

CALIFORNIA ENERGY COMMISSION

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

09-AFC-7DATE SEP 20 2010RECD SEP 20 2010

September 20, 2010

**Notice of Availability Related to the
Revised Staff Assessment for the proposed
Palen Solar Power Project (09-AFC-7)**

The California Energy Commission (Energy Commission) staff filed Part I of a Revised Staff Assessment (RSA) on September 1, 2010 and Part II of the RSA on September 16, 2010. This notice is for both Part I and Part II of the RSA for the proposed Palen Solar Power Project.

TO: AGENCY DISTRIBUTION LIST

This notice is to inform you of the availability of the RSA for the proposed Palen Solar Power Project (PSPP). The RSA contains the Energy Commission staff's environmental, public health and engineering evaluation of the proposed PSPP. The Energy Commission encourages public agency participation in the review of the PSPP Application for Certification and the RSA.

The RSA 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 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 that will be noticed separately.

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.

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.

Project Description

The PSPP 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 administered 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. The project would use dry cooling 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.

If approved, project construction would begin in 2011, with commercial operation commencing in mid 2013.

Energy Commission Review Process

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. The Energy Commission is the lead agency under CEQA.

Because the project is proposed to be developed on land administered by the Bureau of Land Management (BLM), the BLM is reviewing the project as the lead agency under the National Environmental Policy Act (NEPA). The initial environmental review document for Palen (Staff Assessment/Draft Environmental Impact Study, SA/DEIS) was published jointly by the Energy Commission and the BLM on March 18, 2010. The final environmental review documents for this project will be published separately (the RSA for the Energy Commission staff and a Final EIS for the BLM).

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.

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.

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The status of the proposed project, copies of notices, an electronic version of the AFC, SA/DEIS, RSA, 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: _____

Original Signature in Dockets
ROGER JOHNSON, Siting Office Manager
Siting, Transmission and Environmental Protection
Division

Enclosure
Mailed to list: 7373 - Agency



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 8/27/10)

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DECLARATION OF SERVICE

I, Hilarie Anderson, declare that on September 21, 2010, I served and filed copies of the attached Notice of Availability, 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 Signed in Dockets
Hilarie Anderson