STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

	AFC-5
DATE	MAY 17 2010
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In the Matter of:) Docket No.: 08-AFG	
)	
Application for Certification for the)	May 17, 2010
Imperial Valley Solar Project (formerly)	
known as SES Solar Two Project),)	
Imperial Valley Solar, LLC)	r

Staff Comments on Schedule Impacts of AFC Supplement

Staff has reviewed the AFC supplement filed by the applicant for the Imperial Valley Solar project on May 5, 2010, and has concluded that the changes identified in the supplement -increasing the amount of hydrogen stored on site, re-rerouting several linear facilities, and identifying the use of a new water source -- will require additional time to review. In particular, the proposed use of a new potable water supply raises a number of questions about the project's environmental impacts and conformity with applicable laws. ordinances, regulations, and standards (LORS). Contrary to the applicant's assertions, the information submitted in the AFC supplement is not sufficient for staff to determine whether a federal permit is required for the use of water from the sole-source aquifer, what the impact to the basin balance would be, and whether there would be impacts to nearby well owners or to groundwater-dependent habitat used by sensitive species. Staff notes that the amount of water identified for project use in the AFC supplement exceeds the permitted amount of groundwater extraction for the well, even when the groundwater currently extracted for other uses is excluded from the calculations. Nonetheless, staff is committed to completing a water impacts and LORS conformity analysis in as timely a manner as feasible. In addition, we believe that responding to the other changes in the supplement will not require as extensive an effort.

Staff would also like to point out that notwithstanding the AFC supplement, the cultural resources, biological resources, soil and water resources, and alternatives sections cannot be completed until staff has reviewed the revised Technical Report, the revised draft Programmatic Agreement, the results of protocol level surveys associated with the Seeley Wastewater Treatment Plant expansion, and the Army Corps of Engineers identification of the Least Environmentally Damaging Project Alternative, none of which is currently available. In addition, the comment period for the Staff Assessment/Draft Environmental Impact Report (SA/DEIS) does not end until May 27th. As a result, at the May 24th hearings, staff will sponsor testimony on all topics other than cultural resources, biological resources, soil and water resources, and alternatives, including declarations that note that modifications to the analyses we are sponsoring may be required should review of the AFC Supplement, outstanding information, or comments on the SA/DEIS necessitate additional analysis. Staff plans to present its final testimony in two documents. The first, which will address all technical areas other than cultural resources, will be filed by June 27, 2010.

Staff's cultural resources analysis will be filed by August 15, 2010. We regret that we are not able to accommodate the Committee's desire to hear all topics in May, but believe that sufficient time is available to provide a complete analysis of the project, as modified in the recent AFC supplement, for Commission consideration in early fall.

Date: May 17, 2010

Respectfully submitted,

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

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APPLICATION FOR CERTIFICATION FOR THE IMPERIAL VALLEY SOLAR PROJECT

(formerly known as SES Solar Two Project) IMPERIAL VALLEY SOLAR, LLC

Docket No. 08-AFC-5 PROOF OF SERVICE (Revised 5/10/10)

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DECLARATION OF SERVICE

I, Chester Hong, declare that on May 17, 2010, I served and filed copies of the attached, **Staff Comments on Schedule Impacts of AFC Supplement**. The original document, filed with the Docket Unit, are accompanied by a copy of the most recent Proof of Service list, located on the web page for this project at: [http://www.energy.ca.gov/sitingcases/solartwo/index.html]

The document have 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:

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CALIFORNIA ENERGY COMMISSION

Attn: Docket No. <u>08-AFC-5</u> 1516 Ninth Street, MS-4 Sacramento, CA 95814-5512 <u>docket@energy.state.ca.us</u>

I declare under penalty of perjury that the foregoing is true and correct, that I am employed in the county where this mailing occurred, and that I am over the age of 18 years and not a party to the proceeding.

*indicates change