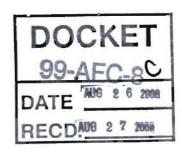
Blythe Energy LLC 700 Universe Blvd. Juno Beach, FL 33408

August 26, 2008

Mary Dyas Compliance Manager California Energy Commission 1516 Ninth Street, MS-2000 Sacramento, CA 95814



RE: CEC-99-AFC-8C Blythe Energy Project Transmission Line

Dear Mary,

Thank you for forwarding the concerns of the CEC staff regarding the proposed Insignificant Project Change for the Blythe Energy Project Transmission Line. Enclosed please find our response, together with revised Figures 2-2 through 2-8 that show the initially estimated structure locations as well as the currently proposed locations.

If you have any further questions, please do not hesitate to contact me directly at (916) 474.5698 or by email at Michael.argentine@fpl.com. Technical questions may also be addressed to Penny Eckert at (425) 241.0415 or penny.eckert@tteci.com.

Sincerely yours,

Michael Argentine

Project Manager,

Blythe Energy Transmission Line Project

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Blythe Energy, LLC

Enclosures: Response Memo

August 25, 2008 Data Response Blythe Energy Project Transmission Line Insignificant Project Change Request

Socioeconomics

CEC STAFF REQUEST:

The CEC staff requested clarification regarding workforce:

"Would the proposed changes in the Blythe T-Line Amendment require any changes to the project's (construction and operation) workforce i.e., in size, time to construct, or location of its source of labor (Riverside County or other source)?"

BLYTHE ENERGY RESPONSE:

The Project Changes proposed will require no significant changes in the project's construction and operation workforce. The workforce will be as described in the application and in the Final Staff Assessment (CEC 2006). There will be no substantial change in size of workforce, timing of construction, or proportion of workforce drawn from the local (eastern Riverside County and nearby areas) area.

Biology

CEC STAFF REQUEST:

"After reviewing the July 2008 document on the Blythe Energy Project Transmission Line Minor Route Realignments and Change in Laydown Yards, additional data are needed and other conditions are affected. The additional data needed are as follows:

The proposed locations of the pole structures in the original T-line alignments. The numbered locations along the original T-line alignment should be added to the aerial photograph figures shown in the July 2008 document. These points are needed to compare habitat being affected by the proposed T-line re-alignment at the structure locations; and A recalculation of disturbance acreages (i.e., Table 3 on page 4.3-25 of the Revised Staff Assessment/Draft Environmental Assessment) for additional structures and length in the proposed T-line re-alignment. Though additional disturbance acreages were calculated for the changes in the laydown areas and the access/spur roads, the additional structures and any length changes resulting from the re-alignment were not included. Any differences from original impact acreages may affect the required payments for habitat compensation, which are included in conditions of certification.

The potentially affected conditions are as follows:

BIO-13—Harwood's Milk-Vetch Compensation; and

BIO-18—Blythe Energy Project Transmission Line Habitat Compensation

Both conditions of certification could be affected by the recalculation of disturbance acreages if differences result."

CEC staff also asked:

"The structures going in are monopoles, which we know a few are being added, thus increasing affected acreage. There is a segment over I-10 where the monopoles will be replaced by H-frame structures because they can span a greater distance. Staff is wondering if the H-frame structures will possibly increase ground disturbance around the base more so than the monopoles as the base is wider."

BLYTHE ENERGY RESPONSE:

Disturbance Calculations

We have attached the requested revised Figures 2-2 through 2-7 that show the relationship between originally estimated pole locations and requested revisions.

Condition of Certification BIO-17 states in part,

"If and when disturbance acreage is larger than the high estimate, the amount of mitigation land to offset the disturbance shall be calculated based on the location of the disturbance. If disturbance is within a Desert Wildlife Management Area, mitigation land must be purchased at a 5:1 ratio. If disturbance is in Category III lands or other lands that support desert tortoise (such as Midpoint Substation), mitigation land must be purchased at a 1:1 ratio. The cost of an acre of mitigation land is set at \$1,200."

The proposed Insignificant Project Changes have a different impact on disturbance than the originally proposed alignment and laydown yards, but the difference is very small and is easily taken care of using the empirical calculation methods specified in Conditions of Certification BIO-16 and BIO-17. When disturbance was estimated by both Blythe Energy and the Commission Staff in 2005, it was done based on an estimated average disturbance per structure and per road. Although we could produce a different calculation now that we know more precisely the number and type of structures, it would not make a material contribution to understanding of or mitigation of environmental impact. For example, the installation of the concrete-steel hybrid and the all-steel structures will require a smaller crane with a smaller footprint than that needed for all-concrete poles. Roads to accommodate the concrete-steel or all-steel structures do not need to have wide turning radii to accommodate the full pole length. We would expect smaller disturbance in those cases. In addition to the probable reduction in disturbance caused by structure type changes, we would expect additional disturbance where structures have been added and a slight increase in disturbance for H-frame structures.

Instead of attempting to refine the theoretical disturbance numbers, the actual disturbance will be measured using aerial photography acquired immediately before and just after construction, with the differences in disturbance measured on the photos and verified with a 2 percent ground sample (see BIO-16 and BIO-17). The Conditions of Certification were written with the flexibility to accommodate actual disturbance and were based on an initial good-faith effort to estimate disturbance that has formed the basis for the initial calculations of funds to be either disbursed or deposited to an escrow account. Therefore, the proposed project changes do not represent a substantial change in environmental impact and do not require a change in the conditions of certification.

