

**STATE OF CALIFORNIA
ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION**

DOCKET

10-SIT OII-1

DATE _____

RECD. DEC 02 2010

In the Matter of:)	Docket 10-SIT OII-1
)	
Examining Issues Related to)	ORDER INSTITUTING
Commission Processing of Applications)	INFORMATIONAL PROCEEDING
For Thermal Power Plant Projects)	
_____)	Order No. 10-1201-20

I. AUTHORITY AND PURPOSE

Pursuant to Pub. Resources Code, § 25210 and Cal. Code Regs., tit. 20, § 1222(b), the Commission hereby adopts an order instituting an informational proceeding as proposed by the Energy Facility Siting Committee. The Committee, with Commissioner Weisenmiller as Presiding Member and Chairman Douglas as Associate Member, proposes to conduct workshops over the next several months on the Commission's energy project review process. In particular, the workshops will explore the lessons learned from the Commission's review and action on the solar thermal projects for which applicants were pursuing American Recovery and Reinvestment Act (ARRA) federal grants.

The Committee is interested in hearing the views of all parties and members of the public on how the Commission's review process handled the challenge of reviewing the solar thermal projects pursuing ARRA incentives, as well as the natural gas projects before the Commission in 2009 and 2010.

The Committee will specifically solicit comment on whether the Commission's process should be modified to better address the unique aspects of solar projects that are proposed in the California desert, sometimes in remote areas. Because of their large footprint and location, such projects can raise complex biological cultural, and other environmental issues, and review of projects sited on public lands require coordination between a number of federal and state agencies. In addition, ensuring adequate transmission for all projects can be a challenge. The Committee will also request input on ways to integrate the work of the Desert Renewable Energy

Conservation Plan into the Commission's siting project review process. Conversely, it is interested in suggestions on approaches for considering proposed new power plant locations in the Plan development process. Finally, the Committee will seek and consider recommendations on how to make the project review process for all projects subject to Commission jurisdiction a less costly and time-consuming endeavor, consistent with Governor-elect Brown's interests as stated in his Clean Energy Plan.

Upon completing its investigation, the Committee will prepare a report of its findings. The report may include recommendations for improvements to the Commission's project review process and the adoption of policies to facilitate the more efficient resolution of issues. The Committee may recommend that the Commission institute an Order Instituting Rulemaking (OIR) to revise the Commission's power plant siting regulations.

II. DELEGATION OF AUTHORITY TO SITING COMMITTEE

The Commission, in adopting this order, authorizes the Energy Facility Siting Committee to preside over the proceeding pursuant to Pub. Resources Code, §25211. The Committee shall issue notices for all hearings and workshops and may adopt additional procedures it considers necessary for the reasonable conduct of the proceeding. The Commission leaves to the Committee which particular project review issues to pursue and how best to frame them for the workshops and the resulting Committee report. Depending on the information and input received from stakeholders, agencies, interested members of the public, outside experts, and Commission staff, the Committee report may provide recommendations for consideration by the Commission and possibly by the Legislature, other agencies, and prospective applicants.

III. PUBLIC PARTICIPATION AND FIRST WORKSHOP

The Commission encourages public participation in this proceeding. Petitions to intervene are not necessary. The first public workshop will be held on December 14, 2010. The Siting Committee will issue a notice stating the scheduled time and place of the workshop. The Committee is authorized to hold additional workshops and hearings to gather the information

needed to prepare its report. Any person participating in a hearing or workshop shall be afforded an opportunity to make oral comments. Any person may file written comments. Comments may be sent in via e-mail to mike.monasmith@energy.state.ca.us. Please put the docket number in the subject line. Written comments may also be sent by mail to the following address:

Docket Number 10-SIT OII-1
Docket Unit
California Energy Commission
1516 Ninth Street, MS-15
Sacramento, CA 95814

The Executive Director shall ensure that this Order and notices of hearings and workshops are distributed to all interested persons and that drafts of any report or recommendations are made available sufficiently in advance of adoption by the Commission to allow for timely public participation. Jennifer Jennings, the Public Adviser, is available to facilitate the participation of any person in this proceeding. She may be reached by calling (916) 654-4489 or toll-free in California at (800) 822-6228 or via e-mail at publicadviser@energy.state.ca.us. Technical questions about the proceeding should be addressed to Mike Monasmith, available at (916) 654-4894 or e-mail: mike.monasmith@energy.state.ca.us.

Date: December 1, 2010

STATE OF CALIFORNIA
ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

KAREN DOUGLAS
Chairman

JAMES D. BOYD
Vice-Chairman

JEFFREY BYRON
Commissioner

ROBERT B. WEISENMILLER
Commissioner

ANTHONY EGGERT
Commissioner