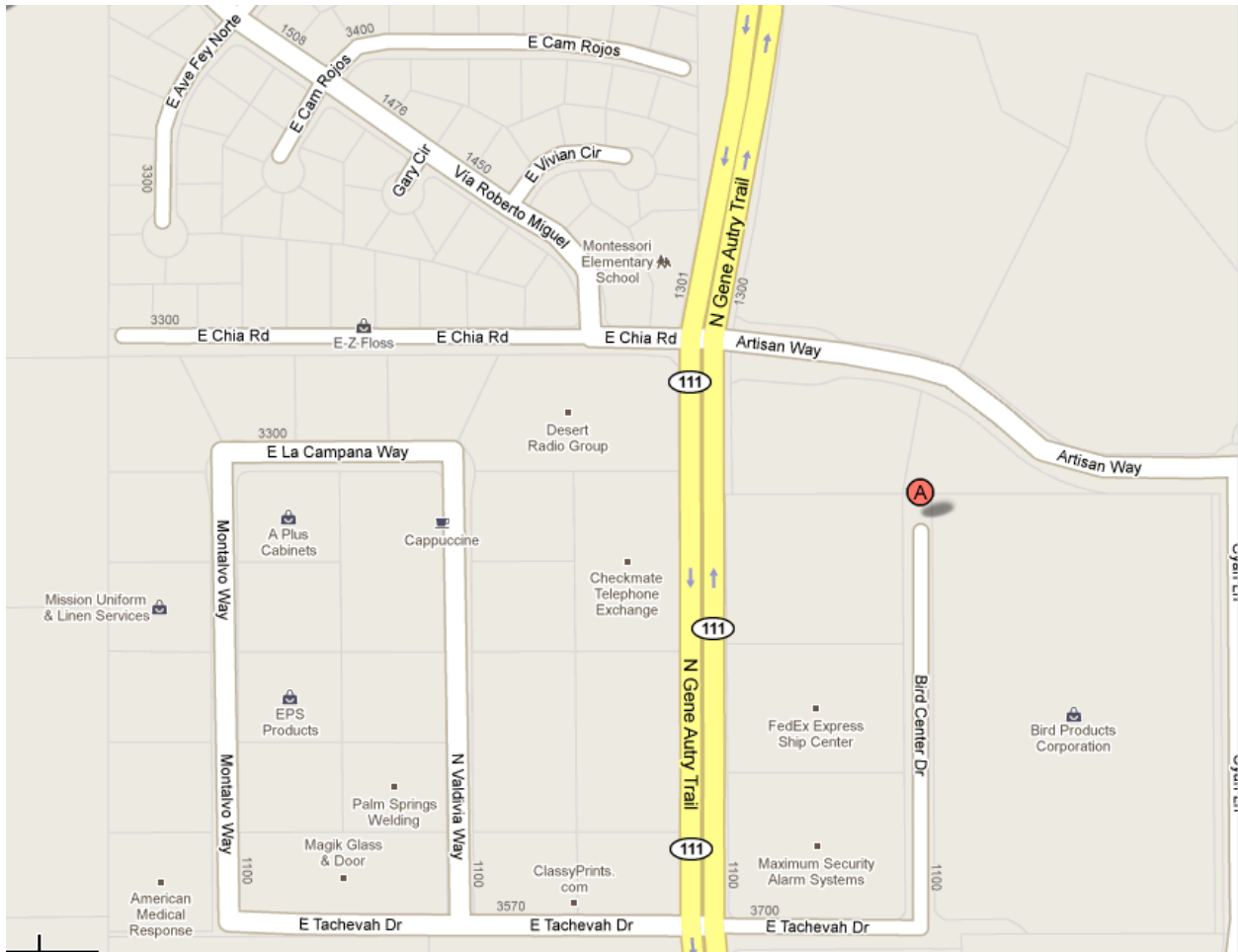
WORKSHOP DATE AND TIME

Wednesday and Thursday, April 28 and 29, 2010

Starting at 9:00am

WORKSHOP VENUE

**Bureau of Land Management (BLM)
1201 Bird Center Drive,
Palm Springs, California 92262
(Wheelchair Accessible)**





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 PALEN SOLAR POWER
PLANT PROJECT**

Docket No. 09-AFC-7

PROOF OF SERVICE
(Revised 3/11/10)

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DECLARATION OF SERVICE

I, Hilarie Anderson, declare that on March 24, 2010, I served and filed a copy of the attached Notice of Availability & Notice of a Public Workshop, Library Letter, and Agency Letter. 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: [\[http://www.energy.ca.gov/sitingcases/solar_millennium_palen\]](http://www.energy.ca.gov/sitingcases/solar_millennium_palen)

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 delivering 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. 09-AFC-7
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 Signature in Dockets
Hilarie Anderson