

**Comments Solar Millennium, LLC on the Phase 2A Report of the
California Renewable Energy Transmission Initiative**

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Rachel E. McMahon
Director, Government Affairs – Project
Development
Solar Millennium, LLC
1625 Shattuck Ave., Suite 270
Berkeley, CA 94709-1161

510.524.4517 ext. 315
510.524.5516 fax
mcmahon@solar millennium.com

Introduction

Solar Millennium, LLC respectfully submits these comments on the Draft Phase 2A report of the California Renewable Energy Transmission Initiative (RETI), released June 3, 2009. Our parent company, Solar Millennium AG, has been developing parabolic trough power plants since the 1980s. Solar Millennium developed Europe's first parabolic trough plants – two 50 MW plants in Spain that have achieved operation. A third 50 MW plant is currently in commissioning. We are active worldwide with a focus in Spain, China, North Africa, and the Southwestern United States, with a specific focus in Southern California. Rainer Aringhoff, President of Solar Millennium, LLC, has been an active participant on the RETI Stakeholder Steering Committee since it was formed in 2007, as one of two designated representatives of the solar industry.

Solar Millennium commends the RETI for a useful and thoughtful analysis and inclusive stakeholder process. The RETI is a very important effort that bears a crucial connection to federal renewable energy zoning efforts and comprehensive transmission planning. Rational land use and renewable energy planning are essential to a successful build-out of renewable energy resources in California and the West. Solar Millennium appreciates the fact that RETI is intended as a conceptual planning effort to inform agency transmission and generation priority and permitting analysis. However, it bears noting that the RETI analysis and its results are already being applied in planning efforts, and thus are having some practical results. These cannot be ignored in the finalization of the analysis and its results.

Best Solar Resource in California is Not Adequately Considered

The final methodology has the unintended consequence of unfavorably rating the area of highest solar resource in California, the West Mohave Desert. The West Mojave Desert contains the highest quality solar resource areas in the state. Land use in the region is governed in large

part by the West Mohave Plan. The Plan does not consider renewable energy on federal lands, and thus does not allocate lands for this purpose. As the RETI Stakeholder Steering Committee is aware, the West Mohave Plan allows for only 1% development for all development within the Plan boundaries – including roads, houses, infrastructure, and so on. Further, military lands within the region contain high quality solar resources within their boundaries – but are also not pursued for development at present because the Department of Defense (DOD) has not yet set forth a proposal for developing solar resources on their lands that is workable for large-scale concentrating solar resource development.

For example, the Inyokern CREZ in particular holds the highest quality solar resource in the state. However, large swaths of land within this CREZ are either within management areas designated by the West Mohave Plan or are within the Naval Air Weapons Station China Lake. Only a few project developers have obtained leases for rights of way on lands within the West Mohave Plan. The BLM has not yet finalized permitting for these projects, and lacks clear guidance as to how the 1% development threshold should be allocated for development of those projects. Solar Millennium understands that dozens of renewable energy applications have been rejected by BLM for these lands. Further, the West Mohave Plan dictates an automatic 5:1 mitigation ratio for developing on some of their lands. This is financially unfeasible for solar development.

All of these restrictions result in an economic score ranking for this CREZ that reflects an apparent lack of economic interest. That lack of economic interest exists in large part because applications have been rejected by the BLM because of the 1% development restriction under the West Mohave Plan, and because large-scale solar development is not yet feasible on DOD lands. In sum, this is a cyclical problem. Interest in developing the solar resource in the West Mohave would be evident if the BLM and DOD would allow for it, and provide clear guidance on the

allocation of the 1% of lands allowed under the West Mohave Plan, as well as workable mitigation ratios.

Conclusion

An open dialogue led by the state and effected counties on this issue, starting with the RETI membership, would be very useful to allowing solar development in the West Mohave Desert. Solar Millennium appreciates the fact that the RETI itself does not have the jurisdiction to reopen and revise lands and land use plans managed by the federal government. That said, decisions made in RETI are already having an impact. The BLM released proposed Solar Energy Study Areas (SESAs) on June 29, 2009. Solar Millennium understands that these SESAs were based in large part on the RETI analysis to date. The West Mohave is completely ignored in the BLM's proposed SESAs. Solar Millennium respectfully urges the RETI to actively engage both federal and local governments in revisiting the West Mohave Plan, and in urging the Department of Defense to release its lands for solar energy development.

Respectfully submitted,



RACHEL E. McMAHON
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