Memorandum

Date: August 4, 2010 Telephone: (916) 651-0966

To: James D. Boyd, Vice Chair and Presiding Member Anthony Eggert, Commissioner and Associate Member
 DOCKET

 09-AFC-9

 DATE

 AUG 04 2010

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From: California Energy Commission – Eric K. Solorio, Project Manager 1516 Ninth Street Sacramento, CA 95814-5512

Subject: Staff's Status Report #3 for the Ridgecrest Solar Power Project (09-AFC-9)

Staff respectfully submits this Status Report #3 for consideration by the Committee.

Background

The applicant for the Ridgecrest Solar Power Project (RSPP) filed a letter dated June 30, 2010, whereby the applicant requested their Application for Certification (AFC) be suspended for two years, in order to conduct a longitudinal (2-year), habitat connectivity study related to the Mojave Ground Squirrel (MGS), in and around the proposed project site. The letter also included a proposed Preliminary Scope of Work, Outline for the study and requested staff from the Energy Commission, California Department of Fish and Game (CDFG), US Fish and Wildlife Service (USFWS) and the Bureau of Land Management (BLM) work with the applicant to agree upon the scope of the study, as well as oversee the study.

After further dialogue at the July 8, 2010 Status Conference, the applicant submitted a second letter dated July 13, 2010, in which the applicant clarified its request by stating its preference is to keep the AFC active, rather than suspend it. The applicant also requested to meet with staff in order to begin discussing the proposed scope of the MGS study and establish future milestones.

AFC Processing

In response to the applicant's letters dated June 30, 2010 and July 13, 2010, staff is agreeable to the Committee allowing the AFC to remain active. Going forward, staff intends to close-out a few remaining issues in technical areas other than biological resources then submit a Status Report that identifies the overall the status of the project. This approach will allow the Committee, staff and other agencies to resume processing the AFC, two years from now, with greater continuity.

Staff Workshops

Staff is currently working with CDFG, USFWS and the BLM to coordinate workshop dates for early September 2010. The workshop(s) will be held in order to provide the applicant with the requested input for the MGS study. Once the scope of the study is established, staff will submit a revised, proposed schedule to the Committee as part of staff's next Status Report in late September, 2010.

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James D. Boyd, Vice Chair and Presiding Member Anthony Eggert, Commissioner and Associate Member August 4, 2010 Page 2

Follow-up Item

At the July 8, 2010 Status Conference, Deputy Director, Terrence O'Brien advised the Committee that as part of the Renewable Energy Action Team (REAT) efforts to establish the Desert Renewable Energy Conservation Plan (DRECP), the Ridgecrest project location would be evaluated for potential inclusion in the DRECP. The Committee asked Mr. O'Brien to further discuss with the REAT agencies, the timing of and the likelihood for the RSPP site to be included in the DRECP, and then report back to the Committee. Attached is a letter from Mr. O'Brien which addresses the Committee's request.

Attachments (1): Letter from Terrence O'Brien, Deputy Director, Siting, Transmission and Environmental Protection Division

Memorandum

To: James D. Boyd, Vice Chair and Presiding Member Anthony Eggert, Commissioner and Associate Member Date: August 4, 2010 Telephone: (916) 654-3933

From: California Energy Commission – TERRY O'BRIEN, Deputy Director, STEP 1516 Ninth Street Sacramento, CA 95814-5512

Subject: Ridgecrest Solar Power Project (09-AFC-9) and the Desert Renewable Energy Conservation Plan (DRECP)

The Energy Commission staff appreciates the concerns expressed by Solar Millennium at the Ridgecrest Status Conference on July 8, 2010 in relation to whether the project site might eventually be included within a Desert Renewable Energy Conservation Plan (DRECP) proposed conservation area. Understandably, the applicant does not want to invest the time and resources needed to conduct a study on Mojave ground squirrel connectivity issues if the Renewable Energy Action Team (REAT) agencies determine that the project site and surrounding area are important to preserve due to biological considerations. Unfortunately, at this time it is uncertain how long it will be before any definitive recommendation emerges regarding the appropriateness of designating the project area as a conservation zone. Any timing estimate would simply be a guess on the part of staff; nonetheless, we would not expect any preliminary recommendations to occur before the fall of this year. We recognize this leaves the applicant in a state limbo but this situation cannot be rectified in the near term.

The staff will continue to work with the other REAT agencies on the issue of designating both development and conservation areas in the Mojave and Colorado Deserts. The issue of impacts to Mojave ground squirrel habitat is one of the most significant issues for the agencies, as well as the DRECP stakeholders, to consider since this will determine how much and what areas of the western Mojave Desert can be developed. At this time the staff can only reiterate what we have stated on numerous occasions at workshops and committee conferences. Namely, that we believe the project site chosen by the applicant for the Ridgecrest project contains important biological resources that are deserving of protection and that we remain concerned that approval of the project will lead to significant and immitigable impacts to Mojave ground squirrel and desert tortoise that do not justify the development of the site. We believe it is preferable, based upon what we know today, to preserve this site and surrounding area as opposed to developing it. Of course, our views regarding preservation could change if the resource agencies (California Department of Fish & Game and US Fish and Wildlife Service) as well as the Bureau of Land Management reach a different conclusion going forward with work on the DRECP.



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 *Ridgecrest Solar Power Project*

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Docket No. 09-AFC-9

PROOF OF SERVICE (Revised 7/6/2010)

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DECLARATION OF SERVICE

I, Sabrina Savala, declare that on August 04, 2010 I served and filed copies of the attached Staff's Status Report #3, dated August 04, 2010 The original document, filed with the Docket Unit, is accompanied by a copy of the most Proof Service list, located on the page recent of web for this project at: [http://www.energy.ca.gov/sitingcases/solar_millennium_ridgecrest].

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:

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CALIFORNIA ENERGY COMMISSION

Attn: Docket No. <u>09-AFC-9</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, 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.

<u>Original signed by:</u> Sabrina Savala