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Subject: **Pacific Gas and Electric Company's Comments on the Scope of the proposed Desert Renewable Energy Conservation Plan (DRECP) EIR/EIS to evaluate renewable energy development**

Dear Sir or Madam,

Pacific Gas and Electric Company, a subsidiary of PG&E Corporation (PG&E), is one of the largest combined natural gas and electric utilities in the United States. Based in San Francisco, with 20,000 employees, the company delivers some of the nation's cleanest energy to 15 million people in northern and central California.

PG&E maintains a firm commitment to environmental stewardship and to addressing issues of climate change. PG&E is working to procure power from new sources of wind, solar, and other renewable resources while protecting sensitive habitat and species in California. We support a balanced approach to developing responsible well-sited solar energy projects throughout California and beyond. Since 2002, PG&E has entered into contracts for more than 8,000 megawatts of renewable power. PG&E is also looking to develop and operate its own renewable resources, utilizing a range of renewable energy technologies. Much of the state's renewable power will be developed within the DRECP boundary.

We appreciate the leadership of the Renewable Energy Action Team (REAT) agencies in addressing renewable development in the DRECP planning area and the opportunity to provide comments on the scope of the Environmental Impact Report and Environmental Impact Statement (EIR/EIS). We continue to commend the collaborative efforts and work of the administration and state and federal agencies in proactively addressing complex issues associated with achieving not only the 20% by 2010 Renewable Portfolio Standard (RPS) mandate, but also 33% by 2020, approved earlier this year. PG&E looks forward to continued participation in the development of the DRECP and to working with the REAT agencies.

I. Scope of the EIR/EIS

PG&E supports the REAT's holistic evaluation of the environmental impacts and benefits of utility-scale renewable energy development in southern California. We understand that the DRECP will contribute to the conservation of Covered Species while streamlining listed species permitting for renewable energy development and transmission projects. We recognize that

promoting development in appropriately identified areas provides meaningful benefits to all stakeholders by reducing the uncertainties about the viability of projects to be successfully permitted, the impacts those projects could have, and by creating an atmosphere that facilitates success.

PG&E believes that the DRECP offers an excellent opportunity to: improve upon the efficient and orderly development of renewable energy resources on public and private lands throughout the Mojave and Colorado Desert regions of southern California; help develop a wide range of renewable technologies on public and private lands; and facilitate the reduction of greenhouse gas emissions while maintaining energy capacity.

PG&E supports the development of an EIR/EIS that focuses on, as stated in the Notice of Intent (NOI) to prepare the Environmental Impact Statement and Notice of Preparation (NOP) of an Environmental Impact Report and the DRECP Planning Agreement, the following objectives:

- Provide for the longer term conservation and management of Covered Species within the DRECP plan area;
- Preserve, restore, and enhance natural communities and ecosystems that support Covered Species within the DRECP area;
- Build on the competitive renewable energy zones identified by the Renewable Energy Transmission Initiative;
- Further identify the most appropriate locations within the DRECP area for the development of utility-scale renewable energy projects, taking into account potential impacts to threatened and endangered species and sensitive natural communities;
- Provide a means to implement Covered Activities[1] in a manner that complies with the Endangered Species Act (ESA), California Endangered Species Act (CESA), Natural Community Conservation Planning Act (NCCPA), National Environmental Policy Act (NEPA), California Environmental Quality Act (CEQA), and other relevant laws;
- Provide a basis for the issuance of take authorizations allowing the lawful take of Covered Species incidental to Covered Activities;
- Provide for issuance of take authorizations for other Covered Species that are not currently listed but which may be listed in the future;
- Provide a comprehensive means to coordinate and standardize mitigation and compensation requirements for Covered Activities within the plan area;
- Provide a framework for a more efficient process by which proposed renewable energy projects within the plan area may obtain regulatory authorizations, and which results in greater conservation values than would a project-by-project, species-by-species review; and
- Identify and incorporate climate change adaptation research, management objectives, and policies into the final plan document.

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[1] The NOI states that Covered Activities are defined broadly as the exploration, pre-project activities (geotechnical borings, site reconnaissance, and, depending on the type of project, installation of temporary meteorological stations or test drilling and trenching), site preparation and construction, related infrastructure requirements, operations and maintenance, monitoring, and future decommissioning of public and private utility-scale renewable energy generation and transmission in the plan area. The activity types covered by the DRECP are expected to include transmission facilities that support renewable energy development, solar (photovoltaic and thermal) projects, wind projects, geothermal projects, and conservation actions.

In addition to the above goals articulated in the NOI/NOP and the Planning Agreement, PG&E urges the REAT agencies to consider provision for the following during development of the EIR/EIS:

1. **Activities to increase the efficient and orderly development of lands for renewable energy development.** Development of streamlined permitting process for future projects that are sited in preferred development areas, including interagency agreements for coordination and information sharing to help ensure that staff has consistent information necessary for review and approval of projects. We recommend that statutory provisions for the permitting of private and public renewable energy projects in the desert be reviewed for consistency and streamlined to align across agencies, complement other government efforts, and avoid duplicative permitting requirements. Recognizing that the planning processes for the Bureau of Land Management (BLM)'s Solar PEIS and the DRECP are on overlapping schedules, the two processes should be highly coordinated such that they present a consistent approach to guiding development toward appropriate locations within the southern California deserts. Finally, the plan should standardize review measures for site evaluation, including clear siting criteria.

2. **The need for an appropriate review of potential transmission upgrades that may result from utility-scale renewable energy development.** To a great extent, the presence or absence of existing transmission infrastructure with available capacities is the leading constraint for development of renewable projects in the desert. The REAT should consider how the impacts of the new renewable energy generation-driven transmission development can be most appropriately evaluated within the EIR/EIS, given the uncertainty surrounding load and resource demand. PG&E is working collaboratively with key stakeholders both in California and in the western United States to lay the foundation for a reliable transmission system that will—over time—provide core infrastructure for the delivery of clean and sustainable energy supplies. New transmission lines, often in remote locations, are needed to accommodate new and anticipated renewable energy development. PG&E works with regulators, environmental organizations, government agencies and other stakeholders to support timely construction of transmission lines and permitting of proposed project sites. Generally, we support the flexibility to develop renewable energy facilities in proximity to existing transmission infrastructure. As discussed below, additional analysis of transmission issues should be included in the EIR/EIS. We recommend that consideration be given to projected resource needs and the extent of the development that will be utilized. We encourage the REAT agencies to work with PG&E and other stakeholders on this issue, and to coordinate with the California Transmission Planning Group. As part of this planning process, the REAT agencies should consider the adequacy of existing linear right-of-way corridors and whether the width of corridors should be expanded, especially if anticipated transmission lines traverse proposed renewable energy development areas.

3. **The existing and future renewable technologies likely to be deployed through a forward looking review that gives consideration to differences among technologies.** PG&E supports that the EIR/EIS describe and evaluate a range of renewable technologies

and configurations that are currently in operation worldwide. The EIR/EIS should proceed under the assumption that the technology's resources, needs, effects, costs and efficiencies differ substantially and therefore developers may require a range of options depending on specific site constraints. A review of the current technologies and configurations from an overall efficiency perspective is warranted since current and future technologies have and are likely to have a measurable impact on required land areas as well as resources that will be required to support these emerging technologies. The renewable technology market is quickly evolving and we anticipate continued changes in technology and in economic efficiency over the next several years. Accordingly, PG&E suggests that the EIR/EIS evaluate flexibility to accommodate changes in technology through provisions for periodic re-assessment of the Covered Activities throughout the life of the plan.

4. **The identification and integration of effective, flexible mitigation.** Mitigation is only effective if the measure can be implemented adequately in the field. We recognize the need to develop robust measures that will sufficiently mitigate impacts; however, not every mitigation measure is applicable to every situation. Therefore, the EIR/EIS should address mitigation measures that provide flexibility so that they can be applied strategically to a specific project requirement or resource impact. In addition, as we learn more about renewable energy development, the application of specific best management practices (BMPs) needs to be continually re-examined, and the process should allow for modifications as needed.

II. Alternatives to be considered under the EIR/EIS

The NOI and NOP describe alternatives to be considered under the EIR/EIS, including the following:

- The Proposed Action Alternative;
- No Action/No Project Alternative; and
- A reasonable range of alternatives that address different scenarios of renewable energy development and species conservation on both Federal and non- Federal land.

PG&E recommends the following modifications to the alternatives, as presented:

1. The Proposed Action Alternative should consider the issuance of take authorizations consistent with the proposed DRECP under the NCCPA and Section 10 of the FESA for both generation and transmission components of development.
2. The No Action/No Project Alternative, which would involve no approval of the DRECP, Federal permit issuance, and CDCA amendment, should evaluate environmental, air quality, and greenhouse gas emission impacts that would occur in the absence of the development that may otherwise occur without State CESA and Federal ESA permit issuance;
3. The range of alternatives should take into consideration the fact that the maximum and likely build out will be based on, among other things: cost to developers; market conditions; and other factors. The REAT agencies should consider alternatives that vary the locations, amount, and type of conservation and development areas in addition to variations in permit duration.

4. Alternatives evaluated in the EIR/EIS should retain flexibility to incorporate changes in the evolving regulatory procedures (such as pending legislation) and broad-scale planning projects associated with permitting renewable energy projects in the California desert.
5. Alternatives evaluated in the EIR/EIS should include a range of incentives to encourage and promote voluntary agreements between developers and agencies, such as Safe Harbor Agreements, that would allow renewable energy developers to safely maintain and operate energy facilities while enhancing habitat. The REAT agencies should assure that projects sited in development areas benefit from incentives, such as priority application processing and tiered compliance with state and federal environmental laws, while at the same time allowing development to occur in other economically viable and environmentally sound areas.

III. Evaluation of Covered Activities in the EIR/EIS

PG&E supports the broad definition of covered activities as exploration, construction, operation, maintenance, and decommissioning of public and private utility-scale renewable energy generation and transmission in the Planning Area, as defined in the NOP. The NOP states that the DRECP will cover specific Pre-project activities (geotechnical borings, site reconnaissance, and, depending on the type of project, installation of temporary meteorological stations or test drilling and trenching), Site preparation and construction, Related infrastructure requirements, Operations and maintenance, Monitoring, and Decommissioning of Solar (photovoltaic [PV] and thermal) projects, Wind projects, Geothermal projects, Transmission facilities that support renewable energy development, and DRECP conservation actions. We understand that a stakeholder working group is exploring this topic in-depth and support the collaborative effort to thoughtfully define the range and types of covered activities.

IV. Evaluation of Covered Species and Natural Communities in the EIR/EIS

PG&E supports the evaluation of a wide range of sensitive species for which conservation actions will be implemented and for which participating entities will seek authorization for take under the NCCP Act and Section 10 of the FESA, listed in the NOP/NOI:

Federal and State Listed Species	State and Federal Unlisted Species
Amargosa River vole	California leaf-nosed bat
Mohave ground squirrel	Mojave river vole
Peninsular bighorn sheep	Pallid bat
California condor	Townsend's big-eared bat
Swainson's hawk	American peregrine falcon
arroyo toad	Bald eagle
desert tortoise	burrowing owl
Amargosa niterwort	golden eagle
Peirson's milk-vetch	Greater sandhill crane
Triple-ribbed milk-vetch	flat-tailed horned lizard
Lane Mountain milk-vetch	Mojave fringe-toed lizard
	Barstow woolly sunflower
	Desert cymopterus
	Mojave monkeyflower

PG&E supports flexibility in the DRECP for the addition or removal of species as more is learned about the nature of Covered Activities and their impact on native species within the plan

area. We understand that a stakeholder working group is exploring this topic in-depth and support the collaborative effort to thoughtfully define the covered species for the DRECP.

V. Conclusion

PG&E thanks the REAT agencies for the opportunity to provide scoping comments on this proposed EIR/EIS. We would like to reiterate our support of the REAT agencies in continuing to work collectively to improve the timing and efficiency of the permitting process for renewable energy projects in the California desert.

PG&E greatly appreciate your consideration of our remarks. We look forward to continued participation in the development of the DRECP.

Respectfully submitted,

Diane Ross-Leech