STATE OF CALIFORNIA, RESOURCES AGENCY

ARNOLD SCHWARZENEGGER, GOVERNOR



DEPARTMENT OF CONSERVATION

DIVISION OF LAND RESOURCE PROTECTION

801 K STREET • MS 18-01 • SACRAMENTO, CALIFORNIA 95814

PHONE 916 / 324-0850 • FAX 916 / 327-3430 • TDD 916 / 324-2555 • WEBSITE conservation.ca.gov

September 7, 2007

VIA FACSIMILE (916) 654-4365

Amanda Stennick
California Energy Commission
1516 Ninth Street
Sacramento, CA 9:5814-5512

DOCKET

06-AFC-10

DATE SEP 0 7 2007

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Subject:

Preliminary Staff Assessment for the Starwood Power Project;

APN 027-060-78S; Fresno County

Dear Ms. Stennick

The Department of Conservation's (Department) Division of Land Resource Protection (Division) has reviewed the Preliminary Staff Assessment (PSA) for the Starwood Power Project (Project). The Division monitors farmland conversion on a statewide basis and administers the California Land Conservation (Williamson) Act and other agricultural land conservation programs. We offer the following comments and recommendations with respect to the project's impacts on agricultural land and resources.

Project Description

The project is designed as a peaking facility to meet electrical generation loads during periods of high demand. The project site is located at 43627 West Fanoche Road in an unincorporated area of western Fresno County (County). The project would sit on a 6.16-acre parcel within a 128-acre parcel (APN 027-060-78S). The County has issued its Certificate of Tentative Cancellation on the project site and expects to issue the Certificate of Partial Cancellation of Agricultural Land Conservation Contract No. 367 when and if the Energy Commission licenses the project. The project site is currently being used as a storage yard for peaking unit equipment and contains a housing unit for farm workers. The project would be located in an area consisting both of Prime Farmland (if irrigated) and large agricultural parcels that are under Williamson Act contracts. The PSA notes that there would be a significant impact to agricultural resources, as the project would convert approximately the project site's 6.16 acres of Prime Farmland to non-agricultural uses.

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Amanda Stennick September 7, 2007 Page 2 of 3

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Mitigation Measures

The loss of agricultural land represents a permanent reduction in the State's agricultural land resources. As such, the County will require the project owner to mitigate for the loss of the 6.16 acres of Prime Farmland at a one-to-one ratio (see LAND-1 Mitigation Measure). To further this mitigation effort, the Department recommends the use of agricultural conservation easements on land of at least equal quality and size as partial compensation for the direct loss of agricultural land. Since Williamson Act contracted lands are involved, the Department recommends that this ratio of conservation easements to lost agricultural land be increased. Conservation easements will protect a portion of those remaining land resources and lessen project impacts in accordance with CEQA Guideline §15370. The Department highlights this measure because of its acceptance and use by lead agencies as an appropriate mitigation measure under CEQA and because it follows an established rationale similar to that of wildlife habitat mitigation.

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Mitigation via agricultural conservation easements can be implemented by at least two alternative approaches: the outright purchase of easements or the donation of mitigation fees to a local, regional or statewide organization or agency whose purpose includes the acquisition and stewardship of agricultural conservation easements. The conversion of agricultural land should be deemed an impact of at least regional significance. Hence the search for replacement lands should be conducted regionally or statewide, and not limited strictly to lands within the project's surrounding area.

Other forms of mitigation may be appropriate for this project, including:

- Protecting farmland in the project area or elsewhere in the County through the use of less than permanent long-term restrictions on use such as 20-year Farmland Security Zone contracts (Government Code section 51296 et seq.) or 10-year Williamson Act contracts (Government Code section 51200 et seq.).
- Directing a mitigation fee to invest in supporting the commercial viability of the remaining agricultural land in the project area, County or region through a mitigation bank that invests in agricultural infrastructure, water supplies, marketing, etc.

The Department also has available a listing of approximately 30 "conservation tools" that have been used to conserve or mitigate project impacts on agricultural land. This compilation report may be requested from the Division at the address or phone number below. General information about agricultural conservation easements, the Williamson Act, and provisions noted above is available on the Department's website, or by contacting the Division at the address and phone number listed below. The Division's website address is:

http://www.conservation.ca.gov/dlrp/index.htm

Amanda Stennick September 7, 2007 Page 3 of 3

Of course, the use of conservation easements is only one form of mitigation that should be considered. Any other feasible mitigation measures should also be considered.

Thank you for giving us the opportunity to comment on this PSA. If you have questions on our comments, or require technical assistance or information on agricultural land conservation, please contact Elliott Lum, Environmental Planner, at 801 K Street, MS 18-01, Sacramento, California 95814; or, phone (916) 324-0869.

Sincerely,

Dennis J. O'Bryant Program Manager

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