

Phase II RETI CREZ Confirmation Update

January 27, 2009

San Francisco, CA

Charge

- Review all CREZ for developability
- Identify potential conflicts
 - Resource conflicts
 - 1% development cap
 - Local conservation areas
- Correct errors
- Estimate energy potential
- Advise Conceptual transmission group
- Prepare environmental screen for Phases II and III

Progress

- Four major issues identified:
 - Wilderness Legislation
 - Wildlands Conservancy lands issues
 - Ownership Fragmentation
 - Land Use Constraints

Wilderness Designation

- New legislation has passed the U.S. Senate
- Bill will likely pass House and be signed by President Obama
- Effects on RETI:
 - Areas re-mapped from yellow to black
 - Low to no impact on rating
 - Changes made upon signing into law

Wildlands Conservancy

- Lands gifted to the Federal Government for Conservation (with some LWCF funding)
 - Lands are being mapped and evaluated
 - Acreage being tallied
 - Seeking clarification from BLM and TWC about management restrictions

Fragmented Ownership

- Some CREZ affected, disturbed to highly disturbed sites
- CEC evaluating if ownership issues disqualify CREZ or if they should be moved (10 – 20 owners or more)
- We have found that private interests are aggregating parcels for renewable energy development (7500 acres already available)

Land Use Constraints

- 1% development cap
 - DWMAAs
 - MGSMAs
 - 1% represents amount of land in management unit available for all development, not just renewable energy
- HCP/NCCCP habitat conservation set-asides
- County and local conservation initiatives

Correct Errors

- Proxy projects in “yellow areas”
- Terrain constraints
- New BLM lease applications
- Local conservation lands identified (HCP NCCP, etc.)
- Location shifts for disturbed locations and to avoid ownership fragmentation issues

County-level outreach

- Meetings planned with key counties to review planning and zoning issues
 - Identify disturbed lands
 - Identify local conservation issues
 - Ground truth zones
 - Public and media outreach
- Meetings being planned for next 4-5 weeks, depending on availability of local officials