

PLANNING AND COMMUNITY
DEVELOPMENT DEPARTMENT

Lorelei H. Oviatt, AICP, Director

2700 "M" STREET, SUITE 100
BAKERSFIELD, CA 93301-2323

Phone: (661) 862-8600

FAX: (661) 862-8601 TTY Relay 1-800-735-2929

E-Mail: planning@co.kern.ca.us

Web Address: www.co.kern.ca.us/planning



DEVELOPMENT SERVICES AGENCY

Planning and Community Development
Engineering, Surveying and Permit Services
Roads Department

DOCKET
11-IEP-1G

DATE	NOV 07 2011
RECD.	NOV 07 2011

November 7, 2011

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 11-IEP-1G
1516 Ninth Street
Sacramento, CA 95814-5512

Re: **Comments on Preparation of the 2011 Integrated Energy Policy Report**
Docket 11-IEP-1G

Dear Commissioners,

Thank you for the opportunity to comment on the Draft Renewable Power in California: Status and Issues Report to reflect Kern County's experience with permitting and construction of renewable energy. Kern County has pioneered the development of new energy sources since the 1890s. Our energy sector continues to support our economy at a pace not seen in any other areas of California. Investment in Kern County is strong and reflects our commitment to innovation, modern technology and business friendly permitting.

From an updated \$280 million natural gas processing plant for Occidental of Elk Hills to the Chevron Project Brightfield that is testing next-generation solar energy technologies on a former Chevron oil refinery our streamlined permitting process brings projects online for our oil and gas industry while protecting the environment and respecting neighboring land uses. Kern County is also home to many innovative projects using biomass, alternative fuels and biogas from animal waste.

Continuing our growth in renewable energy, this year construction continued on the next phase of the Southern California Edison Tehachapi Renewable Transmission Project for 4,500 MW of new capacity. Solidifying our reputation as the place to do green business, Terra-Gen Power broke ground and is in construction on the world's largest wind project – Alta Wind Energy Center within Kern County's Tehachapi Wind Resource Area completely in Kern County. When completed, the Alta Wind Energy Center will have the capacity to generate 1,500 MW of renewable energy, enough to supply over 1.1 million people. The Alta project is creating more than 3,000 construction, operation and maintenance jobs and contributed more than \$1.2 billion to the local economy of Kern County. Construction of wind projects by Corum/Brookfield, Iberadrola, NextEra and enXco will bring another 1,200 MW of wind on line in 2012. To see the impacts on employment from renewable energy, visitors to Kern County only have to drive through the community of Mojave to see motels full of construction professionals and millions of dollars of wind turbine components being staged at the Mojave Air and Spaceport.

November 7, 2011

Page 2

The commercial solar industry moved from concept to reality this year with 1,200 MW of project approvals in both the Central Valley and West Mojave Desert. Agricultural processors added rooftop and distributed solar to their facilities, a 1 MW project now fuels the pumps for an oilfield and the County is installing panels on the County Administration building to lower energy costs. In all, Kern County has 3,900 MW of wind and solar PV in production with 2,195 MW approved and moving into construction and another 3,000 MW in processing. Kern County projects are scheduled to provide 10,000 MW or 10 GW of renewable energy power by 2015, a goal adopted by the Kern County Board of Supervisors. When implemented, this will drive an estimated 8,000 construction jobs, 1,500 operational jobs and up to \$25 billion in investment in Kern County and California's future.

The Board of Supervisors has always supported the development of responsible renewable generation in Kern County and the County Planning and Community Development Department has been charged with following through to bring this support to reality.

As I recently testified to the Little Hoover Commission¹:

In all, Kern County has 3,900 MW of wind and solar PV in production with 1,875 MW approved and moving into construction and another 3,000 MW in processing.

Kern County projects are schedule to provide 10,000 MW or 10 GW of renewable energy power by 2015, a goal adopted by the Kern County Board of Supervisors. When implemented, this will drive an estimated 8,000 construction jobs, 1,500 operational jobs and up to \$25 billion in investment in Kern County's future.

Among the eleven issues discussed in my testimony, one of the key recommendations related to the Energy Commissions current work was:

Open up transmission planning to independent and private lines that can be processed faster (2 to 3 years) and be more responsive to need. Renewable energy investors will not wait 7 to 10 years for California planning processes to provide more transmission.

Representatives from Kern County have been in discussions with Lancaster Power Authority (one of the two municipal utilities that make up the High Desert Power Authority) for some time regarding their AV Clearview Transmission Project. We have determined that this Project supports both the County's renewable energy goals and the state of California's goals as articulated in the CEC's Executive Summary of the draft *Renewable Power in California: Status and Issues* report.

Specifically, the CEC concerns expressed in the Executive Summary include:

CEC Concern	Document Reference	Kern Comments
Permitting Delays	<p>“Planning, permitting and environmental issues can delay or jeopardize project development and increase development costs. Because many renewable resources are located in remote areas, the state will need to upgrade existing or develop new transmission infrastructure to bring electricity from these areas to the state’s load centers. This is made more complex by the current disconnect between generation and transmission planning and permitting processes wherein the length of time needed for transmission development requires transmission project to proceed while there is still uncertainty about where generators will ultimately be located.”</p>	<p>Kern County concurs with the Commission’s concerns and plans to use its experience in permitting large amounts of renewable generation to permit, in a thorough yet expedited manner any transmission projects that fall under Kern’s jurisdiction. Kern County will work closely with any other relevant permitting agencies to insure the same level of CEQA compliance that Kern has achieved on all its renewable projects. This expedited permitting will allow renewable generation developers who have been forced by other proposed transmission project to remote pristine habitats on BLM land back to the abundant resources such as previously disturbed land close to load centers where permitting will be more straightforward and efficient.</p>
Siting of Facilities	<p>Identify and prioritize geographic areas in the state for both renewable utility-scale and distributed generation development. Priority areas should have <u>high levels of renewable resources, be located where development will have the least environmental impact and be close to planned, existing or approved transmission or distribution infrastructure</u></p>	<p>As the CEC states in the Executive Summary, “Locating renewable facilities on undisturbed and/or sensitive lands in the desert raises a host of environmental concerns, including impacts on sensitive animal and plant species, water supplies and waterways and cultural resources such as areas of historical or ethnographic importance.” The AV Clearview line meets this goal completely. It is situated underground in critical locations and overhead in areas where there is an abundance of other overhead lines. Moreover, the renewable generation it will enable can be built in an area of very high solar resource and an abundance of previously disturbed private land, which is always the preference of permitting agencies.</p>
Use of federal financing	<p>“In particular, the state should maximize the use of federal cash grants and loan guarantee programs by prioritizing the permitting and interconnection of California-based renewable energy projects vying for federal stimulus funds.”</p>	<p>The Project Sponsors have indicated that with a straightforward upgrade of the existing Kramer-Edwards line, the HVDC version of the AV Clearview Transmission Project can accommodate most of the solar generation projects backed by federal incentives and in fact may be the only transmission solution that can support these projects before the expiration of the Investment Tax Credit at the end of 2016.</p>

November 7, 2011

Page 4

The AV Clearview Transmission Project has been under development for over two years and its sponsors have spent considerable effort to bring together a strong, broad-based coalition of supportive stakeholders including Edwards Air Force Base, various communities in the Antelope Valley as well as staff and elected officials in Los Angeles County. Instead of facing the typical transmission development hurdles of local opposition and unresolved issues, the AV Clearview Project is starting the permitting process with strong local support.

Kern County Planning and Community Development recommends to the California Energy Commission that the AV Clearview Transmission Project be included as a baseline project in any projections made by the Commission regarding which transmission projects will be constructed and where solar generation will be located. Specifically, the AV Clearview Transmission Project will enable solar development close to load centers on previously disturbed agricultural land with some of the highest solar resource in California. Kern County Planning and Community Development also anticipates that the AV Clearview Transmission Project will not face the same level of permitting uncertainty that other projects may face crossing pristine desert elsewhere in the state.

As the CEC points out in the Executive Summary,

Renewable development at the local level will be an essential component of the state's efforts to meet its renewable energy goals. Local governments are closely involved in land use decisions, environmental review and permitting for a wide range of renewable projects. Many local governments face constraints due to scaled-back staffing as a result of the economic downturn, limited expertise about renewable technologies and lack of energy elements in their general plans and ordinance that could delay the processing of permits for renewable facilities. However, a number of local jurisdictions are showing strong leadership and innovation in promoting renewable energy development, including Kern County...

Kern County will continue to demonstrate the critical leadership and pioneering thinking required to make the California's renewable energy goals a reality. Kern County Planning and Community Development anticipates commencing the CEQA document for the permitting process for the AV Clearview Transmission Project this month and moving the project forward expeditiously with the same level of professionalism and expertise employed in the successful permitting of many renewable generation projects.

Sincerely,



LORELEI H. OVIATT, AICP, Director
Kern County Planning & Community Development

LHO:jb

I:\adm\lorelei\CEC Comment 2012 Integrated Energy policy.ltr

cc: Clerk of the Board

County Administrative Office

City of Lancaster