

CALIFORNIA ENERGY COMMISSION1516 NINTH STREET
SACRAMENTO, CA 95814-5112**DOCKET**
09-AFC-8

October 6, 2009

DATE 10/06/09

RECD. 10/08/09

TO: AGENCY DISTRIBUTION LIST**REQUEST FOR AGENCY PARTICIPATION IN THE REVIEW OF THE GENESIS SOLAR ENERGY PROJECT, APPLICATION FOR CERTIFICATION (09-AFC-8)**

On August 31, 2009, Genesis Solar, LLC, (applicant) submitted an Application for Certification (AFC) to the California Energy Commission to develop the Genesis Solar Energy Project (Project Genesis), a solar electric generating facility with a nominal net electrical output of 250 megawatts.

PROJECT DESCRIPTION

Project Genesis is a concentrated solar electric generating facility that would consist of two, independent solar electric generating facilities with a nominal net electrical output of 125 megawatts (MW) each, for a total net electrical output of 250 MW. The project would utilize solar parabolic trough technology to activate a heat transfer fluid. This heat transfer fluid provides a high-temperature energy source which is used to generate steam. As this steam expands through the turbine generators, electrical power is generated.

TRANSMISSION

A proposed new transmission line, along with a new access road and new natural gas pipeline will be co-located in one linear corridor to serve the main project facility. This corridor would exit the facility to the south and would be approximately 6.5 miles long. The generation tie-line would cross Interstate 10 (I-10), and tie into the Blythe Energy Project Transmission Line (BEPTL), which is currently under construction. The generation tie-line would use the existing pole structures of the BEPTL to interconnect with Southern California Edison's proposed Colorado River Substation.

WATER USE AND DISCHARGE

The Project proposes to use a wet cooling tower for power plant cooling. Water for cooling tower makeup, process water makeup, and other industrial uses such as mirror washing would be supplied from onsite groundwater wells. The AFC testing data indicates that the on-site groundwater is brackish, with high levels of totally dissolved solids. Project cooling water blowdown will be piped to lined, onsite evaporation ponds. After used project water has gone through the evaporation process, the solids that settle at the bottom of the evaporation pond will be tested by the applicant and disposed of in an appropriate non-hazardous waste disposal facility. When completed, Project Genesis will require a total of approximately 1,644 acre-feet of ground water per year to operate.

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.

The first step in the Energy Commission's review process is for staff to determine whether or not the AFC contains all the information required by its regulations. When the Energy Commission determines the AFC is complete, staff will begin data discovery and issue analysis phases. At that time, a detailed examination of the issues will occur.

Agency Participation

To ensure that the Energy Commission has the information needed in order to make a decision, the Energy Commission's regulations identify a special role for federal, state, and local agencies (See, Cal. Code Regs., tit. 20, section 1714, 1714.3, 1714.5, 1742, 1743, and 1744). As a result, we request that you conduct a review of the AFC and provide us with the following information:

- 1) a discussion of those aspects of the proposed site and related facilities for which your agency would have jurisdiction but for the exclusive jurisdiction of the Energy Commission to certify sites and related facilities;
- 2) a determination of the completeness of the list in the AFC of the laws, regulations, ordinances, or standards which your agency administers or enforces and would be applicable to the proposed site and related facilities but for the Energy Commission's exclusive jurisdiction;
- 3) a description of the nature and scope of the requirements which the applicant would need to meet in order to satisfy the substantive requirements of your agency but for the Energy Commission's exclusive jurisdiction, and identification of any

- analyses that the Energy Commission should perform in order to determine whether these substantive requirements can be met; and
- 4) an analysis of whether there is a reasonable likelihood that the proposed project will be able to comply with your agency's applicable substantive requirements.

The scope of your agency's comments on the AFC should encompass *significant* concerns, and substantive requirements that would be required for permitting by your Agency but for the Energy Commission's exclusive jurisdiction or certification. (Cal. Code Regs., tit. 20, section 1714.5, subd. (a)(2); emphasis added.) Please let us know if you need additional information or need to perform analyses or studies in order to resolve any concerns of your agency. (Cal. Code Regs., tit. 20, section 1714.5.)

Assuming that the proposed project is found to be data adequate on **October 21, 2009**, we request that all agency comments be provided to us by **December 14, 2009**, except for the Mojave Desert Air Quality Control District's Preliminary and Final Determinations of Compliance, which should be provided by **February 12, 2010** and **April 9, 2010**, respectively. You may be asked to present and explain your conclusions at public and evidentiary hearings on the project. (See Cal. Code Regs., tit. 20, sections 1714.3, 1714.5, 1743, 1744.5, and 1748). Local agencies may seek reimbursement for reasonable costs incurred in responding to these requests. (Cal. Code Regs., tit. 20, section 1715).¹

Enclosed is a copy of the AFC in electronic format (CD). If you would like to have a hard copy of the AFC sent to you, if you have questions, or if you would like to participate in the Energy Commission's review of the proposed project, please contact Mike Monasmith, Energy Commission Project Manager, at (916) 654-4894, or by email at Mike.Monasmith@energy.state.ca.us. The status of the proposed project, copies of notices, a copy of the AFC, and other relevant documents are also available on the Energy Commission's Internet web site at http://www.energy.ca.gov/sitingcases/genesis_solar. You can also receive email notification of all project related activities and availability of reports by subscribing to the Listserve at <http://www.energy.ca.gov/listservers/index.html>.

Sincerely,

Eileen Allen, Manager
Energy Facilities Siting and Compliance Office

Enclosure

¹ Please note that pursuant to 20 CCR 1715, reimbursement is not available to state and federal agencies.