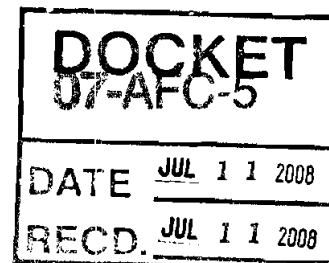


Memorandum

Date: July, 11, 2008
Telephone: (916) 651-0965

To: Commissioner Jeffrey Byron, Presiding Member
Commissioner James D. Boyd, Associate Member



From: California Energy Commission – Che McFarlin, Project Manager
1516 Ninth Street
Sacramento, CA 95814-5512

Subject: **STATUS REPORT #3**
IVANPAH SOLAR ELECTRIC GENERATING SYSTEM (07-AFC-5)

The following is staff's Status Report #3 for the proposed Ivanpah Solar Electric Generating System (ISEGS) project. The Bureau of Land Management (BLM) and California Energy Commission staffs are continuing to gather necessary information and perform the analysis for the Preliminary Staff Assessment/Draft Environmental Impact Statement (PSA/DEIS).

Milestones Since Status Report #2

Staff continues to facilitate the discovery and analysis phase of the Application for Certification (AFC) review as follows:

- June 23, 2008 – Staff and BLM conducted a data response workshop addressing the areas of air quality, alternatives, biological resources, closure and restoration plan, cultural resources, land use, project description, traffic and transportation, transmission system engineering, waste management, soil and water soil resources, and visual resources. A continuation of the workshop occurred on July 2 to allow for continued discussion.
- June 25, 2008 – The United States Department of Energy sent a request to BLM seeking status as a cooperating agency in the preparation of the joint PSA/DEIS being prepared for this project.
- July 1, 2008 – BLM met with San Bernardino County and the representatives of the Primm Golf Course regarding potential groundwater impacts and siting of proposed water well locations and monitoring plans for groundwater use.

Outstanding Issues

- The applicant claims that the proposed project would result in a net reduction of emissions. Therefore, the applicant has not proposed an offset package or mitigation measures for the emissions from the three natural gas-fired boilers.

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Air Quality staff is in the process of determining the significance of the potential impact of emissions from the boilers.

- Due to site-specific drainage and erosion concerns staff continues to provide input to the applicant in preparing a draft Drainage, Erosion, and Sedimentation Control Plan. Complete site design information is a requirement of the BLM to assess impacts of the project. Coordination between the applicant's and the agencies engineering reviewers is ongoing.
- The agencies' staffs completed field inventories and proposed Visual Resource Management (VRM) classification for the project's visual setting with the objective of satisfying the requirements of both the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA). The VRM system is used by BLM to determine whether a proposed project would result in a significant impact.
- Due to changes to the project description, as well as the low amount of rainfall in 2006 and 2007, the applicant is in the process of completing the biological and cultural field surveys needed for staff's preliminary analysis of the potential for significant biological and cultural resource impacts.

Data Responses and Expansion of the Project Footprint

- June 10, 2008 – Applicant filed 'Set 2A Data Responses' which included several changes to the project description and a revised Plan of Development (POD) The POD acreages are being reviewed by the applicant to resolve the differences in the descriptions previously submitted in Set 1D data.

Pending Data Requests

'Set 2A Data Responses' provided information for many of the Round #2 Data Requests (117-151). The following is a list of incomplete data responses or data requests to which no response has yet been received.

1. Alternatives: 121-123
2. Biological Resources: 18-22,24,25,29,30,31,124
3. Cultural Resources: 33,37,40,41,126-129
4. Land Use: 51,52
5. Project Description: 130,131
6. Site Closure and Restoration Plan: 125
7. Soil and Water Resources: 53-56, 58,139,140
8. Waste Management: 111,113-116
9. Transmission System Engineering: 92,93

10. Visual Resources: 105,106,147,148

Schedule

At this time, given the incomplete responses to data requests, staff believes it is unrealistic to maintain the schedule issued by the Committee in its order dated January 28, 2007.

Both agencies are working as quickly and efficiently as possible to complete the review of the ISEGS AFC and satisfy the requirements for both NEPA and CEQA.

Despite the recent data response workshop, there are still outstanding key pieces of information necessary for completing the Preliminary Staff Assessment/Draft Environmental Impact Statement (PSA/DEIS) document. The staffs of both agencies are continuing to gather information and depending on the information received in the interim, plan to propose a publication schedule for the PSA/DEIS by the next status report.

cc: Docket (07-AFC-5)
Proof of Service List

**BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE
STATE OF CALIFORNIA**

APPLICATION FOR CERTIFICATION
FOR THE **IVANPAH SOLAR ELECTRIC
GENERATING SYSTEM**

DOCKET No. 07-AFC-5

PROOF OF SERVICE
(Revised 6/10/08)

INSTRUCTIONS: All parties shall 1) send an original signed document plus 12 copies OR 2) mail one original signed copy AND e-mail the document to the web address below, AND 3) all parties shall also send a printed OR electronic copy of the documents that shall include a proof of service declaration to each of the individuals on the proof of service:

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DECLARATION OF SERVICE

I, Maria Sergoyan, declare that on July 11, 2008, I deposited copies of the attached Ivanpah Solar Electric Generating System (07-AFC-5) Status Report #3 in the United States mail at Sacramento, CA with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

OR

Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the Proof of Service list above.

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


Maria Sergoyan