

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA 1516 NINTH STREET, SACRAMENTO, CA 95814 1-800-822-6228 – WWW.ENERGY.CA.GOV

APPLICATION FOR CERTIFICATION FOR THE SOLAR ONE POWER PROJECT
STIRLING ENERGY SYSTEMS

DOCKET NO. 08-AFC-13

NOTICE OF INFORMATIONAL HEARING AND PUBLIC SITE VISIT AND BUREAU OF LAND MANAGEMENT SCOPING MEETING

On December 1, 2008, Stirling Energy Systems (SES) Solar Three, LLC and Stirling Energy Systems Solar Six, LLC (Applicant), submitted an Application for Certification (AFC) to the Energy Commission to construct a concentrated solar thermal power plant facility approximately 37 miles east of Barstow, in San Bernardino County. The project site is 8,230 acres in size, consisting of portions of Township 8 North, Ranges 5 and 6 East of the San Bernardino Meridian, to the North of Interstate 40 near Pisgah Road. The Energy Commission has exclusive state-level jurisdiction to license this project and is considering the proposal under a twelve-month review process established by Public Resources Code section 25540.6. The Bureau of Land Management (BLM) is conducting its own concurrent process to determine whether to approve an amendment to the 1980 California Desert Conservation Area Plan and a right-of-way grant authorizing the construction and operation of the proposed project on federal lands.

PLEASE TAKE NOTICE that the Energy Commission has designated a Committee of two commissioners to conduct proceedings on the Application. The Committee has scheduled a public Informational Hearing and Site Visit to discuss the proposed Project and the Committee and BLM will conduct a Public Scoping Meeting as described below:

Monday, June 22, 2009
Site Visit begins (bus leaves) at 11:30 a.m.
Public Informational/Scoping Meeting begins at 1:00 p.m.

Barstow Community College Performing Arts Center 2700 Barstow Road Barstow, CA 92311

(Map Attached)

DOCKET 08-AFC-13

DATE MAY 28 2009

RECD. MAY 28 2009

Prior to the Informational Hearing/Scoping Meeting, members of the public are invited to join the Committee and the BLM on a tour of the proposed site. The Applicant will provide transportation to and from the site. For reservations, leave a message with the Energy Commission's Public Adviser's Office at (916) 654-4489 or 1-800-822-6228 or e-mail: [publicadviser@energy.state.ca.us], giving your name, telephone number and the number of persons requesting a reservation. Please make your reservation prior to Thursday, June 18, so that we can assure you a seat.

Background

On May 6, 2009, the Energy Commission began its review of the Project. During the review period, Energy Commission staff will determine whether the proposed project complies with applicable laws related to public health and safety, environmental impacts, and engineering requirements. This Informational Hearing/Scoping Meeting is co-sponsored by the Energy Commission and BLM to inform the public about the Project and to invite public participation in the review process.

As the lead agency under the California Environmental Quality Act (CEQA), the Energy Commission is responsible for reviewing and ultimately approving or denying all applications to construct and operate thermal electric power plants, 50 MW and greater, in California. The Energy Commission 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.

Under federal law, the BLM is responsible for processing applications for rights-of-way to authorize the proposed project and associated transmission lines and other facilities to be constructed and operated on land it manages. In processing applications, the BLM must comply with the requirements of the National Environmental Policy Act (NEPA), which requires that federal agencies consider the environmental impacts associated with such projects.

Pursuant to a Memorandum of Understanding (MOU), the BLM and the Energy Commission staff intend to conduct a joint environmental review of the SES Solar One Project in a coordinated NEPA/ CEQA process. It is in the interest of the BLM and the Energy Commission to share in the preparation of a joint environmental analysis of the proposed project to avoid duplication of staff efforts, to share staff expertise and information, to promote intergovernmental coordination at the local, state, and federal levels, and to facilitate public review by providing a joint document and a more efficient environmental review process.

Purpose of the Informational/Scoping Hearing

This Informational Hearing/Scoping Meeting provides an opportunity for members of the community in the project vicinity to obtain information, to offer comments and concerns, and to view the project site. The Applicant will explain plans for developing the Project

and the related facilities and Energy Commission staff will explain the administrative licensing process and staff's role in reviewing the Application. BLM staff will also explain the role of their agency in the joint process as is described in **Attachment A** to this Notice—BLM's Notice of Intent to Prepare an Environmental Impact Statement/Staff Assessment.

Project Description

The proposed project would utilize SunCatcher technology, consisting of approximately 34,000 25-kilowatt solar power dishes with a generating capacity of approximately 850 megawatts (MW) to be built in two phases. The 500MW first phase consists of approximately 20,000 SunCatcher dishes located on approximately 5,838 acres. The 350MW second phase consists of approximately 14,000 SunCatcher dishes located on approximately 2,392 acres. The total area required for both phases, including the area for the operation and administration building, the maintenance building, and a substation building, would be approximately 8,230 acres. Each SunCatcher system consists of an approximate 38-foot high by 40-foot wide solar concentrator dish that supports an array of curved glass mirror facets designed to automatically track the sun and focus solar energy onto a Power Conversion Unit which generates electricity.

The 8,230-acre project site is located on public land managed by the Bureau of Land Management (BLM). The Applicant has applied for a ROW grant for the project site from the BLM California Desert District. Although the project is phased, it is being analyzed in this AFC as if all phases will be operational at the same time.

The project would include the construction of a new 230 kilivolt (kV) substation approximately in the center of the project site. This new substation would be connected to the existing Southern California Edison (SCE) Pisgah Substation adjacent to the project site via approximately 2-miles (0.14-mile off-site) of single-circuit, 230kV transmission line constructed by the Applicant. To accommodate the generation from the proposed project, SCE will expand and upgrade the Pisgah Substation to support an increase in voltage to 500-kV, loop the Eldorado-Lugo 500kV line into the Pisgah Substation and replace 65 miles of the existing Lugo-Pisgah No. 2 230kV transmission with new towers and conductors. In addition, modifications within the SCE Eldorado and Lugo substations will be required.

The engineering and environmental details of the proposed project are contained in the AFC. Copies of the AFC are available at the local public agencies that are involved in the review process and at the following libraries: San Bernardino County Library, Barstow and Needles Branches; Victorville Public Library; Fresno County Library; San Diego Public Library; UCLA University Research Library; Humboldt Library; San Francisco Public Library; the Energy Commission's Library in Sacramento; and the California State Library in Sacramento.

Proposed Schedule and Issue Identification Report

To assist the parties and public in understanding the process, Staff shall file a proposed schedule for project review. Staff shall also file an Issue Identification Report

summarizing the major issues. The proposed schedule and Staff's report shall be filed no later than 5:00 pm on June 12, 2009. The Applicant shall file its response, if any, no later than noon on June 18, 2009.

Public Adviser and Public Participation

The Energy Commission's Public Adviser's Office is available to assist the public in participating in the application review process. For those individuals who require general information on how to participate, please contact the Associate Public Adviser, Loreen R. McMahon at (916) 654-4489 or 1-800-822-6228 or e-mail: [publicadviser@energy.state.ca.us]. If you have a disability and need assistance to participate in this event, contact Lourdes Quiroz at 916-654-5146 or e-mail: [lquiroz@energy.state.ca.us].

Information

Questions of a legal or procedural nature should be directed to Paul Kramer, the Hearing Officer, at (916) 654-5103 or e-mail: [pkramer@energy.state.ca.us].

Technical questions concerning the Project should be addressed to Christopher Meyer, the Staff Project Manager, at (916) 653-1639 or e-mail: [cmeyer@energy.state.ca.us].

Technical questions concerning the BLM permitting process should be addressed to Jim Stobaugh, at (775) 861-6478, [Jim_Stobaugh@blm.gov].

Media inquiries should be directed to the Office of Media and Public Communications at (916) 654-4989 or e-mail: [mediaoffice@energy.state.ca.us].

Information concerning the status of the project, as well as notices and other relevant documents may be viewed on the Energy Commission's Internet web page at: [www.energy.ca.gov/sitingcases/solarone/].

Dated: May 28, 2009, at Sacramento, California.

JAMES D. BOYD

Vice Chair and Presiding Member Solar One AFC Committee

JEFFREY D. BYRON

Commissioner and Associate Member

Solar One AFC Committee

Mailed to Lists: POS, 7337, 7338, 7339, 7340

Attachment A

4310-40-P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

(CACA 49539, CACA 49537, LLCAD08000, L51030000)

Notice of Intent to Prepare an Environmental Impact Statement/Staff Assessment and Land Use Plan Amendment for the SES Solar One Project, San Bernardino County, California

AGENCY: Bureau of Land Management, Interior

ACTION: Notice of Intent

SUMMARY: In compliance with the National Environmental Policy Act of 1969, as amended (NEPA), and the California Environmental Quality Act (CEQA), the Department of the Interior, Bureau of Land Management (BLM), together with the California Energy Commission, (hereinafter jointly referred to as the Agencies) intend to prepare an Environmental Impact Statement / Staff Assessment (EIS/SA), and a Proposed Land Use Plan Amendment for the Stirling Energy Systems (SES) Solar One Project (Project), a Stirling engine systems solar dish project in San Bernardino County, California. SES is seeking approval to construct and operate an electrical generating facility with a nominal capacity of 850 megawatts (MW), using concentrated solar thermal power. Approximately 8,230 acres of BLM administered public land are needed to develop the Project in order to produce the required 850 MW of renewable solar power. SES has submitted an application to the BLM requesting a right-of-way (ROW) to construct the Project and related facilities. Pursuant to the California Desert Conservation Area (CDCA) Plan (1980, as amended), sites associated with power generation or transmission not identified in the CDCA Plan will be considered through the plan amendment process.

Under Federal law, BLM is responsible for processing requests for rights-of-way to authorize such proposed projects and associated transmission lines and other appurtenant facilities on land it manages. BLM must comply with the requirements of NEPA to ensure that environmental impacts associated with construction, operation, and decommissioning will be identified, analyzed and considered in the application process. In the case of solar thermal power plant projects, this will be accomplished through coordination of the state and federal application processes, public participation, environmental analysis, and the preparation of Draft and Final Environmental Impact Statements (EIS) in coordination with the Energy Commission and its Preliminary and Final Staff Assessments.

Under California law, the Energy Commission is responsible for reviewing the Application for Certification (AFC) filed for thermal power plants over 50 MW, and also has the role of lead agency for the environmental review of such projects under the CEQA (Pub. Res. Code, §§ 21000 et seq., 25500 et seq.) The Energy Commission conducts this review in accordance with the administrative adjudication provisions of the

Administrative Procedure Act (Government Code § 11400 et seq.) and its own regulations governing site certification proceedings (Cal. Code Regs., tit. 20, § 1701 et seq.), which have been deemed CEQA equivalent by the Secretary of Resources. SES Solar One, LLC, has submitted an AFC to the Energy Commission. The AFC facilitates analysis and review by staff prior to an Energy Commission decision on the proposed project.

DATES: Publication of this notice initiates a public scoping period of at least 30 days. During the formal public scoping period, the Agencies will solicit public comments on issues, concerns, potential impacts, alternatives, and mitigation measures that should be considered in the analysis of the proposed action. In addition, the Agencies expect to hold one BLM public scoping meeting/Energy Commission information hearing during the formal scoping period to encourage public input. The public scoping meeting will be held in Barstow, California on June 22, 2009 with further details to be announced through the local news media, newspapers, mailings, the BLM web page [http://www.ca.blm.gov/barstow] and the Energy Commission web page [http://www.energy.ca.gov/sitingcases/solarone/] at least 15 days prior to the event. While you may have the opportunity to make oral comments at the June 22nd BLM public scoping meeting, written comments are strongly encouraged to be submitted. In order to be included in the Draft EIS/Preliminary Staff Assessment (DEIS/PSA), all comments must be received prior to the close of the formal scoping period which will be July 7, 2009. Additional opportunities for public participation and formal comment occur when the DEIS/PSA is issued.

ADDRESSES:

- California Energy Commission: Christopher Meyer, Project Manager, Siting, Transmission and Environmental Protection Division, California Energy Commission, 1516 Ninth Street, MS-15, Sacramento, CA, 95814.
 [cmeyer@energy.state.ca.us].
- Bureau of Land Management: Jim Stobaugh, P.O. Box 12000, Reno, NV 89520 or by phone, (775) 861-6478, or email [Jim_Stobaugh@blm.gov].

FOR FURTHER INFORMATION CONTACT:

Jim Stobaugh, BLM project manager, at (775) 861-6478. See also ADDRESSES, above.

Christopher Meyer, Energy Commission project manager, at (916) 653-1639. See also ADDRESSES.

Information on participating in the Commission's review of the project may be obtained through the Commission's Public Adviser's Office, at (916) 654-4489 or toll free in California, (800) 822-6228, or by email: [publicadviser@energy.state.ca.us]

News media inquiries should be directed to the Commission's media office at (916) 654-4989, or via email at [mediaoffice@energy.state.ca.us].

Status of the proposed project, copies of notices, an electronic version of the AFC, and other relevant documents are also available on the Commission's internet web site at [http://www.energy.ca.gov/sitingcases/solarone]. You can also subscribe to receive email notification of all notices at [http://www.energy.ca.gov/listservers].

SUPPLEMENTARY INFORMATION: Stirling Energy Systems (SES) formed limited liability corporations (LLC) for three applications to develop solar energy facilities in three adjacent areas along Interstate 40 between Newberry Springs and Hector, CA. Two of these adjacent applicants, SES Solar Three, LLC and SES Solar Six, LLC have applied to BLM for rights-of-way (ROW) on public lands to construct a concentrated solar thermal power plant facility (Phase 1 and Phase 2 of the proposed Solar One project). The eastern portion of the proposed Solar One Project Area was subsequently withdrawn from application because it was located within the Pisgah Area of Critical Environmental Concern. The reduction of this land from the Solar One project area and the recognition of the value of development of the project adjacent to existing transmission lines first, resulted in SES combining the Solar Three LLC and Solar Six LLC application areas under one project area to meet its overall goal of an 850 MW solar facility at this site. For purposes of the filings, Solar Three LLC and Solar Six, LLC are considered the "Applicant". The name of the proposed project is the Solar One Project.

The proposed Solar One Project would be constructed on an approximate 8,230-acre site located in San Bernardino County, California. The project site is approximately 37 miles east of Barstow, 17 miles east of Newberry Springs, 57 miles northeast of Victorville, and approximately 115 miles east of Los Angeles. The proposed SES Solar One Project would be a nominal 850-megawatt (MW) Stirling engine project, with construction planned to begin in late 2010, if the project is approved by the Energy Commission and rights-of way grants are issued by the BLM. Although construction would take approximately 40 months to complete, renewable power would be available to the grid as each 60-unit group is completed. The primary equipment for the generating facility would include the 25-kilowatt Stirling solar dish systems (referred to as SunCatchers), their associated equipment and systems, and their support infrastructure. Each SunCatcher consists of a solar receiver heat exchanger and a closed-cycle, high-efficiency Solar Stirling Engine specifically designed to convert solar power to rotary power then driving an electrical generator to produce grid-quality electricity.

The facility would be built in two phases and would be expected to operate for approximately 20 years based on the Purchase Power Agreement signed by SES with Southern California Edison (SCE). The first phase would consist of up to 20,000 SunCatchers configured in 334 units, with 1.5 MW solar groups of 60 SunCatchers per unit and have a net nominal generating capacity of 500 MW on 5,838 acres of Federal lands. The second phase would consist of approximately 14,000 SunCatchers configured in 233 units with a net generating capacity of 350 MW on 2,392 acres of Federal lands. Each SunCatcher system consists of an approximate 38-foot high by 40-foot wide solar concentrator dish that supports an array of curved glass mirror facets designed to automatically track the sun and focus solar energy onto a power conversion unit which generates electricity.

Related structures for the project would include the construction of a new 230-kV substation located approximately in the center of the project site. This new substation would be connected to the existing SCE Pisgah Substation adjacent to the project site via approximately two miles of single-circuit, 230-kV transmission line. Other than this interconnection transmission line that will be constructed by SES, the proposed project would require SCE to expand and upgrade the existing 230-kV SCE Pisgah Substation to support the increase in voltage to 500-kV, loop the Eldorado-Lugo 500kV line into the SCE Pisgah Substation and demolish 65 miles of the existing Lugo-Pisgah No.2 230kV transmission and replace it with towers and conductor. In addition, modifications within the SCE Eldorado and Lugo substations will be required.

SCE proposes to construct the new Lugo-Pisgah No.2 500-kV transmission line for 57 of the 67 miles needed for the upgrade from the existing Pisgah substation to the Victorville substation within the existing ROW of the 230 kV Transmission Line that would be replaced and upgraded . The last 10 miles of this new Lugo-Pisgah No. 2 500 kV line to the Victorville substation, located south of Victorville would be constructed within a new ROW area.

The EIS/SA will analyze the site-specific impacts on air quality, biological resources, cultural resources, water resources, geological resources and hazards, hazardous materials handling, land use, noise, paleontological resources, public health, socioeconomics, soils, traffic and transportation, visual resources, waste management and worker safety and fire protection, as well as facility design engineering, efficiency, reliability, transmission system engineering and transmission line safety and nuisance. The CDCA Plan of 1980, as amended, while recognizing the potential compatibility of solar generation facilities on public lands, requires that all sites associated with power generation or transmission not identified in the 1980 Plan will be considered through the Plan Amendment process.

The following Planning Criteria will be utilized during the plan amendment process:

- The plan amendment process will be completed in compliance with FLPMA, NEPA, and all other relevant Federal laws, Executive orders, and management policies of the BLM;
- The plan amendment process will include an EIS that will comply with NEPA standards;
- Where existing planning decisions are still valid, those decisions remain unchanged and are incorporated into any new plan amendment;
- The plan amendment will recognize valid existing rights;
- Native American Tribal consultations will be conducted in accordance with policy and Tribal concerns will be given due consideration. The plan amendment process will include the consideration of any impacts on Indian trust assets:
- Consultation with the SHPO will be conducted throughout the plan amendment process; and

 Consultation with USFWS will be conducted throughout the plan amendment process.

If the ROW and proposed land use plan amendment are approved by BLM, the concentrated solar thermal power plant facility on public lands would be authorized in accordance with Title V of the Federal Land Policy and Management Act of 1976 and the Federal Regulations at 43 CFR 2800. A certificate designating approval of the Energy Commission must be obtained by SES before it may construct a power plant and/or electric transmission line and related facilities.

You may submit comments on issues and planning criteria in writing at the public scoping meeting, or you may submit them via e-mail (see "ADDRESSES" section above). To be most helpful, you should submit comments within 30 days after the public scoping meeting. Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment – including your personal identifying information – may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so. The BLM will identify issues to be addressed in the plan, and will place them into one of three categories:

- 1. Issues to be resolved in the plan;
- 2. Issues to be resolved through policy or administrative action; or
- 3. Issues beyond the scope of this plan.

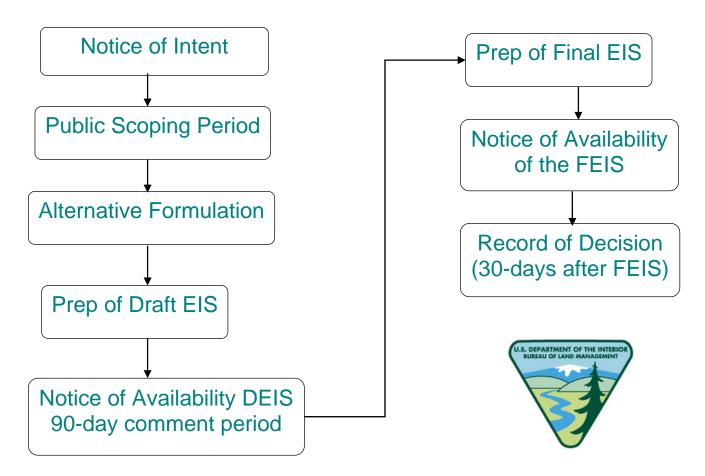
The BLM will provide an explanation in the plan as to why we placed an issue in category two or three. The public is also encouraged to help identify any management questions and concerns that should be addressed in the plan. The BLM will work collaboratively with interested parties to identify the management decisions that are best suited to local, regional, and national needs and concerns.

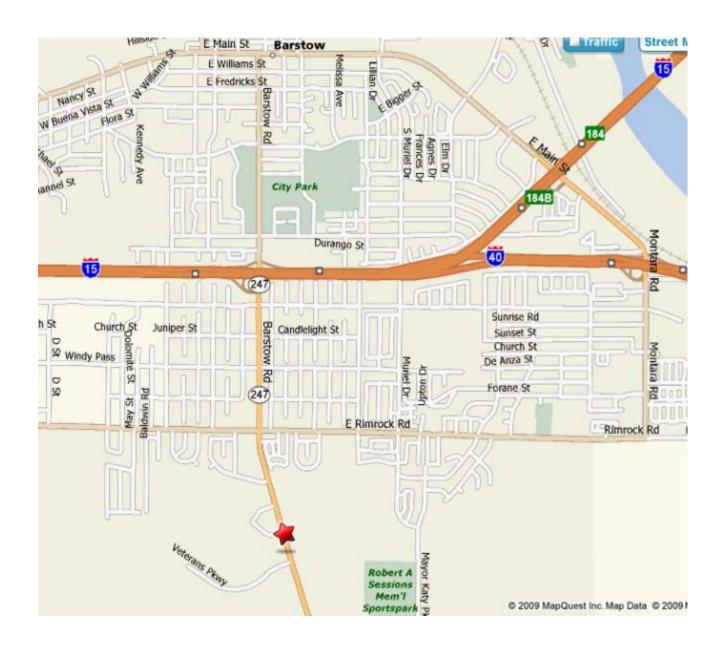
Dated

Original Signed By:

THOMAS POGACNIK
Deputy State Director
Natural Resources (CA-930)
California State Office

BLM NEPA Process for EIS





Barstow Community College Performing Arts Center 2700 Barstow Road Barstow, CA 92311

Monday, June 22, 2009
Site Visit begins (bus leaves) at 11:30 a.m.
Public Informational/Scoping Meeting begins at 1:00 p.m.



BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA 1516 NINTH STREET, SACRAMENTO, CA. 95814

1516 NINTH STREET, SACRAMENTO, CA 95814 1-800-822-6228 – WWW.ENERGY.CA.GOV

APPLICATION FOR CERTIFICATION For the SES SOLAR ONE PROJECT

Docket No. 08-AFC-13

PROOF OF SERVICE

(Revised 5/26/09)

APPLICANT

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INTERESTED AGENCIES

California ISO <u>e-recipient@caiso.com</u>

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INTERVENORS

ENERGY COMMISSION

JAMES D. BOYD Vice Chair and Presiding Member jboyd@energy.state.ca.us

JEFFREY D. BYRON Commissioner and Associate Member ibyron@energy.state.ca.us

Paul Kramer Hearing Officer pkramer@energy.state.ca.us

Caryn Holmes Staff Counsel cholmes@energy.state.ca.us

Christopher Meyer Project Manager cmeyer@energy.state.ca.us

Public Adviser publicadviser@energy.state.ca.us

DECLARATION OF SERVICE

I, <u>RoseMary Avalos</u> declare that on <u>May, 28, 2009</u>, I served and filed copies of the attached <u>Notice of Informational Hearing and Public Site Visit and Bureau of Land Management Scoping Meeting, dated May 28, 2009</u>. The original document, filed with the Docket Unit, is accompanied by a copy of the most recent Proof of Service list, located on the web page for this project at:

[www.energy.ca.gov/sitingcases/solarone]. The document has been sent to both the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit, in the following manner:

(Check all that Apply)

FOR SERVICE TO ALL OTHER PARTIES:

Χ	sent electronically to all email addresses on the Proof of Service list;
X	by personal delivery or by depositing in the United States mail at <u>Sacramento</u> , <u>California</u> with first-class postage thereon fully prepaid and addressed as provided on the Proof of Service list above to those addresses NOT marked "email preferred."

AND

FOR FILING WITH THE ENERGY COMMISSION:

Х	sending an	original	paper	copy	and	one	electronic	copy,	mailed	and	emailed
	respectively,	to the ac	ddress	below	(pre	eferre	ed method	();			

OR

depositing in the mail an original and 12 paper copies, as follows:

CALIFORNIA ENERGY COMMISSION

Attn: Docket No. <u>08-AFC-13</u> 1516 Ninth Street, MS-4 Sacramento, CA 95814-5512

docket@energy.state.ca.us

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

Original Signed By: RoseMary Avalos