

INFORMATIONAL HEARING  
BEFORE THE  
CALIFORNIA ENERGY RESOURCES CONSERVATION  
AND DEVELOPMENT COMMISSION

**DOCKET**  
**09-AFC-10**

DATE JAN 25 2010

RECD. FEB 22 2010

In the Matter of: )  
 )  
Application for Certification ) Docket No.  
For the Rice Solar Energy ) 09-AFC-10  
Power Plant Project )  
 )

BLYTHE CITY HALL COUNCIL CHAMBERS

235 NORTH BROADWAY

BLYTHE, CALIFORNIA

MONDAY, JANUARY 25, 2010

6:10 P.M.

***ORIGINAL***

Reported by:  
Martha L. Nelson, CERT

APPEARANCES

COMMISSIONERS

KAREN DOUGLAS

ROBERT WEISENMILLER

HEARING ADVISORS

RAOUL RENAUD

KOURTNEY VACCARO

APPLICANT

SCOTT GALATI, GALATI & BLEK

JOHN KESSLER, SOLAR RESERVE

TOM GEORGEIOUS, SOLAR RESERVE

MATT HELD, SOLAR RESERVE

ANDREA GRENIER, GRENIER AND ASSOCIATES

BILL GOULD, SOLAR RESERVE

STAFF

SUSANNAH CHURCHILL

PANAMA BARTHOLOMY

JAMES DAVIS, CEC

ALAN SOLOMON, CEC

ALLISON SHAFFER, BLM

ALSO PRESENT

ELIZABETH KLEBANER, CURE

LIANA REILLY, WESTERN AREA POWER ADMINISTRATION

APPEARANCES CONTINUED

ALSO PRESENT

BOB JENSEN

CHARLES HULL

JIM SHIPLEY

LEE HAVEN

ALFREDO MARTINEZ-MORALES

LARRY MCLAUGHLIN

DAVE LANE

1 BLYTHE, CALIFORNIA, MONDAY, JANUARY 25, 2010

2 PROCEEDINGS BEGIN AT 6:10 P.M.

3 COMMISSIONER WEISENMILLER: Good evening. Welcome to  
4 the meeting, those of you who have both been to the site visit  
5 today and those of you who have managed to come tonight. We're  
6 looking forward for an informative discussion tonight. And  
7 I'll now turn things over to the hearing advisor.

8 HEARING OFFICER VACCARO: Thank you. Again, for  
9 those of you who did not come at 5:00 p.m., just to make sure  
10 that we know what we're doing and why we're here, we're  
11 handling three different projects this evening, but we're  
12 starting with the Rice Solar Energy Project.

13 In just a second, so that everybody can see who we  
14 are, I want to make clear, we introduced quite a few people a  
15 few moments ago. I want to be clear that we understand who the  
16 committee is and who the parties are in this matter.

17 I am the Hearing Advisor in this matter, Kourtney  
18 Vaccaro. The presiding member is Commissioner Weisenmiller,  
19 and the associate member is Commissioner Douglas. The parties  
20 in this matter are the commission staff, who you've already  
21 been introduced to, and they will introduce themselves again,  
22 and the applicant. In this matter we do not have an  
23 intervenor. An intervenor was introduced a little earlier on.  
24 That was in the Blythe matter and in the Palen matter. Right  
25 now we only have two -- two parties, the applicant and the

1 staff.

2           Something that's very important for housekeeping,  
3 before we went on the Rice trip I think I admonished everybody  
4 that it's very important that if you have a comment, if there's  
5 something that you want to say that you want made known, if you  
6 have questions, please fill out the blue card, come to the  
7 podium and speak publicly. Submit something in writing so that  
8 we can get that docketed and have it distributed to everyone.  
9 It's very important that members of the public and, in  
10 addition, the parties don't try to have off the record  
11 substantive conversations with the commissioners or their  
12 advisors or me about any of these matters.

13           This is a full and fair proceeding, and we need it to  
14 be impartial, we need it to be transparent. So it's very  
15 important. We want your comments. We just want you to follow  
16 a process that ensures that everyone gets the benefit of a full  
17 and fair proceeding.

18           We have a few empty seats up here. I see a lot of  
19 people standing. If you don't want to stand, please come  
20 forward. I think we've got two in the front right-of-way, a  
21 few in the middle over there, if it's a little more comfortable  
22 for you.

23           Otherwise, it think what we're going to do is ensure  
24 that if you have a blue card. Jim Davis, our public liaison  
25 back there, if you can raise your hand. Please make sure to

1 legibly write your first name and last name and give your cards  
2 to Jim. And at the end of this we're going to go ahead and  
3 take public comment on the Rice proceeding.

4           So with that, since we've gone through the entire  
5 process already explaining why it is that we're here and what  
6 it is that we're intending to do, we'd like to go ahead and get  
7 started with an explanation of the project, and get a sense of  
8 what the issues might be and what the schedule is going to look  
9 like for this project.

10           So with that, Mr. Galati, if you'd like to go ahead  
11 and introduce your team.

12           MS. GALATI: I'm Scott Galati, representing  
13 SolarReserve.

14           MR. BENOIT: Jeff Benoit, a project manager with  
15 SolarReserve on the Rice project.

16           MS. GRENIER: I'm Andrea Grenier, permitting  
17 consulting, SolarReserve.

18           MS. GALATI: I'm going to introduce some people in  
19 the audience. And, guys, help me with your titles.

20           We've got Tom Georgeous (phonetic) from SolarReserve.

21           MR. GEORGEIOUS: I'm the vice president of development  
22 overseeing this project at the corporate level for  
23 SolarReserve.

24           MS. GALATI: And we have Matt Held from SolarReserve.

25           MR. HELD: I'm the director, project manager for

1 SolarReserve.

2 MS. GALATI: We have Vaughan Johnson.

3 MR. JOHNSON: Development manager of SolarReserve.

4 MS. GALATI: We have Andrew Wong.

5 MR. WONG: Senior development manager.

6 MS. GALATI: I think that was -- Scott Kaminski.

7 MR. KAMINSKI: I'm the senior project engineer. I'll  
8 be responsible for engineering of the project.

9 MS. GALATI: Okay. We have Bill Gould.

10 MR. GOULD: I'm the chief technology officer for  
11 SolarReserve.

12 MS. GALATI: Okay. And for any of you who want to  
13 know, there was a project in the '90s that Mr. Gould operated  
14 and worked on which used the molten salt technology here today.  
15 He'll be available after if anybody has any questions.

16 We also are supported by CH2M Hill, Doug Davy, and  
17 Bob Anders from WorleyParsons. And if -- did I miss anybody  
18 else from our -- from our team? Bob Gladden. And we have Sara  
19 Madas (phonetic) from CH2M Hill. I see her hiding behind Bill.  
20 Thank you for the opportunity.

21 MS. GALATI: Jeff, do you want to do your  
22 presentation?

23 MR. BENOIT: Okay.

24 MS. GALATI: Do you want to go up there or use the  
25 clicker from down here?

1 MR. BENOIT: Yeah. This is --

2 HEARING OFFICER VACARRO: And again, just before you  
3 start your presentation, for those of you who don't -- didn't  
4 understand why we're not using microphones, for some reason or  
5 other the system isn't working. So we're trying to project as  
6 best we can to make sure that everyone can hear it.

7 MR. BENOIT: Good evening. My name is Jeff Benoit.  
8 I'm the project manager for SolarReserve on the Rice Solar  
9 Energy project. I'd like to thank Commissioner Weisenmiller  
10 and Commissioner Douglas, and Hearing Officers Vaccaro and  
11 Renaud for the opportunity, the Bureau of Land Management and  
12 Western for the opportunity, and the public. Hopefully we'll  
13 be able to give you a presentation of -- of our project.

14 I will be managing the project for -- for  
15 SolarReserve. And we -- we look forward to presenting to you  
16 our technology, our background, and some of the people who you  
17 just met in the -- in the audience here that will be supporting  
18 me in my role trying to get this project underway. Okay.

19 So in a sense, who are we? We are SolarReserve.  
20 We're a California based company located in Santa Monica. And  
21 we have what we believe to be a market leading technology for  
22 renewable energy that primarily will allow us to store energy  
23 of the sun and use that energy in times when the sun is not  
24 shining. We've been around for a few years, since 2007. And  
25 the company, a lot of the individuals who are not here tonight



1 are also represented as veterans -- veterans in the industry.

2 And we're backed by a consortium of some financial  
3 people who are backing us with seed money right now to get --  
4 get these projects off the ground, most notably, the US  
5 Renewables Group.

6 Our technology, which is very important, is being  
7 developed and has been developed mostly by the people from  
8 Rocketdyne. They relocated in Canoga Park, and they're a  
9 subsidiary of both Pratt & Whitney, and ultimately united --  
10 United Technologies Corporation. We have an exclusive  
11 worldwide license for the technology, and that's probably one  
12 of our -- our best assets, as you'll see as we go through the  
13 presentation.

14 The team is, again, consistent of -- of -- of many  
15 people that aren't here who have backgrounds in clean -- clean  
16 energy with wind energy and others in the past, and has a  
17 substantial amount of megawatts already with that -- that group  
18 behind us.

19 We're -- we're developing as many as 20 projects  
20 right now, most notably in California, Arizona, Nevada, and  
21 also one -- one project in Spain at Cinco Casas (phonetic). So  
22 we're -- we're well on our way. And this -- this project is  
23 one of the most mature. We're certainly looking forward to  
24 moving it forward.

25 Okay. On the technology, a little bit more detail,

1 we're going to be able to get our energy from the sun and, as I  
2 mentioned earlier, be able to store that energy and deliver it  
3 to the grid on demand. So primarily when the sun is not  
4 shining we should still have the ability to bring -- bring that  
5 electricity to the grid, which will make us stand -- stand  
6 apart in many of the technologies.

7           How do we do that? We have a process where we use  
8 liquid salt, various grades of salt that will be heated to as  
9 much as 1,050 degrees. And then that salt is stored and it can  
10 be used to generate electricity in a typical way by generating  
11 steam and then a typical combined steam process.

12           So we have, again, Rocketdyne, who is located in  
13 Canoga Park. They've -- they've been doing this upfront work  
14 on the technology for literally years now. And if you haven't  
15 heard of those folks they were -- they were the people who were  
16 working on the Apollo rockets and put the men on the moon,  
17 and -- and the space shuttle program, and the International  
18 Space Station that's running now I guess has certain components  
19 that are also attributed to that -- that technology. So we --  
20 we feel that we have a solid backing, the technology is with  
21 us, and we hope that this also will be able to put us at the  
22 forefront.

23           And -- and again, being a US company we -- we intend  
24 to keep -- keep the technology and the -- and the business  
25 in -- in the US primarily, so it will be bringing the money

1 back home hopefully. Okay.

2           So a little bit of background about Solar -- Solar  
3 II. Solar II was a pilot project that was put online back in  
4 the '90s, and it was in Barstow. The -- it was a ten -- ten  
5 megawatt pilot plant -- pilot plant, 1996 to 1999. And it had  
6 a demonstrated ability to operate even after the sun -- sun was  
7 down to shift the load when needed.

8           There was a little quotation from a DOE brochure from  
9 back in 2000. And -- and they -- they say that after three  
10 years of operating, lifetime daily operation of Solar II became  
11 relatively routine with various performance records broken on a  
12 fairly regular basis. So we do have some history here and  
13 we're -- we're looking at developing this technology to  
14 supercede, obviously, the -- the early stages.

15           Technically there's a real -- real simplistic PFD, I  
16 guess, if you will. And I'm going to break this up and go  
17 through it real quickly. But starting from the left we have a  
18 number of heliostats, heliostats being a fancy term for mirrors  
19 that are located in a circular pattern around the central  
20 tower. In our case they -- we -- we're looking at almost about  
21 17,000 to 18,000 of these -- of these heliostats, so it's quite  
22 a substantial installation.

23           Those heliostats will be mobile during the day.  
24 They'll -- they'll follow the sun. They will concentrate the  
25 sun's energy onto what we call a receiver. The receiver sits on

1 the top of a central tower. And moving to the right slightly  
2 you'll see that there are two storage tanks. Storage tanks are  
3 consisting of what we call a hot storage tank and a cold  
4 storage tank. In fact, the cold storage tank is about --  
5 contains liquid salt about 550 degrees, where the hot storage  
6 tank is liquid salt at 1,050 degrees. So it's a closed  
7 process. Pumps take the cold salt up into the receiver. The  
8 sun heats that salt. Hot -- hot liquid salt comes back down  
9 into the tank.

10           And then from there it becomes pretty much a typical  
11 traditional steam generation system. Steam -- steam is  
12 generated through a number of exchangers into -- from the salt  
13 and then is driven -- drives a turbine. And the generator and  
14 then the electricity is -- is produced that way.

15           So the right side of the -- of the PFD is pretty --  
16 pretty typical. The left is our unique technology, and that's  
17 what, you know, we're -- we're excited about bringing to the  
18 market.

19           This slide, again, shows some of the -- some of the  
20 technical aspects of the -- of the work we're doing. You know,  
21 we -- we like to use so many terms. We're decoupling  
22 electricity generation from energy collection. The -- the  
23 little slide on the right shows that energy -- when the energy  
24 is being collected from the sun. The sun is out roughly  
25 between, you know, eight in the morning, nine in the morning,

1 until four o'clock in the afternoon. However, we -- we're able  
2 to generate electricity by shifting, you know, left to right,  
3 even after the sun goes down. So that -- that really is -- is  
4 one of the -- you know, the asset that we bring here.

5           This particular project, the characteristics that are  
6 unique to this project, we're looking at 150 megawatt plant.  
7 That would be typical production. Sustainable energy. In  
8 other words, we can produce 150 megawatts on a constant basis,  
9 again, while -- while the sun is out or not. We feel this is  
10 highly predictable and dependable fuel supply. It's a 95  
11 percent availability in the location that we're planning to  
12 locate. It's 100 percent dispatchable when -- when it's  
13 necessary. When -- when someone has a demand we can produce  
14 that electricity and get it online and onto the grid.

15           We're using dry cooling. We plan to use dry cooling  
16 and to minimize our groundwater usage substantially from the  
17 original initial engineering. We estimate not -- not to exceed  
18 180 acre feet, and that's probably on the high side.

19           We've executed a power purchase agreement with PG&E.  
20 We have a contract in place with them. We have a customer, and  
21 that was a bid hurdle that we overcame and -- and signed off  
22 just before Christmas this year. So it's another big milestone  
23 for this particular project.

24           We're in the second state of the DOE loan guarantee  
25 program. We've already crossed the first hurdle. And this

1 particular loan guarantee program is for technologies that are  
2 unique. So DOE has entertained our first round. They have  
3 indicated that they like what they see, that there is some  
4 uniqueness to our -- to our technology, and we're moving into  
5 the second round. So we're -- we're excited about  
6 participating in the DOE loan guarantee.

7           And we're also interested in getting some ARRA  
8 funding which we, you know, again, hope that the commission  
9 will work with us and move this up on an expedited basis so  
10 that we can fit into some of the milestones necessary there.

11           Particularly on the project location, for those of  
12 you who were on the bus today you've got a pretty good idea of  
13 where -- where we're going to be set up, and just some -- some  
14 of the specifics about the project. We have a land holding of  
15 about 3,300 acres. And I want to indicate right off the bat  
16 that this is not BLM land, it's private land. It's land that  
17 was previously disturbed. It was an army airbase during World  
18 War II. So we -- we feel like with the private land we have  
19 some distinction here. It's 3,300 acres that we will  
20 eventually end up owning. Approximately 1,500 acres of that  
21 land will be used for the solar facility, per se. The  
22 previously disturbed site is a former army airbase at Rice.  
23 And it was a private airfield, from what I'm told, that was  
24 abandoned in 1958.

25           It's a remote location. The nearest sensitive

1 receptor is about 15 miles away at Vidal Junction. We think  
2 that the site is ideal for development. The topography is very  
3 level. It's going to be easy to build on. So we -- we don't  
4 have any particular problems with the topography from a  
5 construction or development point of view.

6           Transmission-wise, we are -- we're looking at ten  
7 mile transmission line from the power block, primarily across  
8 BLM land to the Western power line, which runs down toward --  
9 towards Blythe. So that will be a ten -- ten mile line off the  
10 power block. Okay.

11           The central receive tower is located about a mile  
12 south of State Route 62. So we -- and we did have some  
13 balloons that were in place today for those who were on the  
14 site to give an indication of the distances that we're talking  
15 about. The solar field will be about two miles in diameter  
16 with the -- with the power tower somewhat in the middle, about  
17 almost a mile off the road. So it's not going to be real  
18 evident right -- right in front of you in the -- from the  
19 roadway.

20           We don't believe it's located in any critical habitat  
21 areas, those being defined by certain parameters that are  
22 published.

23           And also, recently we've got a determination from the  
24 FAA that there's no hazard to air navigation.

25           Here's a site map which will give you an indication,

1 if you're not real familiar with the territory. The -- the red  
2 star is where we're -- we're planning to locate. It's  
3 considerably out in the middle of nowhere and not too far,  
4 let's say about 15 miles from Vidal -- Vidal Junction.

5           This -- this slide I wanted to put in here because it  
6 can give you an indication from an overhead that there was --  
7 where the star is there -- there were some runways that were  
8 located, again, during World War II. They're -- they're  
9 located about 90 degrees to each other. I guess depending on  
10 which way the wind was blowing. But it is a disturbed site in  
11 the sense that it is not pristine. And we believe it's going  
12 to be easy -- easy to build on. And it's a good shot of where  
13 we're at. Okay.

14           Our next slide deals with the transmission line. And  
15 again, this is our proposed route, the new ten mile long  
16 transmission line across BLM managed lands to interconnect with  
17 the Western -- and I think if my pointer -- okay. There's  
18 the -- there's the Western line that we hope to -- to tie into.  
19 We'll have a little station here, a new connection station at  
20 the end of that ten mile terminus.

21           This is an architectural rendering of -- of what this  
22 facility will look like once it's completed. And again, we're  
23 looking at about a two mile diameter across that heliostat  
24 field. There are about 17,500 of those mirrors. The mirrors  
25 about 24 feet, 30 feet by 30 feet. So they're a pretty --



1 pretty good size, not very small mirrors. And there's enough  
2 of them to cover the two mile diameter.

3 Oh. Okay. For -- for those who were with us today  
4 here is State Route 62. We came -- we came in on the bus to  
5 this little pad here, which I believe was the parade grounds  
6 during General Sherman's army days. And so that -- that will  
7 give you a sense of where we were. And we -- we had the  
8 balloons set up so you could see that this is about a mile off  
9 the roadway. And we had some other balloons at the perimeter  
10 of the -- of the circle. Thank you.

11 UNIDENTIFIED MALE: Patton.

12 MR. BENOIT: Patton?

13 UNIDENTIFIED MALE: (Off mike.) Yeah. Sherman  
14 wasn't (inaudible) during the war.

15 MR. BENOIT: Okay. I'm from Boston originally. What  
16 can I tell you. Thank you. Okay.

17 The economic benefits, we're getting close to the end  
18 of the presentation, and this, I guess, we saved some of the  
19 best for the last. But basically, we're looking at roughly  
20 \$800 million capital investment on the project. We're -- we're  
21 anticipating about 450 construction jobs over a 30 month  
22 construction period. And then during operation 50 jobs on a  
23 continuing basis at the plant. We estimate there will be a  
24 \$600 million annual operating budget once the plant is  
25 operating, and most of that would be spent in the local area to

1 support the operation of the plant.

2           We estimate we'll contribute about \$17 million of  
3 sales tax during construction. And on a per year basis about  
4 85,000 per year in sales tax during operations. Property tax,  
5 approximately 210,000 per year in revenue.

6           And I guess in a final -- final note, we believe the  
7 Rice Energy Project will enhance the local economy by  
8 generating additional tax revenue, creating new jobs, and  
9 boosting revenue for local businesses.

10           So with that there's some contact information. And  
11 that concludes my -- my presentation.

12           HEARING OFFICER VACARRO: Thank you.

13           MR. BENOIT: You're welcome.

14           HEARING OFFICER VACCARO: Are you going to continue?  
15 Do you have others from -- that are going to speak --

16           MS. GALATI: That's it.

17           HEARING OFFICER VACARRO: -- at this point?

18           MS. GALATI: That's it.

19           HEARING OFFICER VACARRO: Okay. I think what -- what  
20 I'd like to do is to -- to go ahead and move forward with  
21 staff's discussion right now of issues that have already been  
22 identified. And afterwards we'll go ahead with committee  
23 comments during that discussion, and public questions and  
24 comments afterwards that the applicant can answer at that time.

25           But, John, before we move forward, so that you

1 reintroduce yourselves, I want to backtrack a little bit to let  
2 everybody know what we're doing next. When this hearing was  
3 noticed in early January we put a very important feature in the  
4 notice. In addition to letting everybody know that we're  
5 having this hearing, that we're going out on a site visit, we  
6 also asked staff to publish, so that we could have available  
7 for discussion tonight, an issues identification report, which  
8 is a very important document because it allows the applicant,  
9 the committee and the public to know at this juncture what are  
10 the things that staff has identified as being potential issues  
11 that are going to be requiring a resolution as this process  
12 moves forward. We're going to discuss those in just a moment.

13 But in addition to that we're going to talk about the  
14 schedule and how this is going to proceed over the course of  
15 the next year.

16 So I'm going to turn it over to staff to begin with  
17 the issues identification report. The committee may very well  
18 chime in with questions. Again, that's not the time for public  
19 comment and questions. We'd like that to happen at the every  
20 end.

21 So with that, John, if you'd go ahead and reintroduce  
22 yourself and then get us started.

23 MR. KESSLER: I got to show off my adeptness at one  
24 of those little touch pads. I hope you guys are more talented  
25 than I at -- at using those.

1           I'm John Kessler, the project manager, representing  
2 the staff. There's a few more members of the staff on our team  
3 that will be focusing on the Rice project that I'd like to  
4 introduce to you.

5           First, Terry O'Brien is the deputy director of  
6 our siting, transmission and environmental protection division.  
7 Eileen Allen in the back here is our manager of project  
8 management and compliance. So she has both Alan and I and a  
9 bunch of other project managers who deal with the certification  
10 side of the projects, as well as the compliance end once the  
11 project is approved by the commission as it moves into  
12 construction and follow through its -- its life, through  
13 operation and decommissioning. We have Deborah Dyer who's our  
14 staff counsel here in the front. Shaelyn Stratton who is to be  
15 helping us with land use. Scott White, our biologist here in  
16 the back. And we have Susanne Finney. Where did you go  
17 Suzanne? All right. You're going to spread me out here. All  
18 right.

19           Let's see. So the purpose of the -- the issues ID  
20 report is really to inform participants of the potential  
21 issues, provide an early focus, and -- and know that it's --  
22 it's -- it's not a limiting process. It's -- it's something  
23 that -- it's something that -- that could change, evolve over  
24 time as we learn more about the project. Thank you.

25           The criteria that we use to identify issues as other

1 significant impacts that we foresee that may be difficult to  
2 mitigate, are there -- as a project that's currently proposed  
3 are there potential nonconformance issues with LORS or --  
4 excuse me, we call them LORS, but it stands for laws,  
5 ordinances, regulations and standards. So it could be in  
6 conformance with county regulations and the general plan. It  
7 could have to do with state, federal laws and regulations, as  
8 well, you know, or potential conflicts or issues that we see as  
9 taking a lot of time to resolve that could effect the project  
10 schedule. So those are the main categories.

11           Our four issues that we have identified for the Rice  
12 project are biological resources, soil and water, transmission  
13 system engineering and visual resources.

14           First with bio, letting you know that the desert  
15 tortoise is a state and federally listed species. We do know  
16 it's present on the site. We don't know a whole lot about  
17 its -- its population and so on. But that's something that  
18 there will have to be mitigation to develop. But mitigation  
19 can often be something that has to be very carefully  
20 coordinated with state and federal agencies, California  
21 Department of Fish and Game, our own staff, ultimately the  
22 commission decision, US Fish and Wildlife Service, Western, and  
23 BLM all will be involved in -- in crafting what we feel are  
24 the -- is the habitat value of the site and what is the  
25 appropriate mitigation to offset the -- the loss to desert

1 tortoise.

2           On the bio side we also see a need for additional  
3 surveys. This could include spring surveys for desert tortoise  
4 related to the relocation-translocation area. So normally when  
5 you fence off the project site you're looking at having to  
6 assume that the site is going to be subject to disturbance and  
7 subject to mortality to the tortoise. So you have to look at  
8 moving them to a site in equal or better habitat.

9           And so in order to support that we need to know that  
10 the habitat is going to be of a nature that provides the  
11 vegetation, the forage food for the tortoise, something that  
12 they can continue to survive on. And also populations that  
13 don't compete with existing populations, so they have to sense  
14 for the -- the carrying capacity of that proposed area. But  
15 generally we try to make that as close to the project site  
16 as -- as possible so that it helps them adapt to something in  
17 their locale.

18           We also see that there may be a need for looking at  
19 special status plants. Now the applicant did perform surveys  
20 during the spring season. There may be a need to look at those  
21 that would be evident during the summer season. So this is  
22 something we'll have to study a little bit more and something  
23 that could come into the schedule overall considering when we  
24 want to incorporate that information into our document.

25           The next topic we kind of call potential design

1 optimization. But as many of you saw that there are some dry  
2 washes or ephemeral drainages that primarily come alive when it  
3 rains hard in the desert. And the current proposal is to,  
4 basically, head off those -- that drainage and move it from the  
5 north incoming, there's water coming on to the site from other  
6 land above it, north of it, and move it to the sides, on the  
7 east and west sides, and then allow it to move to the south in  
8 that general direction.

9           Some of the tradeoffs of that are what are the  
10 functions and values of those streams for supporting other  
11 vegetation and other wildlife. Certain vegetation can grow in  
12 streams where other -- other status plants can not, and that  
13 supports birds and other types of wildlife. So we need to know  
14 that -- a little bit more about to what extent are there values  
15 with those existing drainages and is there a need to maintain  
16 water through those courses as it runs currently, rather than  
17 necessarily being diverted around the site.

18           We also have, under the proposal, evaporation ponds.  
19 And whenever you have waste water going to an evaporation  
20 pond -- I don't think this is -- this -- we're not talking  
21 about hazardous waste, we're just talking about water that's  
22 concentrated and salts and so on -- when it has a chance to  
23 evaporate it also creates an environment that could be  
24 difficult or even cause mortality to birds. There's ways to  
25 design around that, netting, steep sides to the ponds and so

1 on, which we can explore. But that's something that we'll have  
2 to kind of fine tune in our -- hopefully our discussions and  
3 our analysis of staff.

4           There's also a number of permit applications and  
5 draft protection plans that we like to see as staff that help  
6 us in our analysis establish that there's enough foresight  
7 recognition of the potential impacts are, and that there is a  
8 concept for mitigating so that we can conclude and represent to  
9 our committee and commission that we feel that the project can  
10 fully mitigate its impacts.

11           These include things like the -- the coordination  
12 with, say, California Department of Fish and Game. There will  
13 be a streambed alteration agreement application. There will be  
14 an incidental take permit application related to effecting the  
15 desert tortoise. There will be a biological assessment that  
16 the applicant prepares and moves on to BLM and Western that  
17 eventually gets transformed by Fish and Wildlife through  
18 consultation to a biological opinion. Those are the kind of  
19 things that will need to be prepared, and they are time  
20 consuming and could effect schedule.

21           But we feel with our experience on some other  
22 projects that we can help support the applicant with an  
23 efficient level of preparation, as well as their environmental  
24 consultant, CH2M Hill has -- has a common place with some other  
25 projects that have already been through that. So I think



1 that's really going to help in this process too.

2           On the soil and water side there's some overlap with  
3 what I discussed on bio. But again, the -- when you relocate  
4 the natural drainages you disrupt the natural surface flows.  
5 There is some consideration. And -- and normally our rule of  
6 thumb with storm water is that we don't want the developed  
7 condition of storm water volumes and the rate of that flow to  
8 exceed the predeveloped condition. But in cases where you  
9 don't have a terminal point, say it's in a river system  
10 where -- where that water can really concentrate and cause  
11 downstream flooding, it may not be so much of an issue. It  
12 might be one where we can allow pass through and not even  
13 require storm water detention. So that's something that --  
14 that we'll be looking at.

15           Currently the project does propose storm water  
16 detention, which basically is just a pond that allows it to  
17 capture and lessen the -- the flow and hold it temporarily and  
18 pass it through the system in kind of a delayed manner.

19           The other is we want to look at the potential for  
20 scour and effects on heliostats -- this is something we've  
21 learned with another project preceding Rice -- that in the  
22 event that the velocities associated with the storm water  
23 through these dry washes, ephemeral drainages, are of a high  
24 enough velocity and a high enough flow rate they can actually  
25 scour the pylons that support the mirror elements. And that

1 can cause failure to the system. That can cause glass and  
2 other debris to be carried downstream.

3           So we want to make sure that there's a factor that's  
4 considered as to what is the potential for scour. If it's high  
5 is it something -- it doesn't mean you can't design for that.  
6 It just means you have to put your pylons a little bit deeper.  
7 You have to have a system for monitoring it and so on. So  
8 that's the kind of thing we'll be looking at for that concern.

9           The transmission system engineering issues really  
10 boils down to a system impact study, which is already underway.  
11 So we just don't have that in hand. That's the only reason we  
12 list it here. But that boils to for the connection to the  
13 Western Area Power Administration we need to look at the effect  
14 of this additional 150 megawatts of generation feeding into  
15 their system.

16           And the result of that is that it can sometimes cause  
17 loading or overload into a conductor's actual wires on the  
18 transmission system. It can effect the substations downstream  
19 in terms of the loaders on transformers that are switch gear.  
20 It can sometimes require special protection systems be included  
21 so that -- and it looks at a number of contingencies, so that  
22 if you lose load over here in this line and all of a sudden it  
23 causes a greater overload in the main line it's feeding into,  
24 where the cumulative effects of all that.

25           So that's a study that's underway. We understand

1 from Liana that that is soon to be done in the next month or  
2 so. Once we have that I think that issue will be put to bed.

3           And on visual resources, I think most of you caught  
4 the point that the -- the heliostats are among the -- those in  
5 the field are 28 or so feet high. We also have a 653 foot high  
6 central solar power tower which is collecting and receiving  
7 the -- the reflection off the -- off the heliostats. And  
8 that's certainly going to be an intrusion to the natural  
9 landscape. We have to look at what is the potential  
10 significance of that.

11           One of the things that we normally have with -- have  
12 used in a tool in our gas fired power plants that we have  
13 licensed in the past that have lower profile structures are  
14 screening tools, vegetation, fencing and so on, or actually  
15 changing the profile in terms of sinking the elevation of the  
16 project within a basin so that you can kind of have berms built  
17 up around the sides. As you can guess, for a 653 foot high  
18 tower that won't be an option for us. We can't make that  
19 change in the landscape go away. It's also going to be glowing  
20 and look a lot like a sun when it's operating by day. So it's  
21 something that will be, you know, certainly noticeable.

22           And so that's something that we'll be looking at the  
23 effects of and -- and trying to determine what is that -- what  
24 is the significance in terms of the natural environment and  
25 other potential projects that may develop in the area, and what

1 are our options for trying to mitigate that.

2 I'll move into the schedule.

3 HEARING OFFICER VACCARO: John, can I interrupt,  
4 please?

5 MR. KESSLER: Yes.

6 HEARING OFFICER VACCARO: Because, you know what,  
7 that was an awful lot of information and it was really helpful  
8 and good information. I'd like if we could go ahead and just  
9 stick with the issues right now --

10 MR. KESSLER: Sure.

11 HEARING OFFICER VACCARO: -- and maybe hear from the  
12 applicant. And -- and I know you identified them as potential  
13 issues and --

14 MR. KESSLER: Yes.

15 HEARING OFFICER VACCARO: -- things that you're  
16 waiting for and the like. But I'm thinking maybe before we get  
17 to the schedule let's talk a little bit about what sense you  
18 have of the issues that have been raised. And I know the  
19 committee has a few questions, as well, regarding the issues.  
20 Thank you.

21 MS. GALATI: Yeah. First of all, I think we'd --  
22 we'd agree that -- that many of the issues that are raised are  
23 issues that we're going to have to work on. I would point out  
24 that from a biological perspective these are the same things  
25 that -- that all of the projects are facing. These are not

1 unique to the Rice project.

2           What is unique to the Rice project, though, is that  
3 it's private land and it's previously disturbed.

4           Another thing that is unique to the Rice project, and  
5 you may have seen, is it at one point in time had the storm  
6 water diverted around the site. And there's been a slight  
7 breach over one side of that. If you look at our plan, our  
8 plan is to pretty much restore that.

9           So I think what we do have here at the Rice project  
10 is something that might even be more easily solvable than some  
11 of the projects in the larger washes that staff has struggled  
12 with in the past.

13           The second thing is I -- I would point out that we  
14 have done all of our protocol surveys for all of our  
15 disturbance areas. And again, what we believe is that there's  
16 very, very low quality towards habitat. The desert tortoises  
17 that were found were primarily on the transmission line, which  
18 is going to be a temporary disturbed area. We are right next  
19 to a desert wildlife management area. That would be the area  
20 that BLM was able to do it. If Fish and Game agree with us we  
21 would like to relocate the tortoises right there along the  
22 transmission line. We think that's a simple, easy solution,  
23 and very similar to some of the things that was done in the  
24 Blythe I and Blythe II project.

25           I think that the -- the committee has heard me speak

1 before about whether or not all of these different applications  
2 and plans are required at this stage. Again, I would try to  
3 expand on a little something that I have been saying, which is  
4 we believe that staff can adopt performance standards, as  
5 opposed to requiring some of these detailed plans up front.  
6 We're certainly going to prepare them if they ask, but we would  
7 like staff to consider some performance standards for some of  
8 these plans. We have management control plans, we have  
9 management plans. We certainly can.

10 But we don't believe that staff needs to review each  
11 and every one of these plans to get a draft out. And -- and --  
12 and when we come to the schedule we'll -- you'll see that we  
13 have shrunk staff's with that -- with that in mind.

14 Again, soil and water resources are one of the things  
15 that -- that -- it -- I'm not sure that we agree that there is  
16 potential scour. I -- I will tell you this, it is in the  
17 applicant's best interest, always, to protect their \$800  
18 million worth of equipment that they put on the ground. And we  
19 have WorleyParsons, a design engineer. And we have a licensed  
20 technology from Rocketdyne. We -- whatever the depth of that  
21 foundation is during final design will take into account all  
22 kinds of things, including scour potential.

23 So we'd be more than happy to work with staff and let  
24 the engineers talk and figure out whether or not we've been  
25 able to get to that level yet. We understand that it has come

1 up in other projects, so we think it's right that staff  
2 consider it. But we think that this is an easily solvable  
3 problem, even if it is an engineering solution or deep into the  
4 bio.

5           Last, with the transmission system engineering, I'd  
6 just like to remind the -- the commission that the commission  
7 has gone down this path before. When it comes transmission --  
8 and I know that the scale of the project is somewhat -- is  
9 larger than the commission is used to. But we have two  
10 projects right down the street, one built, one licensed. Both  
11 those projects were joint BLM, Western and Energy Commission  
12 projects. I will tell you that the Blythe I project we're very  
13 proud of which was -- it was licensed within 12 months.

14           We have been working with Western for quite some  
15 time, and we've been working with BLM most recently. And we  
16 believe that the model to follow is very similar to that. We  
17 think that we're glad to have from the transmission system  
18 engineering perspective Western be pretty much our lead agency  
19 and -- and co-lead agency and partner because they are doing  
20 that study, which I think -- which I think is -- is going to be  
21 helpful. Hopefully we'll have it a month. And I think we  
22 might be ahead of some projects from that perspective.

23           From a visual resource perspective it's a tall tower.  
24 You will see this facility. And it depends on what you  
25 determine as a threshold of significance. That's we'll

1 continue to work with staff. We believe that if you're going  
2 to locate a tall tower you should be in a remote location.  
3 And -- and we have selected a remote location for that purpose.  
4 And we're surprised to see that it's possible that because it's  
5 remote it's even maybe less acceptable.

6 But we're happy to roll up our sleeves, work with  
7 staff. We're not going to be able to screen it and it will be  
8 seen. So that might be something for the committee to decide  
9 at some point in -- in the future.

10 But, again, as -- as a working relationship with  
11 staff, if we disagree on that particular point, whether it's an  
12 impact or not, we don't think they should continue to hold up  
13 the process. We'll just move on through and -- and -- and --  
14 and let you decide whether that -- that tall tower is something  
15 that's acceptable to you.

16 Those are my quick summary of the issues. We think  
17 that they are imminently solvable and -- and look forward to  
18 getting data requests and working with staff on them.

19 HEARING OFFICER VACCARO: Okay. Commissioners?  
20

21 COMMISSIONER WEISENMILLER: Sure. I -- I have just a  
22 couple of questions.

23 The first one was actually just a suggestion. On  
24 page 13 when you go through the project economic benefits --

25 MS. GALATI: Uh-huh.



1 COMMISSIONER WEISENMILLER: -- it may help to also  
2 include any estimated payroll taxes, both on manufacturing and  
3 operation, when you go through the economic benefits.

4 More on the substantive side of stuff, as I  
5 understand it your -- your -- the timeline you're proposing or  
6 schedules, based upon you want the possibility of getting the  
7 ARRA funding, which means, at least under the current law, that  
8 you have to start construction this year.

9 MS. GALATI: That's --

10 COMMISSIONER WEISENMILLER: That's correct?

11 MS. GALATI: That's correct. There is also a safe  
12 harbor provision of being able to spend enough money --

13 COMMISSIONER WEISENMILLER: Right.

14 MS. GALATI: -- by the end. Of course, we would not  
15 be spending the money without a permit, which could get us a  
16 safe harbor provision.

17 And again, just jumping ahead to that issue, we  
18 recognize that staff is overburdened. All we're asking the  
19 committee to do is to not adopt the schedule that precludes  
20 ARRA funding. If we are successful, if we solve these issues,  
21 if we make it easier for your staff, if we -- we want the  
22 possibility of getting a license by the end of the year.

23 COMMISSIONER WEISENMILLER: Yeah. Is this project  
24 going to be project financed or is on a balance sheet?

25 MS. GALATI: It's project financed, and we are

1 cooperating, as you heard before, with the DOE loan guarantee.

2 COMMISSIONER WEISENMILLER: Okay. And that's the 205  
3 loan guarantee --

4 MS. GALATI: I'm going to ask.

5 COMMISSIONER WEISENMILLER: -- or the more recent  
6 one?

7 MS. GALATI: Probably I have somebody who knows a lot  
8 more about that than me if you have more questions about that.

9 Matt or Tom?

10 MR. HELD: Yeah. The Department of Energy loan  
11 guarantee program for innovative technologies --

12 MS. GALATI: Hang -- hang on a second, Matt. If you  
13 could come up to the microphone so we can record it. Thanks.

14 MR. HELD: The microphone that's not working?

15 MS. GALATI: Yeah. But that one actual works because  
16 she records it.

17 MR. HELD: Terrific. Matthew Held, SolarReserve.  
18 The Department of Energy Loan Guarantee Program, Section 1703  
19 for innovative technologies is a loan guarantee support that  
20 will help us attract private sector loan financing.

21 COMMISSIONER WEISENMILLER: Now I assume to get the  
22 project financing closed by the end of the year you're going to  
23 need to have the transmission -- or a transmission agreement in  
24 place. What -- what do you need from WAPA and by when to meet  
25 your schedule?

1 MS. GALATI: Well, I think the first stage is our  
2 system impact study.

3 And maybe, Matt, you can describe after the system  
4 impact study the next study that we do, an --

5 MR. HELD: Yeah.

6 MS. GALATI: -- interconnection agreement.

7 MR. HELD: The system impact study will be complete  
8 in preps about 90 days by Western. And we'll have about a 30  
9 to 60 day window after that to move into a detailed facilities  
10 study process. And that's, again, up to Western to set the  
11 timeframe for that. But typically probably three to six months  
12 to complete the detailed facilities study. We had very  
13 positive indications from the initial feasibility study that  
14 Western presented to us some months ago that we would not be  
15 facing re-conductoring or any significant impacts but, again,  
16 subject to validation in the system impacts study.

17 MS. GALATI: And Commissioner Weisenmiller, what has  
18 been the practice prior to the Cal ISO cluster studies was a  
19 system impact study was sufficient to get your license.

20 COMMISSIONER WEISENMILLER: Right.

21 MS. GALATI: And you would get a condition requiring  
22 a detailed facilities study and an interconnection agreement,  
23 and proof that you have paid for those --

24 COMMISSIONER WEISENMILLER: Right.

25 MS. GALATI: -- before you build the transmission

1 facilities. So you could start construction without the  
2 transmission facilities without that agreement in place.

3 COMMISSIONER WEISENMILLER: Yeah.

4 MS. GALATI: It's probably something we wouldn't do  
5 because of our financing, but it is possible.

6 COMMISSIONER WEISENMILLER: Yeah. I just want it to  
7 be clear that if -- if it turned out that the Energy Commission  
8 was not the critical path item that to really close financing  
9 you actually had to have a signed interconnection agreement  
10 with WAPA. And if you could not achieve that, you know, by the  
11 end of the year then, obviously, we would want the notification  
12 so we could adjust our schedule so we would not, you know,  
13 putting the staff under more stress than they need at this  
14 stage.

15 MS. GALATI: You bet, and I think that's fair.

16 COMMISSIONER WEISENMILLER: Okay. I did notice in  
17 terms of the schedule, the other question which -- obviously,  
18 I'm a chemist, not a biologist. But as you're struggling with  
19 how to deal with the summer flower surveys question, the  
20 question is: Is there any possibility that there's any Landsat  
21 data that might help clarify that?

22 MS. GALATI: You know what, Commissioner  
23 Weisenmiller, I'm -- until I saw the staff's issue  
24 identification report I didn't know that that was an issue. I  
25 thought that we performed our protocol level surveys during the

1 appropriate timeframe. So I'm assuming in the data requests  
2 that we will get more information about what surveys  
3 specifically. We might have somebody here who knows more about  
4 that issue.

5 COMMISSIONER WEISENMILLER: Yeah. I don't -- I don't  
6 think that was in the issues report. But anyway, that struck  
7 me that could really have -- effect your schedule. So we may  
8 need some creativity on adjusting that.

9 MS. GALATI: Great. And one of the things I'd -- I'd  
10 offer staff is to the extent that there is -- is some concern  
11 over some plants that may not have been picked up in the  
12 survey, I think that it is legal and appropriate to assume  
13 presence for purposes of getting a draft document out, and then  
14 finalizing that during the final part of the case and  
15 determining whether it is or not. So this is the areas that I  
16 was talking about the other day, about assuming an impact and  
17 allowing the dialogue to continue, that would be an area we  
18 would -- we would support.

19 COMMISSIONER WEISENMILLER: Okay. So basically,  
20 worst case assumption, until the data come in?

21 MS. GALATI: Yes.

22 COMMISSIONER WEISENMILLER: Okay. That's all I have.

23 COMMISSION DOUGLAS: Mr. Galati, a related question.  
24 You suggested that we consider a performance standard approach  
25 for some impacts, as opposed to having staff analyze detailed

1 studies prior to doing their draft. What impacts are you  
2 thinking of when you say that?

3 MS. GALATI: Let me give you a perfect example. One  
4 of the areas that we're coming up against that's difficult for  
5 all projects is what Fish and Game will determine is an  
6 appropriate location for a relocation or translocation site for  
7 desert tortoise.

8 First and foremost, I think every biologist will tell  
9 you they prefer relocation because the tortoise stays in its  
10 home range. And therefore the tortoise has a much higher  
11 probability of -- of living.

12 Second, because it's in its home range you really  
13 don't have the carrying capacity problem of am I moving a  
14 tortoise to an area where there's too many tortoises? You  
15 don't have the problem of -- of introducing a disease from one  
16 location to another location.

17 And so one of the problems that we've had is Fish and  
18 Game's concept is to buy private land and secure it in  
19 perpetuity, whereas BLM has been very open to maybe moving the  
20 tortoise into a protected area, such as a DWMA. And in our  
21 particular case -- and I -- sorry. A DWMA is a desert wildlife  
22 management area, and it is -- and we have one right next to us.  
23 And it might be a great opportunity for us to do relocation  
24 into something within the tortoises home range if Fish and Game  
25 would buy off on that.

1           Our concept would be rather than make us pick and  
2 write a draft desert tortoise translocation-relocation plan  
3 that is absolutely going to upset one or -- one of the  
4 agencies, because it will either -- it has to find private land  
5 and then translocate, we would say that the agencies should get  
6 together and write a conditions for what we should do and we'll  
7 follow it. Our proposal is going to be to move it to the DWMA.  
8 But to prepare a draft tortoise plan for staff to review and  
9 comment back and forth early in the process, we think staff's  
10 time could be better spent doing something else.

11           I brought up some performance standards on the scour  
12 potential. Rather than study this to death we can say that the  
13 final design must take into account velocities of X, so that  
14 there won't be scour. That is a performance standard that we  
15 think could easily be implemented.

16           In the area of -- of weed management where we've  
17 had -- you see that staff's -- there's a weed management plan.  
18 There could be a condition that basically tells us exactly how  
19 to eradicate weeds and what to use and how to do it. And we've  
20 been doing that before. We've done it right over here on  
21 Blythe I and Blythe II in the desert, and along the  
22 transmission line for Blythe I -- Blythe -- Blythe I's  
23 transmission line, you may have seen on your way out to Blythe  
24 and Palen, looking at the I-10 corridor, there's a transmission  
25 line out there with the Energy Commission permit.

1           So we would ask staff to look for ways to do it  
2 differently than they have most recently. We would ask for  
3 them to look for conditions and performance standards that --  
4 what are they looking for in these plans, and just make them a  
5 condition. We think that that is -- is a way to actually lower  
6 staff's burden during this time where they're overburdened.

7           And those -- those are a couple of examples. And I'd  
8 be more than happy to write a status report with a laundry list  
9 of them, of -- of others that -- that -- that we've been  
10 kicking around.

11           COMMISSION DOUGLAS: This is getting us into the  
12 discussion on schedule, isn't it?

13           HEARING OFFICER VACARRO: It is. So I have one final  
14 question. Then I think we should probably head to the  
15 schedule.

16           This -- this slide -- and I just want to make sure I  
17 am understanding what staff is saying, and perhaps your  
18 understanding regarding this tower. But -- you didn't use  
19 these words, but what I'm hearing, and maybe it's just me, is  
20 that we may have a significant impact that might not be able to  
21 be mitigated?

22           MR. KESSLER: Yes.

23           HEARING OFFICER VACARRO: And if that's the case then  
24 I think isn't it appropriate for us to at least put on the  
25 record that we need to start looking and thinking about



1 overrides. You're saying that you are willing to work with  
2 staff. But if staff is -- the subtext is there's no mitigation  
3 then there's something that needs to be considered. And I  
4 think we start considering it now for the purposes of the  
5 record, as opposed to eight months from now.

6 MS. GALATI: That would be -- that would be great. I  
7 would like the opportunity to show why we're not a significant  
8 impact, even though we're a large tower.

9 I would point out that staff so far, to my knowledge,  
10 hasn't found a renewable energy project with large expanse in  
11 years to not be a significant unmitigated impact. So I think  
12 you're going to be dealing with this on every project. And  
13 we'd be more than happy to throw things into the record to help  
14 support those findings.

15 But I would like an opportunity to convince staff  
16 that maybe ours is not a significant impact in this remote  
17 location with very few viewers.

18 COMMISSION DOUGLAS: Well, I'm glad you brought that  
19 up. Just -- just of the purpose of the public discussion that  
20 we're having today, can you help put 653 feet in context for  
21 the community in terms of comparing it to the size of a  
22 building, for example, or is there an easy analogy that either  
23 one of you can -- either party can think of?

24 HEARING OFFICER VACARRO: You know, when on a  
25 field --

1 COMMISSIONER WEISENMILLER: Go ahead. Tell.

2 HEARING OFFICER VACARRO: Yeah. On the site visit --

3 COMMISSION DOUGLAS: Uh-huh.

4 HEARING OFFICER VACARRO: -- that's interesting that

5 you -- that you mentioned that, because there was a cell tower

6 out there. And I specifically asked on the bus what's the

7 height of that cell tower, because we knew that this was an

8 issue. We were told it was about a couple hundred feet. So

9 we're all looking at it like, okay, multiply that by three.

10 That's -- it's -- it's pretty tall.

11 But, I mean, maybe there's something else for those

12 that weren't on the site visit that you can analogize.

13 MR. KESSLER: Sure. For all of us absorbing football

14 this weekend, it's the length of two football fields.

15 HEARING OFFICER VACARRO: Perfect. Thank you.

16 MR. KESSLER: Sure.

17 MS. GALATI: Yeah. But again, to just place this in

18 context, it depends from where you are viewing.

19 COMMISSION DOUGLAS: Yes.

20 MS. GALATI: Okay. And if -- if sensitive receptors

21 are 15 miles away, let's keep that in -- in context. If you

22 are driving on the -- on the -- on the -- the roadway you have

23 a period of minutes where you may see this facility before you

24 are past it. And hopefully you're not staring at it the entire

25 time that you're driving.

1           So we would like the opportunity to at least work  
2 with -- yes, there is no question, it is a tall tower. We like  
3 the fact that it's a tall tower because it's much more  
4 efficient and it makes our salt very hot, and we can use a lot  
5 of mirrors, and we're getting the best bang that we can get out  
6 of the property.

7           So we would like the opportunity to -- to work with  
8 staff to -- to, again, maybe look at KOPs (phonetic) from  
9 different locations. And we believe that the remoteness of the  
10 area actually serves to lessen its impact and may be not  
11 significant.

12           HEARING OFFICER VACCARO: Okay. Well, as long as  
13 we're clear and we have a fuller discussion of -- of this  
14 topic.

15           MS. GALATI: You bet.

16           HEARING OFFICER VACCARO: Okay. I think that gets us  
17 directly into schedule, unless there's something else you  
18 wanted to say, John, on issues --

19           MR. KESSLER: I --

20           HEARING OFFICER VACCARO: -- before we get into  
21 schedule.

22           MR. KESSLER: I -- I just wanted to add on the visual  
23 discussion that I -- I want to make it clear that at this point  
24 in time staff doesn't feel we're dealing with the health and  
25 public safety issue. Okay. This is an issue of distraction,

1 an issue of -- of having a new feature in the -- in the -- in  
2 the background of -- of -- of a natural environment and how --  
3 to what extent is that considered significant. We're not  
4 looking at it as something that's going to effect people. It's  
5 going to effect animals and so on. So if that's helpful.

6 HEARING OFFICER VACCARO: Yes. Thank you.

7 MR. KESSLER: Our schedule is really a combination of  
8 both our state and federal process together. This is the --  
9 following the -- the steps of the -- the fast track projects  
10 that are currently seeking ARRA funding that our commission  
11 staff is -- is supporting. The only difference is there's a  
12 little bit more time built into this. It is the overall  
13 objective of meeting the applicant's time as we understood it  
14 and -- and specified in their application, which was to be in a  
15 position where they could begin construction or at least have  
16 their license by spring of 2011.

17 So that's what we understood going into this, and  
18 that's what we've proposed. And certainly the committee will  
19 be considering all the considerations of -- of -- of schedule  
20 here.

21 But just the milestones to start off with, the  
22 application was filed here with the Energy Commission as of  
23 October 21st last year. It was found to be a complete  
24 application, having all the -- not all, but enough information  
25 that we -- that it met our regulations, our requirements, and

1 allowed us to move on to the process as of December 2nd last  
2 year. And we filed our issue ID report and our proposed  
3 schedule last week on the 20th. Today is the informational  
4 hearing site visit.

5           Now moving forward we expect to -- we're targeting to  
6 have our data requests out by the beginning of the -- or the  
7 end of this week. Alan kind of explained the -- the breadth of  
8 that in his presentation of our process. Western Area will  
9 be -- as a co-lead with BLM will be -- are preparing the notice  
10 of intent to prepare a draft EIS or an EIS. That should be  
11 coming out shortly. And that will be published in the Federal  
12 Register to allow parties to -- to know, the public.

13           And then we coordinate with the agencies to -- to --  
14 to identify what are the permit requirements, and we build that  
15 into our analysis to understand the issues and -- and the  
16 proposed mitigation measures, conditions and certification. So  
17 that's actually underway right now.

18           We also -- there will -- back to the federal process,  
19 there will be a public scoping meeting after their notice goes  
20 out. It has to be no earlier than 15 days after the notice  
21 hits the street. And there will be a scoping report that  
22 summarizes the comments we receive, and that helps frame the --  
23 the scope of the analysis. So that's very important  
24 information and feedback that -- that not only do we appreciate  
25 hearing that today in -- in our Energy Commission forum, but as

1 well through the -- the federal process that BLM and Western  
2 will be conducting.

3           Data responses; so about early March timeframe is  
4 when SolarReserve would be responding to our data requests.  
5 It's normally a 30 day clock, unless they have some long lead-  
6 time items. And -- and then we'll hold a workshop around mid-  
7 March and we'll have a chance to -- to clarify their responses  
8 or to say, well, we're hoping to get this information or help  
9 us understand this a little bit more, and hopefully have  
10 something that we can run with to go and -- and -- and put the  
11 touches together on our staff assessment.

12           We also expect that the committee will introduce a  
13 schedule for status reports or status conferences or both  
14 during the -- the course of this proceeding. We just made a  
15 proposal as to -- that those begin in March and -- and every  
16 six weeks thereafter.

17           Then we'll begin receiving the permit requirements  
18 that actually come from our coordinating agencies. One of  
19 those will be from the Mojave Air Quality Management District,  
20 their preliminary -- preliminary determination of compliance  
21 which will certify that the project meets all the air quality  
22 requirements. And that's a preliminary action. You'll see  
23 that later there's a final determination.

24           And then we're -- we're looking at preparing an admin  
25 draft of our staff assessment to meet our CEQA needs and our

1 draft EIS to meet the NEPA needs. That's an internal review  
2 draft that will go through the -- the levels of -- of our three  
3 agency management and legal teams to perfect. And then we're  
4 looking to -- there's -- there's a lead in to get that notice  
5 out to Washington DC, the EPA on their Federal Register of a  
6 couple weeks. But currently we're looking at publishing that  
7 in late May, which will be the document that actually --  
8 official document that starts the 90 day clock for -- for their  
9 -- for their federal comment period.

10 I just repeated the same item so you know where we  
11 left off.

12 And then during that comment period we hold a  
13 workshop again, because that would be SolarReserve's  
14 opportunity, as well as the other parties, to say, well, we may  
15 not agree with staff on everything, or maybe the staff  
16 misunderstands something. So we have a chance to workshop that  
17 and try to come together and -- and really gain agreement on  
18 our proposed conditions and certifications. So on the order of  
19 what Mr. Galati was saying, we'll have a chance to kind of true  
20 up and hopefully, ultimately, present a package that -- where  
21 we're marching in and -- and what we're proposing to the  
22 committee and -- and make their job a little bit easier and  
23 fewer issues to resolve during the hearing process.

24 There's also the biological assessment that would  
25 need to be -- excuse me. There is a final determination of

1 compliance that would need to come in before our -- our final  
2 document from the air district.

3           And then we'd also at some point begin the  
4 evidentiary hearing process. This could be done sooner or  
5 later. You'll see that the applicant has proposed a little bit  
6 later. And the way that's broken out is the pre-hearing  
7 conference basically identifies in which of our say 23  
8 technical areas do we have disagreement, and which of these  
9 need to be adjudicated through hearings. And they've developed  
10 a schedule for the hearing and -- and basically the -- the  
11 lineup of witnesses, and so on.

12           Fish and Wildlife will also respond with a biological  
13 opinion. We'll be preparing responses to the comments we got  
14 during the 90 day comment period. And then preparing the --  
15 the -- the final EIS, and then and errata to our staff  
16 assessment. So that's to try to make the process as -- flow as  
17 comprehensively, but also as efficiently as possible.

18           And then you'll see at some point we're predicting  
19 November, this is really up to the hearing office and the  
20 committee to determine, the presiding members proposed  
21 decision. That's our Energy Commission draft decision which  
22 collects all the information from the parties, staff just being  
23 one, the applicant, any intervenors, and listening to the  
24 public comments to say have we addressed this project, have we  
25 properly identified mitigation measures, and those are



1 incorporated in the draft decision.

2 But also, going back to the BLM process, they'll have  
3 a protest period for their proposed plan amendment. It is also  
4 under governor's review of the draft -- the draft decision.  
5 And then we have a committee hearing, going back to our  
6 process, on our presiding members proposed decision. And  
7 there's also built in a 30 day comment period on that PMPD, as  
8 well.

9 And then there's an opportunity for the committee to  
10 revise their proposed decision and then take that revised  
11 decision to the full five member Energy Commission, which we  
12 have two members here tonight. There's a five member staff  
13 that -- or committee that would -- excuse me, commission that  
14 would make that final decision for this project, as well as  
15 others. And we're anticipating that that could occur around  
16 February of -- of next year. And that would also tie in with  
17 BLM's record of decision and right-of-way grant issue to  
18 SolarReserve.

19 HEARING OFFICER VACARRO: Okay.

20 MR. KESSLER: Any questions?

21 HEARING OFFICER VACARRO: No. Not -- not at this  
22 point. I think we do have a proposal from the applicant, as  
23 well, that --

24 MR. KESSLER: Certainly.

25 HEARING OFFICER VACCARO: -- that actually redlines

1 yours. Is there any way we can see that on the screen or are  
2 we using our hardcopies of this?

3 MS. GALATI: I think if you can -- do you -- do you  
4 all have the hardcopy?

5 HEARING OFFICER VACARRO: We do up here.

6 MS. GALATI: I apologize.

7 HEARING OFFICER VACARRO: We have a hardcopy.

8 MS. GALATI: And I'll make this -- this has been  
9 docketed it, so it -- the public can look online to make sure  
10 they see that. I apologize for not being able to put it online  
11 right now.

12 HEARING OFFICER VACARRO: And -- and maybe, because  
13 we can't all see it, maybe if you hit the high points,  
14 because --

15 MS. GALATI: You bet.

16 HEARING OFFICER VACCARO: -- I think there are sort  
17 of a grouping of some high points on your schedule that are  
18 worth making note of.

19 MS. GALATI: There are basically two things that I  
20 tried to do. First, I tried to squeeze staff about six weeks,  
21 so I did. I asked for your staff assessment draft EIS to be  
22 out six weeks earlier than -- than you -- you said it would be  
23 out.

24 Then what I tried to do is to take less time between  
25 the time the final comments come in to the final EIS, with the

1 idea that the rest of the staff assessment could be being  
2 prepared during that comment period so that it's ready to go  
3 such that -- or the errata so that it's ready to go just to  
4 respond to comments. And comments don't always come in at the  
5 very end of the time. As you know, there's a 90 day comment  
6 period. Comments will trickle in over time.

7 The other thing that --

8 MR. KESSLER: Scott, this -- this date here of May  
9 28th was more like April 15th, if I recall.

10 MS. GALATI: Yes. I moved that to April 15th.

11 MR. KESSLER: Okay. And then going --

12 MS. GALATI: The -- which changed the close of the  
13 draft EIS comment period on -- to 7/15. And then I changed the  
14 response to EIS comments and admin draft, so for internal  
15 review, to 8/1.

16 MR. KESSLER: Okay.

17 MS. GALATI: And then with the staff assessment  
18 errata on 8/15.

19 HEARING OFFICER VACCARO: And ultimately, though,  
20 what you've done is you've taken that February 2011 date at the  
21 very end there and moved that forward to December 2010?

22 MS. GALATI: Yes. And to be evenhanded I not only  
23 squeezed staff, but I squeezed the committee a bit on how long  
24 it would take to do a presiding members proposed decision. And  
25 again, I'm of the firm belief that if you're doing your job as

1 an applicant and staff you present very few issues to the  
2 committee for adjudication. It's not been my experience that  
3 that's an effective and efficient use of anyone's time.

4           So I think that this team is prepared to stipulate as  
5 much as we can in agreement, and we'll just pick and choose our  
6 battles very wisely. And our goal would be to come to you with  
7 a fully stipulated project, like I've done very recently in two  
8 projects in front of Commissioner Douglas, and that's what we  
9 hope to do. So with that we hope the PMPD is a lot easier for  
10 you to write because there's agreement on all the points.

11           The -- the other main thing that I've done is I find  
12 that sometimes when there are obstacles to being able to get  
13 through an issue sometimes we need committee guidance. So  
14 rather than write things in a status conference report or a  
15 status report I think it's better to get in a room and talk to  
16 the committee and get guidance face to face. The committee can  
17 ask questions, we can all figure out what is important to the  
18 committee, because, ultimately, it's the committee making that  
19 decision. So I inserted a bunch of status conferences to  
20 further impose upon this committee's time to get guidance, if  
21 necessary. How we would plan to use those status conferences,  
22 if we don't need them we would try to give a week or ten days  
23 notice that we don't need them, and only if the committee  
24 wanted to have it.

25           Now the reason that I tried to build those in -- and

1 I've been successful with one committee that said that that's  
2 okay, and unsuccessful with another committee that didn't like  
3 this approach. So we'll see what this committee thinks. But  
4 the idea is that I -- I know that there's a lot of time,  
5 commissioner time, that gets -- that's very difficult to book  
6 if you don't book it way in advance.

7           And so sometimes we come across an impasse or we need  
8 a proposal to maybe go forward without a draft agency  
9 determination or something like that, and we would ask in order  
10 to do that I typically have to make a motion. The committee  
11 has to get -- find a calendar date that they're both available.  
12 Then we go the motion. And then there's time to decide, and  
13 sometimes it's 60 days because of -- of -- of a commission  
14 being booked, not ahead of time sometimes it's difficult to get  
15 a decision, not because anyone's not trying, it's just that we  
16 thought of the status conference too late.

17           So those are, basically, the three things that I  
18 tried to do with the schedule. And again, the plea would be  
19 don't buy the very nature of the schedule ensure we can't get  
20 ARRA funding. Give us opportunity to work it and -- and maybe  
21 get to a point where we can. If we can't the schedule will  
22 slip on its own.

23           MR. KESSLER: May I provide a couple comments?

24           HEARING OFFICER VACARRO: Yes, please.

25           MR. KESSLER: The concept of the status conferences

1 with the committee with, I believe, the first one proposed,  
2 Scott, may have been right after the -- the draft EIS staff  
3 assessment within -- it was -- anyway, it was prior to our  
4 chance to have a workshop. And so I would just suggest that we  
5 have a chance to meet ourselves, and then leave for the  
6 committee what's left over that they -- that we can't work out  
7 ourselves at that point in time.

8 MS. GALATI: I agree with you, John. I think  
9 that's --

10 MR. KESSLER: Okay.

11 MS. GALATI: -- that's a good move. And I would  
12 point out that I put one on -- on March 10th, which was going  
13 to be after our first data response and issue resolution  
14 workshop. And if we made progress we could report to the  
15 committee that we've made progress on some of these issues.

16 MR. KESSLER: Wonderful. The -- the second comment  
17 would be if we find through further discussion between staff  
18 and -- and SolarReserve that we need the special status plant  
19 surveys, which I understand for the late season would likely  
20 have to be conducted some time in August, that could have an  
21 effect on this expedited schedule in that we're looking at  
22 trying to produce a final document in August under the proposed  
23 schedule. I'm sorry we can't see that on the screen right now,  
24 but that's my recollection. And we would certainly have to  
25 have that information several weeks beforehand in order to

1 incorporate into the document.

2           It may be that we can work between our relative  
3 specialists. I talked to Scott White, our biologist, as  
4 recently as today about this, that we can find a way to  
5 determine if there isn't a need for this survey. We may well  
6 conclude that those plants don't exist because of other  
7 information in the reports that are out there. I don't know.  
8 We're certainly willing to try to go there and avoid the -- the  
9 need for surveys if -- if -- if -- if not absolutely needed --  
10 needed to comply with the law.

11           MS. GALATI: Okay.

12           COMMISSION DOUGLAS: I'll make a brief comment. I  
13 appreciate your ideas and the -- the approaches that you're  
14 bringing to the table. I encourage you and staff to work  
15 together to resolve as many issues as possible, because this is  
16 a very high priority case for us. It's a solar project. It's  
17 going for stimulus. It's early, very early in the process.  
18 And -- and I actually think that these status conferences may  
19 be, in fact, most useful in encouraging early resolution and  
20 early clarification of issues.

21           Commissioner Weisenmiller and I, it may not have  
22 escaped notice that we've been talking a little bit as -- as  
23 the proceeding has gone on. And -- and we are absolutely  
24 interested in incorporating regular status conferences into the  
25 schedule.

1           Beyond that I think we'll take -- take this under  
2 advisement and we will come out with a schedule -- scheduling  
3 order in short order.

4           MS. GALATI: Thank -- thank you very much. I -- I --  
5 I do appreciate that. We recognize that it's incredibly  
6 challenging at this point in time with furloughs and with  
7 staff. We do recognize that. And we'll do our best to resolve  
8 these issues and make it easier.

9           COMMISSION DOUGLAS: Well, we appreciate that.  
10 And -- and I think -- I think working together with clear --  
11 with -- with clear approaches for how to meet the objective  
12 that staff is trying to meet in its requests, and if you -- if  
13 you have creative ideas for how they might meet their needs and  
14 you have -- and there's a clear path for, in fact, enforcing or  
15 ensuring compliance with performance standards and so on, I  
16 expect, I'm looking at staff, I expect that's something you're  
17 certainly willing to entertain.

18           MR. KESSLER: Certainly.

19           COMMISSION DOUGLAS: And so we'll leave it there for  
20 now. So thank you.

21           MS. GALATI: Thank you.

22           HEARING OFFICER VACARRO: Okay. I think we're at  
23 that point where unless there's anything else that the  
24 committee would like to add, staff or the applicant, I think  
25 we'd like to go ahead with public comment and questions. Yes?



1 MS. GRENIER: I just want to mention one quick thing.  
2 We provided a fact sheet earlier. I don't know if there are  
3 any copies remaining. If you want to get a copy let me know at  
4 the end of the evening. I think that they disappeared quickly  
5 on the bus ride. And we'll also make some black and white  
6 copies of the applicant's presentation available at the back of  
7 the room if you want to pick one up for the Rice project.

8 HEARING OFFICER VACARRO: Okay. Thank you. Okay.  
9 We have a few blue cards here. I'm going to call out names.  
10 And I you would just come up to the podium and ask your  
11 question, whether it's for the applicant, for staff or for the  
12 committee, we'll do our best to answer

13 But here's what we ask, we want everyone to be able  
14 to ask their question but we don't want people to ask us half-  
15 hour long questions. So we really want to keep these to about  
16 three minutes a person. But we invite you to come up and --  
17 and let us know what's on your mind.

18 So Bob Jensen?

19 MR. JENSEN: I didn't think I'd be first. I'm Bob  
20 Jensen. I've been a resident of Blythe since 1986, long enough  
21 to drink the water from the tap. And I do go on record as  
22 supporting this project very much. But I think there's a  
23 little -- excuse me -- misinformation.

24 When he talks about the 653 feet tower glowing like  
25 the sun, we're not talking the entire 653 feet tower; right?

1 It's only the top 30, 20 feet?

2 MR. BENOIT: It's the top 100 feet.

3 MR. JENSEN: The top 20 feet? Okay. Other than the  
4 possibility of gypsy moths incinerating themselves into it in  
5 hordes, perhaps you could put a sign up to mitigate it, ten  
6 miles on either side, please wear a welding helmet when driving  
7 through this area. If not that, please wear a pair of  
8 sunglasses. Thank you.

9 HEARING OFFICER VACARRO: Thank you. Charles Hull.

10 MR. HULL: Good evening, commissioners, staff and  
11 members of the public. Charles Hull, 431 Alice Lane in Blythe.  
12 Retired from the city's employment after 35 years as the  
13 assistance city manager last Christmas a year ago. And I had  
14 the rewarding task of shepherding the Blythe I project through  
15 its -- its construction, working with the commission staff and  
16 Mr. O'Brien and -- and a number of people in the room, and --  
17 and I learned a lot.

18 In my considered opinion, personal opinion, this is a  
19 good fit for the desert, the environment out there. The  
20 receptors are far enough away that even the curvature of the  
21 earth will hide that glow 653 feet above the ground.

22 But I do have a question about the 17,500 mirrors  
23 that are focused on that receiver. Electronics break down.  
24 You're working in the desert, and things jam. So if you have a  
25 pinpoint of light from any of those mirrors that does not hit

1 the receiver where does the light go? And how far out is it  
2 effective? Can it hit aircraft? Can it -- the -- the problem  
3 is what happens if it doesn't hit the receiver from any one of  
4 those mirrors or a combination of mirrors?

5 I support the project. I think it's good for the --  
6 the county. I would like to see the City of Blythe receive  
7 some economic benefit. But unless we do an island annexation I  
8 don't think that's a possibility. But maybe Mr. Lane has  
9 something for that. Thank you for your time. Safe travel  
10 home.

11 HEARING OFFICER VACCARO: Thank you. Applicant, do  
12 you want to go ahead --

13 MS. GALATI: Yeah, we can.

14 HEARING OFFICER VACCARO: -- and respond to that  
15 question?

16 MS. GALATI: We have Mr. Bill Gould, who I love to  
17 call on because he is -- he's not only knowledgeable, but he's  
18 actually worked with this technology in Solar II.

19 MR. GOULD: My name is Bill Gould. I'm the chief  
20 technology officer for SolarReserve. For a period of years I  
21 operated the Solar II Power Plant which also used the same  
22 technology of a large number of heliostats and the molten salt  
23 cooling system.

24 If you walk in front of a single heliostat it just  
25 feels like a warm day at the beach. If you had 10 or 20 of

1   them focusing on you at the same time you would move out of its  
2   way because it would be too hot.

3               Now if you have a pinprick of light from across the  
4   valley it would like what you see when you see a reflection of  
5   the sun off a distant windshield. It would be a pinprick of  
6   light. It would not be hazardous. It's not of the -- the --  
7   the intensity that would cause medical damage of any kind.

8               If you talk about the airplanes overhead, many times  
9   I flew over Solar II. And you look down at the field and it's  
10  similar to the appearance of sunlight reflecting off the  
11  surface of a lake or off the surface of an ocean. As your  
12  position changes the pattern of the light passes.

13              If you -- if you imagined, for example, that the  
14  heliostats are focused on the receiver at the top of the 600  
15  foot tower and they miss the rays continue to diverge. So at  
16  30,000 feet you do not have a concentration of light. You have  
17  a dispersion.

18              HEARING OFFICER VACCARO: I have -- I believe this is  
19  Jim Shirley (sic). Is that correct?

20              MR. SHIPLEY: It's -- it's Shipley.

21              HEARING OFFICER VACCARO: Shipley?

22              MR. SHIPLEY: The next project.

23              HEARING OFFICER VACCARO: Okay. On the next one?

24              MR. SHIPLEY: Next project.

25              HEARING OFFICER VACCARO: Okay. Thank you. What

1 about Larry McLaughlin? It says for all. But I don't know, is  
2 that really the other projects or does that pertain to Rice?

3 MR. SHIPLEY: He stepped outside. He's outside.

4 HEARING OFFICER VACARRO: Okay. Thank you. Lee  
5 Haven?

6 MR. HAVEN: Thank you, commissioners. My name is Lee  
7 Haven. I'm the business development manager and government  
8 relations manager for Granite Construction. We do a lot of  
9 road work for Caltrans, particularly in this community, as  
10 well. However, I have a different hat on today. I'm actually  
11 involved with the workforce -- the Riverside County Workforce  
12 Investment Board, executive board.

13 I'm also the chair of the Eastern Regional Committee.  
14 We partner with a lot of groups in this particular eastern part  
15 of Riverside County, Coachella Valley Economic Partnership  
16 which organizes the Coachella Valley Roundtable, Renewable  
17 Energy Roundtable, UCR, College of the Desert. And our  
18 organization approved about six months ago a \$400,000 grant for  
19 renewable energy training for people out of work and people  
20 looking for work, and to retrain electricians. Currently  
21 there's two grants for going through the College of the Desert,  
22 one for utility grade solar installations, and one for wind  
23 turbine technicians.

24 And I just have one quick kind of anecdotal story  
25 about that. Just recently they graduated their first class of

1 16 students whereby each student needed 20 hours of curriculum,  
2 which if you add it up there about 320 total hours that the  
3 students were involved with, and five of those hours were  
4 missed. So there are lots of interest in jobs, particularly in  
5 our community, recognizing that this I-10 corridor is certainly  
6 an area for renewable energy.

7           So in closing I'd just say that as the Workforce  
8 Investment Board we're certainly in favor of these projects and  
9 recognize the positive aspects of job creation out here in the  
10 eastern Riverside County. Thank you.

11           COMMISSION DOUGLAS: Okay. Alfredo Martinez-  
12 Morales?

13           MR. MARTINEZ-MORALES: Yeah. Good evening. I would  
14 like to make a statement of support. My name is Alfredo  
15 Martinez. I'm the managing director of SC-RISE at the  
16 University of California Riverside. We are as solar initiative  
17 at its focus on three main -- three main components, teaching  
18 and training, assessment of current technologies, and the  
19 development of -- of fundamental research for new technologies.

20           Our goal, it's to be an honest broker in this  
21 process. And we -- we value and we recognize, you know, the --  
22 the potential of solar energy. And -- and we definitely are  
23 looking forward to be active participants in the process. And  
24 we support this solar project. Thank you.

25           HEARING OFFICER VACARRO: Thank you. Mr. McLaughlin

1 in the room now?

2 MR. MCLAUGHLIN: Thank you very much. I'm sorry. I  
3 was out of the room when you called my name the first time.  
4 But I'm with College of the Desert. My name is Larry  
5 McLaughlin. And I'm the director of their advanced  
6 transportation technology and energy center. This center is  
7 one of ten established across the State of California by the --  
8 the chancellor's office of the community college system. And  
9 what we do is we develop training curricula and transition that  
10 curricula out to other community colleges in our region, and  
11 also establish the training that goes along with it. And  
12 that's what I'd like to tell you about.

13 I just wanted to briefly mention to you that we are  
14 establishing a training program for utility scale solar energy  
15 construction and maintenance skills. And we're working with  
16 members of industry, some of them here tonight, we're working  
17 with members of labor, some of them here tonight, to make sure  
18 that this works both for industry and labor.

19 And we have as a partner Palo Verde College. Palo  
20 Verde will be doing some of the curriculum development work, as  
21 well as some of the training here in Blythe. We think this  
22 partnership will be effective for serving this I-10 energy  
23 corridor that was mentioned. We're very excited about having  
24 this opportunity. It was through a grant that we had received  
25 from the California Energy Commission and the Employment

1 Development Department.

2 I also want to mention that we have a local Workforce  
3 Investment Board partner that's working with us on this  
4 project, which is the Riverside County Economic Development  
5 Agency's Workforce Development Division. So this project is  
6 all about getting people trained and prepared for the  
7 opportunities that these industries are bringing to our region.  
8 And we're hoping that through this program we'll have higher  
9 skilled people, people who are cognizant of the safety issues  
10 as they take these roles and do the work, and that will be good  
11 for everybody concerned So thank you very much.

12 I have for you a brief description of the project if  
13 you'd like to enter something for the record about our program.  
14

15 HEARING OFFICER VACARRO: Thank you.

16 MR. MCLAUGHLIN: Thank you very much.

17 HEARING OFFICER VACARRO: Okay. I don't have any  
18 more blue cards. I take it there are no more members of the  
19 public? Yes? Would you state your name, first and last,  
20 please?

21 MR. LANE: My name is Dave Lane. I did fill out a  
22 card. I -- maybe it was the wrong color. I don't know.

23 HEARING OFFICER VACARRO: Oh. I'm sorry.

24 MR. LANE: I'm the city manager here. On behalf of  
25 the city council let me welcome you. I hope the -- the



1 accommodations are satisfactory. It is a little disconcerting  
2 to see it is a little disconcerting to see somebody in my chair  
3 though. We city managers get nervous about that kind of thing.

4 MR. BENOIT: No intentions. Tell Scott that -- that  
5 I used his chair.

6 MR. LANE: Consider it a sublet for the evening.  
7 Okay? You're gone tomorrow, buddy.

8 I can't speak for the city council because the city  
9 has not yet taken a position on any of these projects. And  
10 just a point of clarification, this comment period is for this  
11 project only.

12 HEARING OFFICER VACCARO: It's --

13 MR. LANE: There's a little confusion.

14 HEARING OFFICER VACCARO: It's for Rice at this time.

15 MR. LANE: Only Rice?

16 HEARING OFFICER VACCARO: And then at the end of  
17 Blythe-Palen we'll have public comment again.

18 MR. LANE: Thank you for clearing that up.

19 I don't know this company. But I -- and I can't say  
20 that I know the industry because I'm science challenged. The  
21 minute they told me they're going to heat salt they lost me.  
22 I'm a business major. I couldn't handle that.

23 I am intrigued by 653 foot tower there. If there's a  
24 way for me to get tourists here I'm all for it. So in that  
25 regard we're going to work on it.

1           But I am supportive as a city manager of an industry  
2 that helps achieve the -- the renewable requirement, that is  
3 green, to the extent that's important to those who are into  
4 green. And, certainly, we in government need to be. And  
5 especially of an industry that is going to bring a lot of jobs  
6 to the community, buy things locally and put people up at  
7 hotels, at least for a little while. So we're looking forward  
8 to getting to know this company a little better and support the  
9 concept. Thank you.

10           HEARING OFFICER VACCARO: Thank you. Okay. I think  
11 this is the time --

12           COMMISSION DOUGLAS: There's one more hand.

13           HEARING OFFICER VACCARO: Oh. Yes, ma'am?

14           I didn't turn in blue card.

15           HEARING OFFICER VACCARO: That's okay. Come on up.

16           MS. OTERO: I was going to try to get --

17           HEARING OFFICER VACCARO: Say your first and last  
18 name.

19           MS. OTERO: -- all my comments in for all the  
20 projects.

21           Good evening, commissioners. My name is Linda Otero.  
22 I am from the Fort Mojave Indian Tribe located on the border of  
23 California-Arizona-Nevada, part of the Yuman Tribes that exist  
24 along the Colorado River. I've been involved with projects,  
25 and has been stated about the Blythe energy -- Blythe I

1 project. We -- we were involved. We weren't as intensely  
2 involved with the energy part two of that.

3 But it seems that -- and I know it's probably going  
4 to be addressed in the next phase of the topics, as well, of  
5 cumulative impact effects. That's one of the things I wanted  
6 to raise in this -- in this project itself. And also cultural  
7 resources. I know it's -- it's an issue that doesn't get full  
8 timeframe in terms of the biological. But I was -- as you were  
9 sharing with the time schedule, some of those issues could, you  
10 know, be needed to be addressed for the other tribes, and not  
11 only for Mojave but the tribes along the river who have in  
12 historical times lived around this desert area.

13 I heard that the desert is just there, nowhere land.  
14 But this is our home, our backbone to -- to the Colorado River  
15 when the river flowed heavily at -- in -- in -- in our  
16 ancestors times. And we've transported and went across to the  
17 Pacific Coast and -- and traveled along these areas here. I'm  
18 very familiar with the Blythe area, south of the Blythe area.  
19 We have our -- our location here where we also recognize  
20 boundaries with -- with the (inaudible) in Mojave. So these  
21 things are very important to us.

22 And I don't know if -- folks coming from different  
23 areas do not know the history of this -- this -- this  
24 landscape, which includes the river and the -- the massive  
25 lands that you see and the mountains. They're named and

1 they're identified in our songs, in our stories. So they have  
2 a meaning to us and that's our history for our people.

3 And today we're at a loss because our young people  
4 are being -- you know, share other ways of -- of knowledge that  
5 don't always talk about who we are. And so we're losing that,  
6 but yet those are our teaching resources. We have to go back  
7 to them and share with them where things are of importance.

8 So just consider that when you -- you address and  
9 need to address the cultural resource aspects of this. There  
10 could be traditional cultural places, as well, that are not  
11 being identified. I know through the process of the Natural  
12 Historic Preservation Act under the NEPA, that's where tribes  
13 do have an opportunity, especially when there's significant  
14 things that shouldn't be, you know, displayed in the public.  
15 So that's one manner why we have full consultation under the  
16 law.

17 And I guess for clarifications, as well, knowing that  
18 BLM is -- is for the right-of-way, but yet the permitting and  
19 the application is on private land, so you've got to take that  
20 CEQA process.

21 So I think this still needs the opportunity for  
22 tribes to have their fair hearing on that, as well. And so  
23 that consultation process should be acknowledged and allowed  
24 for tribes to participate fully. So I know I'll be forwarding  
25 some more comments that, you know, will address some of the

1 things that we need to do and share with.

2 But by all means, I also invite you to our homelands  
3 if you need to also visit the places that connect to these --  
4 what you're sharing.

5 I'm sorry I missed the -- the site tour. I was  
6 trying to get to at least the 3:30. But the rains had wiped  
7 out the roads from 95. Otherwise, I could have been here in an  
8 hour-and-a-half. So I had to go through Havasu, so I missed  
9 the last site tour. But this I could have shared as well, but  
10 I still offer that opportunity. And I will leave you my  
11 contact name and numbers, as well, so you understand that you  
12 don't just, you know, go into this project without  
13 understanding what we're trying to explain, as well, so we  
14 don't get into the end part of the process and say all of a  
15 sudden here we have some things that need to be addressed.

16 So I appreciate being heard early in this process, as  
17 well. So I certainly will be looking forward to more  
18 information, as well. Thank you.

19 HEARING OFFICER VACCARO: Thank you.

20 MS. GALATI: Ms. Chair?

21 COMMISSION DOUGLAS: Uh-huh.

22 MS. GALATI: Doug Davy, are you still in the room?  
23 Doug, can you raise your hand?

24 Ms. Otero, if you could exchange information with Mr.  
25 Davy, he's an archeologist, as well, and heading up the -- our

1 team. And so we'd be more than -- more than happy and  
2 interested in talking to you more. I can tell you that I  
3 believe Western is engaging in the consultation that you  
4 discussed.

5 MS. OTERO: Okay. Thank you.

6 HEARING OFFICER VACCARO: Okay. On that note I'm  
7 going to turn it over to commissioner -- is -- do we have yet  
8 another public comment?

9 MR. HANSON: Yes, please.

10 HEARING OFFICER VACCARO: Okay. I'm thinking after  
11 this if anyone else has one, perhaps they can save it for  
12 Blythe-Palen, or we really do need the blue card. Thank you.

13 Quenton Hanson?

14 MR. HANSON: Yes; 830 Oleander Lane. I've got  
15 comments that specifically address the labor element. Because,  
16 unfortunately, we don't really see the economic, you know, item  
17 here on the board and whatever. And I want to emphasize how  
18 vastly important and -- it is to this local community.

19 Most of you on the committee and the staff and so  
20 forth come from large cities and so forth. We are not like  
21 that here in Blythe. We have one hospital, that's where we go  
22 to. And I you can't have your problem solved there you're air  
23 evacked out. And most patients get air evacked out for their  
24 special treatment that they need.

25 Our city has had two rounds of layoffs already.

1 We're reading Riverside County is considering layoffs in the  
2 future, but our city has already had two rounds of layoffs,  
3 simply because the economics are not there to support the city.

4           The -- when we talk about the fields here,  
5 agriculture, agriculture is in decline here. Alfalfa was \$240  
6 a ton two years ago. It's now down to \$70 a ton. Forty-four  
7 percent of our crops are fallowed out there because we are  
8 shipping our water to support LA and San Diego. That is  
9 impacting our community tremendously. So it's not just an  
10 economic recession here, but it's the transfer of the water and  
11 fallowing and so forth that's having impact.

12           The jobs that they -- construction jobs that these  
13 projects can provide for the local residents, and I define  
14 local residents as being basically the City of Blythe, and I  
15 appreciate the MOU that the colleges are trying to work out and  
16 so forth, but there has got to be -- there has got to be some  
17 allowance for local labor.

18           And what's happening on the state level, the unions  
19 are coming to the California Energy Commission and getting  
20 labor contracts. And you'd better believe the union halls have  
21 plenty of unemployed electricians that are willing to come to  
22 Blythe here and work on these projects. And, yes, we  
23 appreciate them filling our hotel rooms and buying the food and  
24 so forth, but it's not the same thing as locals getting the  
25 paycheck.

1           Now realistically, when it comes to talent locally  
2 here we don't have master electricians. We have very few  
3 journeymen. Most of our labor would be at the lower economic  
4 ladder, meaning apprenticeships, laborers and so forth. But we  
5 are asking very definitely, there's got to be some provision  
6 within the entire scope of this hearing to ensure that we get  
7 local labor on these projects.

8           Now I did, in fact, have the opportunity to work with  
9 Blythe Energy Plant I. In fact, I did the monthly report on  
10 local labor versus outside labor, and they reached 23, 24  
11 percent at the high point of local labor working on these  
12 projects. Now we were counting just bodies there because  
13 realistically, like I say, we have the lower skill levels  
14 available. But there's got to be some provision for rural  
15 communities like this, because we're going to be facing and  
16 living with these products for the next 25, 30 years, that  
17 local labor gets included in these projects. I would suggest  
18 an earmark of about 25 percent, realizing if we don't have the  
19 labor available or the talent needed we can't meet those marks.  
20 But there's got to be some consideration and a serious  
21 consideration of employing local labor on these projects  
22 wherever and whenever possible.

23           So that's my urging, and a very serious urging.  
24 Because we're a rural community we can't go down the street to  
25 find the next job. We're very limited here. Thank you very



1 much for your time.

2 HEARING OFFICER VACARRO: Thank you. With that I'll  
3 turn it over to Commissioner Douglas to adjourn this Rice Solar  
4 Energy Project hearing.

5 COMMISSION DOUGLAS: Well, I would like to thank  
6 everybody here, applicant, staff, and most especially the  
7 members of the public. This has already been a long evening.  
8 It's about to become a longer evening for many of the people  
9 here. And -- and as we heard and as we know transportation to  
10 this hearing has unfortunately been especially difficult for a  
11 number of you. So I can't tell you enough how much we all  
12 appreciate your being here tonight and participating. It's  
13 very important for us to hear from you. That's why we came  
14 here. And we're very pleased to see the public interest.  
15 We're very pleased to take your comments.

16 If you did not make a comment tonight but you wish to  
17 comment or wish to ask a question you can do so. You can  
18 contact staff or the applicant or the public advisor's office  
19 and do so.

20 With that the Rice information hearing is adjourned.

21 PROCEEDINGS CONCLUDE AT 7:43 P.M.

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TRANSCRIBER'S CERTIFICATE

I, Martha L. Nelson, attest that the foregoing proceedings provided to me via cassette tape were transcribed to the best of my ability.

I further certify that I am not a relative or employee of any attorney of the parties, nor financially interested in the action.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated this 5th day of February, 2010.

          /s/ Martha L. Nelson