

COLORADO RIVER BOARD OF CALIFORNIA

770 FAIRMONT AVENUE, SUITE 100
GLENDALE, CA 91203-1068
(818) 500-1625
(818) 543-4685 FAX



September 23, 2010

State Clearinghouse
1400 Tenth Street
P.O. Box 3044
Sacramento, CA 95812-3044

DOCKET**09-AFC-8**

DATE 09/23/10

RECD. 09/28/10

Regarding SCH# 2010 084 007: Notice of Completion & Environmental Document Transmittal for a Plan Amendment/Final EIS for the Genesis Solar Energy Project, August 2010, Bureau of Land Management, Riverside County, California

To Whom It May Concern:

The Colorado River Board of California (Board) has received and reviewed a copy of Notice of Completion & Environmental Document Transmittal for Plan Amendment/Final EIS for the Genesis Solar Energy Project, August 2010, Bureau of Land Management, Riverside County, California.

The Board's earlier comments on the draft EIS for the Genesis Solar Energy Project regarding the Colorado River water use due to the groundwater pumping at this project site have been incorporated in this Final EIS report. The earlier comments contained in the July 2, 2010 comment letter were addressed directly to the California Energy Commission. A copy of the Board's comment letter is also attached here for reference.

In this Final EIS report, the estimated groundwater extraction from the Chuckwalla Valley Groundwater Basin (CVGB) is about 4,104 acre-feet during the 36 months construction period. The total consumption during the operational 30-year period is estimated to be 49,320 acre-feet (1,644 acre-feet per year) for the wet cooling and 6,540 acre-feet (218 acre-feet per year) for the dry cooling alternative. According to the U.S. Geological Survey Water Investigation Reports (i.e., WRI 94-4005 and WRI 00-4085), the Genesis Solar Energy Project site is currently located within the "Accounting Surface" area, i.e. the CVGB groundwater underneath the project site is hydraulically connected with the Colorado River. Although "a fraction of this water could be drawn indirectly from the induced flows from the Colorado River" as stated in the Table ES-2 of the report, any amount of groundwater withdrawn from the CVGB aquifer that will be replaced by the Colorado River, in total or in part, is considered a use of Colorado River water.

According to the Consolidated Decree of the Supreme Court of the United States in the case of *Arizona v. California, et al.* entered March 27, 2006, (547 U.S. 150, 2006), the consumptive use of water means "diversion from the stream less such return flow thereto as is available for consumptive use in the United States or in satisfaction of the Mexican treaty obligation" and consumptive use "includes all consumptive uses of water of the mainstream, including water drawn from the

mainstream by underground pumping." Also, pursuant to the 1928 Boulder Canyon Project Act (BCPA) and the Consolidated Decree, no water shall be diverted and/or delivered from storage or used by any water user without a valid contract between the Secretary of the Interior and the water user for such use, i.e., through a BCPA Section 5 contract.


As a result of previous discussions with other solar power/energy projects, the Board has identified a preferred option for obtaining a legally authorized and reliable water supply for these projects. That option involves obtaining water through an existing BCPA Section 5 contract holder, The Metropolitan Water District of Southern California. Although other options may be available, it is the Board's assessment that they could not be implemented in a timely manner and address the requirement that water consumptively used from the Colorado River must be through a BCPA Section 5 contractual entitlement.

Attached for your reference is a copy of three Lower Colorado River Basin states letter addressed to the Director of the U.S. Bureau of Land Management (BLM), Mr. Robert Abbey, regarding the siting and development of solar power/energy projects on public lands administered by the BLM and the long-term impacts to the water supplies. The letter requests that BLM include provisions in future right-of-way grants or leases that require use of best management practices and water use efficient technologies.

If you have any questions or require further information, please feel free to contact me at (818) 500-1625.

Sincerely,



 Gerald R. Zimmerman
Acting Executive Director

Attachments

cc: Ms. Lorri Gray-Lee, Regional Director, U.S. Bureau of Reclamation
Ms. Sandra McGinnis, Palm Springs-South Coast Field Office, Bureau of Land Management
Ms. Eileen Allen, California Energy Commission
Mr. Mike Monasmith, California Energy Commission
Mr. William J. Hasencamp, The Metropolitan Water District of Southern California
ESA Energy, 225 Bush Street, Suite 1700, San Francisco, California

COLORADO RIVER BOARD OF CALIFORNIA

770 FAIRMONT AVENUE, SUITE 100

GLENDALE, CA 91203-1068

(818) 500-1625

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July 2, 2010

Mr. Mike Monasmith
Project Manager
Siting, Transmission and Environmental
Protection Division
California Energy Commission
1516 Ninth Street, MS 15
Sacramento, CA 95814-5512

Dear Mr. Monasmith:

The Colorado River Board of California (Board), created in 1937, is the State agency charged with safeguarding and protecting the rights and interests of the State, its agencies and citizens, in the water and power resources of the seven-state Colorado River System.

The Board has reviewed the Staff Assessment and Environmental Impact Statement, Application for Certification for the Genesis Solar Energy Project in Riverside County, California. The applicant for the Genesis Solar Energy Project, Genesis Solar LLC, is seeking a right-of-way grant for approximately 4,640 acres of federal lands that are administered by the Bureau of Land Management (BLM). The Genesis Solar Energy Project proposes to use a wet cooling tower for power plant cooling. The total water consumption during the operational 30-year period and power purchase agreement with a California utility for the Genesis Solar Energy Project is estimated to be 1,644 acre-feet per year. In addition, the water use during the construction phase is estimated to be 2,440 acre-feet over the construction period. The water supply for the project will be pumped from on-site groundwater wells and stored on-site.

According to the Consolidated Decree of the Supreme Court of the United States in the case of *Arizona v. California, et al.* entered March 27, 2006, (547 U.S. 150, 2006), the consumptive use of water means "diversion from the stream less such return flow thereto as is available for consumptive use in the United States or in satisfaction of the Mexican treaty obligation" and consumptive use "includes all consumptive uses of water of the mainstream, including water drawn from the mainstream by underground pumping." Also, pursuant to the 1928 Boulder Canyon Project Act (BCPA) and the Consolidated Decree, no water shall be delivered from storage or used by any water user without a valid contract between the Secretary of the Interior and the water user for such use, i.e., through a BCPA Section 5 contract.

Within California, BCPA Section 5 contracts have previously been entered into between users of Colorado River mainstream water and the Secretary of the Interior for water from the Colorado River that exceeds California's basic entitlement to use Colorado River water as set forth in the Consolidated Decree. Thus, no additional Colorado River water is available for use by new project proponents along the Colorado River, except through the contract of an existing BCPA Section 5

July 2, 2010

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contract holder, either by direct service or through an exchange of non-Colorado River water for Colorado River water.

The BLM lands proposed for the Genesis Solar Energy Project are currently located within the "Accounting Surface" area designated by U.S. Geological Survey Water Investigation Reports (i.e., WRI 94-4005 and WRI 00-4085). These reports indicate that the aquifer underlying lands located within the "Accounting Surface" is considered to be hydraulically connected to the Colorado River and groundwater withdrawn from wells located within the "Accounting Surface" would be replaced by Colorado River water, in part or in total. This means that if it is determined that these wells are, in fact, pumping Colorado River water, a contract with the Secretary of the Interior would be required before such a diversion and use is deemed to be a legally authorized use of this water supply.

As a result of discussions associated with two other solar power projects, including the Blythe and the Palen Solar Power Projects; and the Board has identified a preferred option for obtaining a legally authorized and reliable water supply for these projects. That option involves obtaining water through an existing BCPA Section 5 contract holder, The Metropolitan Water District of Southern California. Although other options may be available, it is the Board's assessment that they could not be implemented in a timely manner and address the requirement that water consumptively used from the Colorado River must be through a BCPA Section 5 contractual entitlement.

If you have any questions or require further information, please feel free to contact me at (818) 500-1625.

Sincerely,


for  Gerald R. Zimmerman
Acting Executive Director

cc: Ms. Lorri Gray-Lee, Regional Director, U.S. Bureau of Reclamation
Ms. Holly Roberts, Associate Field Manager, Palm Springs-South Coast Field Office, BLM
Ms. Eileen Allen, California Energy Commission
Mr. William J. Hasencamp, The Metropolitan Water District of Southern California

ARIZONA DEPARTMENT OF WATER RESOURCES
COLORADO RIVER BOARD OF CALIFORNIA
SOUTHERN NEVADA WATER AUTHORITY

August 12, 2010

Mr. Robert Abbey, Director
Bureau of Land Management
U.S. Department of the Interior
1849 C Street NW, Room 5665
Washington, DC 20240

Re: Water Efficient Solar Power

Dear Mr. Abbey:

We are writing on behalf of the Arizona Department of Water Resources, the Colorado River Board of California, and the Southern Nevada Water Authority to communicate our joint concerns regarding current planning for concentrated solar power (CSP) projects throughout the southwestern United States, particularly in Arizona, California and Nevada.

Let us make clear at the outset that all of our agencies fully support the development of additional solar power projects in the southwestern United States and believe that solar power projects are a critical element in our nation's future sustainable electrical power portfolio. However, our concern is that in pursuing the realization of additional CSP projects that state, local and federal agencies do not overlook the energy-water nexus and the corollary adverse impacts that these projects can have on precious and finite water resources if there is not proper planning.

As you are well aware, there are currently numerous and disparate processes ongoing to permit large scale solar power projects in the southwestern United States. These processes include hundreds of individual right-of-way applications from project proponents on tens of thousands of acres managed by the Bureau of Land Management (BLM); the drafting of a Programmatic Environmental Impact Statement intended to establish "solar zones" in Nevada; a BLM "fast track" process in Arizona; and two bills currently pending before Congress, the *American Solar Energy Pilot Leasing Act of 2010* and the *Wind and Solar Leasing Act of 2010*.

With these multiple processes moving forward simultaneously, we believe that it is imperative that BLM apply a uniform standard regarding the efficient use of water for solar power projects. To that end we believe that any right-of-way grant or lease issued by BLM for CSP projects in the southwestern United States should include a provision that requires that the best available water efficient technologies be utilized for solar power projects, including specifically that any CSP project utilize dry cooling technology.

Mr. Robert Abbey

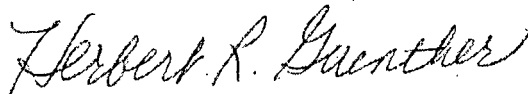
Page 2

August 12, 2010

We thank you for your time and attention in this matter. If you have any questions regarding this correspondence, please do not hesitate to contact us directly.

Sincerely,

Arizona Department of Water Resources



Herbert R. Guenther, Director

(602) 771-8426

hrguenther@azwater.gov

Colorado River Board of California

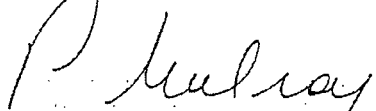


Gerald R. Zimmerman, Executive Director

(818) 500-1625, ext. 308

gzimmerman@crb.ca.gov

Southern Nevada Water Authority



Patricia Mulroy, General Manager

(702) 258-3100

pat.mulroy@lvvwd.com

cc: The Honorable Shelley Berkley, United States Congress
The Honorable Barbara Boxer, United States Senate
The Honorable John Ensign, United States Senate
The Honorable Dianne Feinstein, United States Senate
The Honorable Dean Heller, United States Congress
The Honorable Jon Kyl, United States Senate
The Honorable Harry Reid, United States Senate
The Honorable Dina Titus, United States Congress

Notice of Completion & Environmental Document Transmittal

Appendix C

Mail to: State Clearinghouse, P. O. Box 3044, Sacramento, CA 95812-3044 (916) 445-0613
For Hand Delivery/Street Address: 1400 Tenth Street, Sacramento, CA 95814

SCH # **2010084007**

Project Title: Genesis Solar Energy Project

Lead Agency: Bureau of Land Management

Mailing Address: 1201 Bird Center Drive

City: Palm Springs

Zip: 92264

Contact Person: Sandra McGinnis

Phone: 760.833.7100

County: Riverside

Project Location:

County: Riverside City/Nearest Community: Desert Center, CA

Cross Streets: n/a

Zip Code:

Assessor's Parcel No.: Section: multiple Twp.: 6 S Range: 19E Base: SBBM

Within 2 Miles: State Hwy #: Interstate 10

Waterways:

Airports:

Railways:

Schools:

Document Type:

- CEQA: ☐ NOP ☐ Draft EIR
☐ Early Cons ☐ Supplement/Subsequent EIR
☐ Neg Dec (Prior SCH No.)
☐ Mit Neg Dec ☐ Other

NEPA: ☐ NOI
☐ Draft EIS
AUG 2 5 2010

- Other: ☐ Joint Document
☐ Final Document
☐ Other FEIS/Plan Amendment

Local Action Type:

- ☐ General Plan Update ☒ Specific Plan ☐ Annexation
☐ General Plan Amendment ☐ Master Plan ☐ Redevelopment
☐ General Plan Element ☐ Planned Unit Development ☒ Use Permit ☐ Coastal Permit
☐ Community Plan ☐ Site Plan ☐ Land Division (Subdivision, etc.) ☐ Other

Development Type:

- ☐ Residential: Units _____ Acres _____
☐ Office: Sq.ft. _____ Acres _____ Employees _____
☐ Commercial: Sq.ft. _____ Acres _____ Employees _____
☐ Industrial: Sq.ft. _____ Acres _____ Employees _____
☐ Educational _____
☐ Recreational _____
Total Acres (approx.) 1,890
- ☐ Water Facilities: Type _____ MGD
☐ Transportation: Type _____
☐ Mining: Mineral _____
☒ Power: Type Solar Parabolic Trough MW 250 nominal
☐ Waste Treatment: Type _____ MGD
☐ Hazardous Waste: Type _____
☐ Other:

Project Issues Discussed in Document:

- ☒ Aesthetic/Visual ☒ Fiscal ☒ Recreation/Parks ☒ Vegetation
☒ Agricultural Land ☒ Flood Plain/Flooding ☐ Schools/Universities ☒ Water Quality
☒ Air Quality ☒ Forest Land/Fire Hazard ☒ Septic Systems ☒ Water Supply/Groundwater
☒ Archeological/Historical ☒ Geologic/Seismic ☒ Sewer Capacity ☒ Wetland/Riparian
☒ Biological Resources ☒ Minerals ☒ Soil Erosion/Compaction/Grading ☒ Wildlife
☐ Coastal Zone ☒ Noise ☒ Solid Waste ☒ Growth Inducing
☒ Drainage/Absorption ☒ Population/Housing Balance ☒ Toxic/Hazardous ☒ Land Use
☒ Economic/Jobs ☒ Public Services/Facilities ☒ Traffic/Circulation ☒ Cumulative Effects
☐ Other

Present Land Use/Zoning/General Plan Designation:

Proposed Action to have supporting Plan Amendment Recommendations

Project Description: (please use a separate page if necessary)

Genesis Solar, LLC, has proposed the development of two independent solar electric facilities with a output of 125 MW each. The proposal would be designed to utilize solar parabolic trough technology. Genesis Solar is seeking a right-of-way grant of approximately 4,640 acres of BLM land.

State Clearinghouse Contact:

(916) 445-0613

State Review Began:

08-23-2010

SCH COMPLIANCE

09-27-2010

Final/FEIS Review per Lead

Please note State Clearinghouse Number (SCH#) on all Comments

SCH#: **2010084007**

Please forward late comments directly to the Lead Agency

AQMD/APCD 33

(Resources: 08 / 28)

Project Sent to the following State Agencies

- | | |
|--|---------------------------------|
| <input checked="" type="checkbox"/> Resources | State/Consumer Sves |
| <input type="checkbox"/> Boating & Waterways | General Services |
| <input type="checkbox"/> Coastal Comm | Cal EPA |
| <input checked="" type="checkbox"/> Colorado Rvr Bd | ARB - Airport Projects |
| <input checked="" type="checkbox"/> Conservation | ARB - Transportation Projects |
| <input checked="" type="checkbox"/> Fish & Game # 10 | ARB - Major Industrial Projects |
| <input type="checkbox"/> Delta Protection Comm | SWRCB: Div. Financial Assist. |
| <input type="checkbox"/> Cal Fire | SWRCB: Wtr Quality |
| <input checked="" type="checkbox"/> Historic Preservation | SWRCB: Wtr Rights |
| <input checked="" type="checkbox"/> Parks & Rec | Reg. WQCB # 7 |
| <input type="checkbox"/> Central Valley Flood Prot. | Toxic Sub Ctrl-CTC |
| <input type="checkbox"/> Bay Cons & Dev Comm | Yth/Adlt Corrections |
| <input type="checkbox"/> DWR | Corrections |
| <input type="checkbox"/> Cal EMA | |
| <input type="checkbox"/> Resources, Recycling and Recovery | |
| Bus Transp Hous | Independent Comm |
| <input checked="" type="checkbox"/> Aeronautics | Energy Commission |
| <input checked="" type="checkbox"/> CHP | NAHC |
| <input checked="" type="checkbox"/> Caltrans # 8 | Public Utilities Comm |
| <input type="checkbox"/> Trans Planning | State Lands Comm |
| <input type="checkbox"/> Housing & Com Dev | Tahoe Rgl Plan Agency |
| <input type="checkbox"/> Food & Agriculture | |
| <input type="checkbox"/> Health Services | Conservancy |

Comments attached

Other:



**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
GENESIS SOLAR ENERGY PROJECT**

Docket No. 09-AFC-8

**PROOF OF SERVICE
(Revised 8/5/10)**

APPLICANT

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Meg Russel/Project Manager
Duane McCloud/Lead Engineer
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e-recipient@caiso.com

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INTERVENORS

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Rachael E. Koss,
Marc D. Joseph
Adams Broadwell Joesph
& Cardoza
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*Jared Babula
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Jennifer Jennings
Public Adviser's Office
e-mail service preferred
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DECLARATION OF SERVICE

I, Maria Santourdjian, declare that on September 28, 2010, I served and filed copies of the attached CACRB Letter Regarding Genesis Solar Energy Project, dated September 23, 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/genesis_solar].

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:

- x sent electronically to all email addresses on the Proof of Service list;
- by personal delivery;
- x 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:

- x 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-8
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.

Originally Signed by _____
Maria Santourdjian