

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512



December 9, 2008

TO: AGENCY DISTRIBUTION LIST

**REQUEST FOR AGENCY COMMENTS ON THE PRELIMINARY STAFF
ASSESSMENT FOR THE PROPOSED IVANPAH SOLAR ELECTRIC GENERATING
SYSTEM PROJECT (07-AFC-5)**

NOTICE OF PUBLIC WORKSHOP
Friday, January 9, 2009
11am – 5pm

PRIMM VALLEY RESORT
Banquet Room
31700 Las Vegas Blvd. South
Primm, NV 89019
(Wheelchair Accessible)
(Map Attached)

DOCKET	
07-AFC-5	
DATE	DEC 09 2008
RECD.	DEC 10 2008

The enclosed Preliminary Staff Assessment (PSA) contains the California Energy Commission staff's initial engineering and environmental evaluation of the Ivanpah Solar Electric Generating System (ISEGS) Application for Certification (07-AFC-5).

Summary of the California Energy Commission Staff's Preliminary Findings

Staff's preliminary analysis shows that, with the exception of Air Quality, Biological Resources, Cultural Resources, Land Use, Soils and Water Resources, Traffic, Transmission System Engineering, and Visual Resources, the ISEGS project's potential impacts will be mitigated to a less than significant level. Staff believes the impacts to Visual Resources are unmitigatable. Staff's preliminary analysis has identified cumulative impacts which are likely to occur in the areas of Biological Resources, Land Use, Traffic, and Visual Resources.

Staff is currently unable to determine if impacts in the areas of Air Quality, Biological Resources, Cultural Resources, Land Use, Soils and Water Resources, Traffic, and Transmission System Engineering can be mitigated to a less than significant level pending resolution of outstanding issues that require either additional data, further discussion and analysis, or are awaiting conditions from a permitting agency prescribing mitigation.

Staff's analysis also shows that the ISEGS project would not comply with the applicable laws, ordinances, regulations, and standards (LORS) that pertain to Visual Resources. Staff is currently unable to determine whether or not ISEGS would comply with the LORS pertaining to Biological Resources, Land Use, and Transmission System Engineering.

Summary of the Proposed Ivanpah Solar Electric Generating System (ISEGS) Project

On August 31, 2007, the applicant filed an Application for Certification (AFC) with the California Energy Commission seeking permission to develop the proposed 400

December 9, 2008

Page 2

megawatt (MW) ISEGS project. The applicant proposes to locate ISEGS on 4,065 acres within the Mojave Desert, in San Bernardino County, California. At full build out (Phases I, II and III), the project would have an electrical generation capacity of 400 MW. All three of the proposed solar electric plants (Phases I, II and III) would be developed on contiguous BLM property, share an administration building, an operation and maintenance building, and a substation. The proposed project would also require on-site and off-site infrastructure improvements such as a natural gas pipeline and metering stations, two new ground water wells, storm water retention basins and diversion channels, telecommunications lines and road improvements, among others.

Each of the three project development phases would use the same technological application of installing large heliostat (mirror) arrays to gather solar heat and reflect it back to a centralized solar power tower (SPT) for conversion into electricity. The SPT in each plant is proposed to be 459 feet tall (plus an additional 10 foot tall lightning rod that would extend above the top of the tower). The SPT would receive solar heat from the heliostats (mirrors) then convert the heat into steam by heating water in the solar boilers. In the secondary stage, the steam would be converted into electricity utilizing a Rankine-cycle reheat, steam turbine, electric generator which would be housed in the power block facility of each plant.

The ISEGS project would be interconnected to the Southern California Edison (SCE) transmission grid by three new 115 kilovolt transmission generation tie lines (gen-tie line) and a new Ivanpah substation. It is anticipated that SCE will upgrade its transmission lines from the proposed new Ivanpah substation, easterly, to the existing Eldorado substation in Nevada.

Energy Commission Licensing Authority

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications for construction and operation of thermal electric power plants, 50 MW and greater, proposed for construction in California. The Energy Commission's facility certification process carefully examines public health and safety, environmental impacts and engineering aspects of proposed power plants, and all related facilities such as electric transmission lines and natural gas and water pipelines. The Energy Commission is the lead agency under the California Environmental Quality Act (CEQA), and produces several environmental and decision documents rather than an Environmental Impact Report.

We request that you review the enclosed PSA for the areas for which your agency would normally be responsible but for the Energy Commission's permitting authority. Please provide any written comments to Che McFarlin, Siting Project Manager, no later than 5:00 p.m., January 23, 2009 at the address on this letterhead or by email to Cmcfarli@energy.state.ca.us. Technical or project schedule questions should be directed to Mr. McFarlin at (916) 651-0965 or by email. You may also present your comments at the public workshop on the PSA. The workshop will be held on Friday, January 9, 2009, from 11:00 a.m. until 5:00 p.m. in the banquet room, at the Primm Valley Resort in Primm, NV. Comments received will be used for preparing the Final Staff Assessment (FSA), which will be staff's testimony in evidentiary hearings.

December 9, 2008

Page 3

After the public comment period on the PSA, staff will prepare a document jointly with BLM, which is the federal lead agency for compliance with the National Environmental Protection Act (NEPA). This project will also be reviewed by BLM staff pursuant to the Federal Land Policy and Management Act of 1976. The joint state and federal analysis will take the form of a FSA/Draft Environmental Impact Statement (DEIS). That document will then be circulated for a 90-day public comment period. Then a Final Environmental Impact Statement (FEIS) will be issued.

The status of the project, an electronic copy of the AFC, copies of notices, and other relevant documents are also available on the Energy Commission's web site at:

<http://www.energy.ca.gov/sitingcases/ivanpah/index.html>

Sincerely,

Date: _____

Original Signed By
TERRENCE O'BRIEN, Deputy Director
Energy Facilities Siting Division

Enclosure

Mailed to list:
7257 - Agency

**PSA WORKSHOP
IVANPAH SOLAR ELECTRIC GENERATING SYSTEM PROJECT**

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