

**DOCKET**  
**09-AFC-10**

DATE JUL 06 2010

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July 6, 2010

California Energy Commission  
Dockets Unit  
1516 Ninth Street  
Sacramento, CA 95814-5512

**Subject: RICE SOLAR ENERGY, LLC'S LETTER RE: RIVERSIDE COUNTY IMPACT  
FEES AND FIRE DEPARTMENT REQUIREMENTS  
RICE SOLAR ENERGY PROJECT  
DOCKET NO. (09-AFC-10)**

Enclosed for filing with the California Energy Commission is the original of  
**RICE SOLAR ENERGY, LLC'S LETTER RE: RIVERSIDE COUNTY IMPACT FEES  
AND FIRE DEPARTMENT REQUIREMENTS**, for the Rice Solar Energy Project (09-  
AFC-10).

Sincerely,



Marie Mills

July 6, 2010

John Kessler, Project Manager  
Siting, Transmission and Environmental Protection Division  
California Energy Commission  
1516 Ninth Street, MS-15  
Sacramento, CA 95814

**RE:           Rice Solar Energy Project (09-AFC-10)  
              Riverside County Impact Fees and Fire Department Requirements**

Dear John,

With the nearing publication of the Rice draft SA/DEIS, we would like to give you an update of our discussions with Riverside County as they relate to the impact fees and Fire Department requirements that you may be considering under the Worker Safety portion of our AFC. We hope this information is helpful in producing a draft SA/DEIS for the Rice Project that is fully determinate in this area of our license application.

SolarReserve's project team includes members from Riverside County who have experience with and a working knowledge of Riverside County's Planning and Fire Departments. The team recently met with members of the County (George Johnson, Transportation Land Management Agency Director; Greg Neal, Deputy Planning Director; and Katherine Lind, Chief Deputy County Counsel) to discuss the structure and applicability of impact fees and effect on Fire Department services that may apply to the Rice Project as a result of its construction and operation.

Most noteworthy from our meetings was the confirmation that developer impact fees, if applicable to our project, would be assessed based only on the regularly occupied portion of the facility (road, power block and not include the heliostat field). With this in mind, our options for impact mitigation look to be varied, such as: fee-based on kW production during operation; payment of fees over time; and traditional payment at occupancy (operation). To the extent it is applicable, the fire component of the developer impact fees authorized to be paid to the County under the Government Code is not an authorization for the Fire Department to become a taxing authority. Nevertheless, we continue to work with the Fire Department to allay their concerns for public safety and to meet their requirements under the County's Fire Master Plan.

As you and I have discussed, the eight mile rule for locating fire stations near new project sites is not absolute. In fact, there are many examples within Riverside County where industrial facilities and commercial establishments such as restaurants and casinos are located often-times outside the eight mile rule for fire stations. This is allowable under the County's Fire Master Plan which merely *targets* a 90% efficiency goal in the outlying/unincorporated areas.

The Rice project is a full-scale commercialization of the U.S. Department of Energy demonstration project called Solar Two which was located in Daggett, San Bernardino County. Solar Two operated safely from 1996 to 1999 with no fires whatsoever. No combustible materials are involved in the liquid salt solar-thermal process. Moreover, there are only modest amounts of lubricants, diesel fuel and other standard chemicals for plant vehicles and emergency backup systems as well as limited quantities of non volatile chemicals for water purification and boiler treatment. Accordingly, SolarReserve's technology compares favorably with higher-risk parabolic trough solar power plants with oil-based HTF (Heat Transfer Fluid), and natural gas back-up heaters posing inherently greater exposure to fire risk than the Rice project. SolarReserve's technology does not use HTF or natural gas in any form for heat capture or power production.

This leads us to the conclusion that a reasonable condition targeting the applicable impact fees, the Fire Department's concerns and reimbursement to the County for actual costs incurred should be sufficient for the CEC to determine that the Worker Safety portion of the draft SA/DEIS is mitigated to less than significant.

To expand on this, I have summarized the manner in which the potential CEQA and LORS issues can be met within the parameters of what SolarReserve can reasonably accomplish:

Prospective: To meet the prospective concerns of the Fire Department, we are proposing an automatic aid agreement to supplement the existing mutual aid agreement with San Bernardino County making use of their fire station at Big River, CA which is approximately 30 miles away from Rice; training of on-site personnel to meet EMT requirements; utilization of our automatic fire suppression systems; professional management of our minimal amount of hazardous materials; as well as implementation of joint communication and fire suppression training programs as may be required by the Fire Department.

Actual: Under the County Fire Master Plan, the Fire Department is eligible to seek reimbursement for response costs associated with a call to the site. This cost reimbursement provision will also be beneficial to San Bernardino County under a automatic aid agreement.

With these points in mind, we would welcome an opportunity to workshop and discuss with you a Condition of Certification which reflects that the fees associated with actual impacts will be paid to the County under one of many alternative payment schedules available through an Agreement between the County and SolarReserve executed prior to operating the new plant which meets the intent of the County General Plan and relevant Ordinances. Likewise, the concerns of the Fire Department would be met by implementing an EMT program as well as fire prevention and suppression programs, including medical training/response and radio communication training.

We understand that the publication of the Rice SA/DEIS is targeted for July 21, and that logistically the final cut-off date is approximately July 14, in order to give the printer time to produce the final document. We remain vigilant and at the ready to work with you so as to minimize any unknowns that may become an impediment for the Rice project if not discovered before publication of the SA/DEIS.

Sincerely,

// original signed //

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Robert Gladden  
Counsel for Rice Solar Energy, LLC



**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](http://WWW.ENERGY.CA.GOV)**

**APPLICATION FOR CERTIFICATION  
FOR THE *RICE SOLAR ENERGY POWER*  
*PLANT PROJECT***

**Docket No. 09-AFC-10**

***PROOF OF SERVICE*  
(Revised 3/4/2010)**

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**DECLARATION OF SERVICE**

I, Marie Mills, declare that on July 6, 2010, I served and filed copies of the attached, **RICE SOLAR ENERGY, LLC'S LETTER RE: RIVERSIDE COUNTY IMPACT FEES AND FIRE DEPARTMENT REQUIREMENTS**, dated July 6, 2010. 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:  
[<http://www.energy.ca.gov/sitingcases/ricesolar>].

The documents 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:

*(Check all that Apply)*

**FOR SERVICE TO ALL OTHER PARTIES:**

☒ sent electronically to all email addresses on the Proof of Service list;

☐ by personal delivery;

☒ by delivering on this date, for mailing with the United States Postal Service with first-class postage thereon fully prepaid, to the name and address of the person served, for mailing that same day in the ordinary course of business; that the envelope was sealed and placed for collection and mailing on that date to those addresses **NOT** marked "email preferred."

**AND**

**FOR FILING WITH THE ENERGY COMMISSION:**

☒ sending an original paper copy and one electronic copy, mailed and emailed respectively, to the address below (*preferred method*);

**OR**

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

**CALIFORNIA ENERGY COMMISSION**

Attn: Docket No. **09-AFC-10**

1516 Ninth Street, MS-4

Sacramento, CA 95814-5512

[docket@energy.state.ca.us](mailto:docket@energy.state.ca.us)

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.



Marie Mills