Pacific Gas and Electric Company®

DOCKET
09-RENEW EO-1
DATE July 02 2009
RECD. July 03 2009

Diane Ross-Leech
Director
Environmental Stewardship

77 Beale Street
San Francisco, CA 94105

Mailing Address
Mail Code B24A, Room 2473
Pacific Gas and Electric Company
P. O. Box 770000
San Francisco, CA 94177

415.973.5696
Internal: 223.5696
Fax: 415.973.0230

July 2, 2009

California Energy Commission
Docket Unit, MS-4
Re: Docket No. 09-Renew EO-01
1516 Ninth Street
Sacramento, CA 95814-5512

Re: Renewable Energy Executive Order, 09-Renew EO-01

Subject: Pacific Gas and Electric Company's Comments on the Desert Renewable Energy Conservation Plan and Implementing the Renewable Energy Executive Order S-14-09

Pacific Gas & Electric Company (PG&E) appreciates the opportunity to provide written comments to assist the Renewable Energy Action Team (REAT) in implementation of Governor's Executive Order S-14-09 issued on November 17, 2008. PG&E applauds the coordinated efforts of the California Energy Commission, California Department of Fish and Game, Bureau of Land Management, and U. S. Fish and Wildlife Service to develop the Desert Renewable Energy Conservation Plan (DRECP). Developing a conservation strategy that identifies areas suitable for renewable energy project development and areas that will contribute to the conservation of sensitive species and natural communities is consistent with PG&E's core company goals.

It is also an enormous undertaking that will require substantial and sustained collaboration among agencies, and input from developers, conservation groups, local governments and others to achieve success. As a load-serving entity subject to meeting RPS goals, our perspective reflects the interests of a developer and of purchaser of renewable energy, and PG&E offers the following comments with the intent of strengthening the effectiveness of the DRECP.

I. ELEMENTS OF THE DRECP PLANNING AGREEMENT

Geographic Planning Area

For consistency and efficiency the planning area should overlap with the areas identified in the Solar Energy Development Programmatic Environmental Impact Statement (Solar Energy Development PEIS) and the Renewable Energy Transmission Initiative (RETI).

To be comprehensive and effective, the DRECP needs to apply both to public and private land. PG&E encourages agency collaboration with Counties and other local agencies with permitting authority to ensure that the DRECP addresses an entire area as comprehensively as possible.

Description of Covered Activities
Importantly, the construction of all types of renewable energy facilities should be covered activities. This includes the construction of electric transmission facilities, operation and maintenance of existing and future facilities; and the transition of facilities from older technologies to newer ones. Finally, a process should be established for including future technologies coming on-line that may differ significantly from the currently covered renewable generation technologies.

Species and Natural Communities, Biological Goals and Objectives
Much of the impact analysis used in regulatory documents today is based on untested assumptions. We strongly recommend pursuing: (1) long-term research on the impacts of solar construction and facility operation on migratory and resident species, sensitive habitats and local communities; and (2) an analysis of the impacts to biological resources from different project configurations and technologies. Innovative partnerships should be explored between the Department of Energy, developers, universities, environmental groups and others to develop funding mechanisms for completing these key research areas.

Another issue of some concern is that by law, the Department of Fish and Game cannot authorize take for California fully protected species, and consistency requirements prevent the U. S. Fish and Wildlife Service from doing so as well. This continuing discrepancy complicates efforts to facilitate permitting efforts such as the DRECP and is an issue worthy of further consideration.

Interim Process for Project Review
PG&E recommends an interim project review that is based on process and rewards positive behavior. For example, energy development occurring within a CREZ and an energy corridor that is undertaken in accordance with Best Management Practices should be recognized with streamlined permitting considerations. Additionally, agencies should facilitate early discussion of mitigation strategies so that applicant's can incorporate such measures early into project design.

II. CRITICAL NATURAL RESOURCE CONSERVATION ISSUES

Core Habitat Areas
Set aside core habitat areas for: (1) species whose range has been restricted and/or isolated, as well as important habitat connectivity corridors; (2) habitat supporting populations of state and federally listed and other special status species; (3) lands with federal, state and/or local wildlife or habitat designations, such as U. S. Fish and Wildlife

Service Critical Habitat, wilderness areas, parks, Areas of Critical Environmental Concern and Desert Wildlife Management Areas.

III. Attributes of Areas to be Considered for Development

Site Suitability

Priority for development should be given to:

- Mechanically disturbed lands including active and fallow agricultural fields, inactive mine sites, and areas with heavy off-road vehicle use;
- Public land of relatively low resource value;
- Brownfields including revitalized, idle or underutilized industrial sites;
- Semi-urban areas where energy development can provide jobs for local residents;
- Locations that minimize the need for new road construction;
- Locations that can be served by existing substations;
- Areas nearby municipal wastewater sources that can be used for cleaning;
- Locations proximate to load centers;
- Locations adjacent to federally designated corridors with existing major transmission lines.

Wildlife Considerations

- Lands absent of state and federally listed and other special status species and sensitive habitats.
- Lands with degraded wildlife habitat characteristics.

IV. Attributes for Areas to be Considered for Long-term Conservation

Working toward the long-term protection of sensitive desert resources is a key goal for PG&E. To this end we recommend setting aside: (1) key lands that support rare biological resources, including state and federally listed and other special status species; (2) important habitat connectivity corridors; (3) wetlands and riparian areas and other groundwater resource areas; (4) National Historic Register eligible sites; and (5) areas of critical environmental concern including Wildlife Habitat Management Areas, proposed HCP and NCCP Conservation Reserves.

V. Funding strategies to Protect Natural Resource Conservation Lands

Consider establishing a program to "purchase" habitat leases on BLM and other public lands similar to grazing leases, and use mitigation funds for habitat enhancement and long-term wildlife management.

VI. Issues of Concern to Local Governments

Counties should be DRECP signatories, enabling them to issue project permits on private land and utilize streamlined ESA permitting mechanisms. The DRECP should also

incorporate ongoing efforts by Counties and agencies to develop desert Habitat Conservation Plans such as the West Mojave Habitat Conservation Plan.

VII. Effective Program Coordination in the Mojave and Colorado Deserts
DRECP should establish a broad coordinating committee in the vein of the Desert Managers Group, to coordinate in real time ongoing planning and permitting initiatives.

Respectfully submitted,

Diane Ross-Leech
Director, Environmental Stewardship