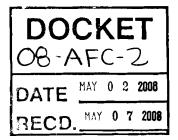
BEACON MAR ALC



May 2, 2008

Mr. Bill Pfanner Project Manager California Energy Commission 1516 9th Street, MS-15 Sacramento, CA 95814

Re: Kern County Planning Department Preliminary Agency Comments Beacon Solar Energy Project Application for Certification (08-AFC-2)

Dear Bill:

We received a copy of the Kern County Planning Department April 22nd correspondence transmitted to your attention which provides preliminary comments on the Beacon Solar Energy Project ("Project") Application for Certification (AFC). We appreciate the opportunity to review Kern County's comments and are herein providing additional information addressing each of the five items in the County's letter to support the Energy Commission and Kern County review process for the Project.

1. It is indicated that the project would be permitted with the processing of a Conditional Use Permit for all zoning districts discussed with the exception of an Estate (E) zone district. We wish to note that within the Land Use section 5.7 of the AFC, the Estate zone is mentioned in Table 5.7-3 Zoning Designations Within and Near BSEP Plant Site, there are no lands covered by the Estate zone designation within the project boundaries. As shown in AFC Figure 5.7-6, the current Estate zone districts appear to lie to the north of the project site, such as that designated for the Cantil Rural Community shown in more detail in AFC Figure 5.7-5. Since it appears there is no land situated within the Project site that lies within an Estate Zone, it is assumed that no zoning change may be needed to be processed.

As shown in AFC Figure 5.7-4, the Estate (min 2.5 acres) land use designation extends into the northern portion of the project site under the General Plan. The

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General Plan appears to be inconsistent with the Zone Map in this regard. As noted in the County's correspondence, a solar development would be incompatible with a residential/estate designation, even though no actual residential development has occurred in the project area, and most of the Project site operated as a large agricultural operation (Fremont Ranch) previously.

Beacon Solar has identified that an amendment to the Circulation Element of the General Plan will be needed, and suggests that changes to the Land Use Element to make it consistent with the current zoning designation for the Project site, (e.g., to a more appropriate land use designation such as Resource Management), at the same time. We assume that this process will be coordinated with the CEC's review of the AFC. We hope to meet with County staff as soon as possible to initiate these activities and to obtain clarification regarding the required information and actions required of Beacon Solar.

2. Beacon Solar acknowledges the Project site is within the Joint Service Restricted R-2508 Airspace Complex and is aware of the need for conformance with the Kern County Airport Land Use Compatibility Plan (ALUCP). Beacon Solar representatives have held discussions with agency representatives on the various requirements and Project plans for compliance, including Sections 2.5.5.8 (Telemetry), 5.7.1.2 (Land Use – California Government Code), 5.13.2.7 (Traffic and Transportation – Airport Operations), and 5.13.3.4 (Traffic and Transportation – Potential Impacts on Airport Operations).

The need to conform to the requirements of the Joint Service Restricted R-2508 Airspace Complex was identified very early by Kern County Planning Department at our pre-application meeting on September 7, 2007. As a follow up to our discussions with the County, we met with designated representatives of the Joint Service R-2508 Complex Sustainability Office to discuss the proposed Project. Additional Project information requested was provided following the meeting for their review.

Subsequent correspondence dated February 19, 2008 received from the R-2508 Complex Sustainability Office included within Appendix K of the AFC, indicates, based on their joint military branch evaluation, that the Project will not have "significant mission impacts" if the mitigation measures discussed within the correspondence are adopted. Beacon Solar included such proposed mitigation language related to concerns about Project telemetry on page 2-23 of the AFC.

3. The need for an amendment to the Circulation Element of the Kern County General Plan to delete roadway reservations on the project site is identified in Sections 5.7.3.2 (Land Use – Operation Phase Impacts) and 5.13.3.3 (Traffic and Transportation – Operations Impacts). Based on the information presented in the AFC sections cited above, we feel that the impacts on regional transportation

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plans and local property owners will be minimal. We understand that any changes to the General Plan Land Use Element are desired to be considered at the same time as changes to the Circulation Element. It is our understanding that this process will be coordinated with the CEC licensing process, and we support including mitigation measures identified by Kern County into the license for the Project, if appropriate. Our project team looks forward to meeting with Kern County staff as soon as possible to initiate this process and to obtain clarification regarding the County's requirements and determination of the measures applicable.

- 4. Beacon Solar appreciates the acknowledgment of the County's policy that Project impacts identified on County services will be coordinated and reviewed by the County Administrative Office. We look forward to working closely with the CEC Staff and County Administrative Office staff to ensure that adequate review and mitigation is achieved through the CEC's CEQA-equivalent process that will take the place of an Environmental Impact Report for the Project.
- 5. We acknowledge that water resources are limited in eastern Kern County. The available water resources are addressed in the AFC, both in Section 5.17 (Water Resources) and Section 4.5.3 (Cooling Water Supply Alternatives). An extensive survey (see AFC Appendix K.1) was sent to many potential water purveyors in the Project region. As indicated in AFC Table 4-8 "Water Supply Alternatives Considered", an inquiry was transmitted to the Los Angeles Department of Water and Power (LADWP) regarding the potential supply of water from their water delivery system near the Project site for use as a source of make-up water for the project. LADWP responded to our inquiry that it has no surplus water to sell outside the City of Los Angeles, and cannot provide the Project with water from the Los Angeles Aqueduct System. Furthermore, the purchase of AVEK water was not considered as an alternative for certain reasons, including our concerns about the reliability of State Water Project water and a potential adjudication of the Antelope Valley Groundwater Basin.

As discussed in AFC Section 5.17.3 (Water Resources – Environmental Impacts), a comprehensive analysis has been done by the Applicant to demonstrate the significance of groundwater withdrawal for the Project. The conclusion from the analysis is that while there would be some groundwater drawdown associated with the proposed pumping (which would slightly slow the recovery from prior groundwater use for agricultural purposes), no significant effect on the groundwater basin storage or water supply to adjacent users is expected to occur, and there would not be a significant change to the groundwater chemistry.

Although the Project's analysis showed that the amount of groundwater needed would not cause significant impacts to water resources in the area, Beacon Solar expects to continue discussions with California City with respect to the viability

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of the potential use of reclaimed water as a supplemental source of water supply for the Project over the long term(see Section 4.5.3).

We appreciate the opportunity to help address the County's concerns and look forward to working with both Kern County Planning Department and the CEC in the licensing of the Beacon Solar Energy Project. We believe that the Project can help achieve the State's renewable energy goals in a sound, environmentally sensitive fashion and support Kern County becoming a center of solar development in California.

Sincerely,

Gary L. Palo Project Director Beacon Solar, LLC 6 Belcourt Drive

Newport Beach, CA 92660

cc: Lorelei Oviatt, KCPD

Kenny Stein, FPL Energy

Sara Head, ENSR

Jane Luckhardt, Downey Brand