CALIFORNIA ENERGY COMMISSION
1516 NINTH STREET
SACRAMENTO, CA 95814-5512

February 17, 2010

Gary L. Hickey
Project Manager
Blythe Energy, LLC
1152 Greenbrier Drive
Forsyth, IL 62535

SUBJECT: BLYTHE ENERGY PROJECT TRANSMISSION LINE MODIFICATIONS (99-AFC-8C) APPROVAL OF REQUEST FOR STAFF APPROVED PROJECT MODIFICATIONS No. 5

Dear Mr. Hickey:

On January 5, 2009, the California Energy Commission (Energy Commission) received a request for Staff Approved Project Modifications to the Blythe Energy Project Transmission Line Modifications (BEPTL) project from Blythe Energy, LLC (Blythe Energy). The proposed changes include the completion of the connection between the Blythe Energy Project and the BEPTL, by converting Western Area Power Administration's (WAPA) Buck Blvd Substation from its current 161-kV operating voltage to 230-kV. The Buck Blvd Substation will be the eastern terminus of the 67-mile 230-kV BEPTL which is being constructed from the Blythe Energy Plant to the Metropolitan Water District's Julian Hinds Substation.

PROJECT HISTORY

The original Blythe Energy Project (BEP) was licensed by the Energy Commission on March 21, 2001 and started commercial operation in December of 2003. The BEPTL project was certified on October 11, 2006, amending the Energy Commission Decision and modifying the generation facility to develop two new transmission lines and a substation for the existing BEP located in the City of Blythe, Riverside County.

The Application for Certification was reviewed by Energy Commission staff and WAPA, the lead Federal agency. The subsequent major amendment (BEPTL) review was conducted by Energy Commission staff, Bureau of Land Management (BLM), and WAPA. BLM and WAPA acted as co-lead federal agency participants in the amendment review process and for National Environmental Policy Act (NEPA) compliance. The two federal agencies, the BLM and WAPA, had control over portions of the existing BEP transmission system and a portion of the proposed right-of-way for the transmission lines. The Energy Commission and BLM were notified in February 2008 that WAPA would no longer be a participant in the BEPTL Project. With this change, WAPA no longer has an action to address under NEPA, or any other involvement with the proposed project.

An initial request for staff approved project modifications (SAPM), requesting a minor route realignment and relocated connection for the BEPTL, was approved on July 17, 2007. A second request for SAPM, requesting changes that included the realignment of a number of transmission poles, a change in the location of the easternmost and westernmost laydown yards, and a request to change the approved two-conductor bundle configuration to a three-conductor bundle configuration was approved on September 25, 2008. A third request for a SAPM for a change in structure support for 17 structures by adding guy wires to safely support the conductor load; expansion of the Desert Center and Julian Hinds laydown yards; and minor communication system changes in the Southern California Edison (SCE) system at the Blythe Energy Power Plant, Julian Hinds Substation, and the California Capacitor Station was approved on January 27, 2009. In June 2009, a fourth request for SAPM for the replacement of up to 34 single-circuit poles already installed during construction with double-circuit-ready poles and changes to the SCE Blythe-Eagle Mountain transmission line which are designed to accommodate the BEPTL crossings was approved on July 14, 2009.

AGENCIES AUTHORITY

The BLM is the lead Federal agency for the purpose of NEPA compliance. The BLM involvement is due to the need for portions of the BEPTL to be constructed on BLM administered public lands. Therefore, the BLM is responsible for reviewing the proposed staff approved project modifications to ensure NEPA compliance. Blythe Energy has secured a right-of-way grant from the BLM allowing construction, use, and maintenance of an electrical transmission facility on BLM lands under terms and conditions specified in the grant.

The Energy Commission is the lead agency for the purpose of California Environmental Quality Act (CEQA) compliance. The Energy Commission's petition review process includes an evaluation of the consistency of the proposed changes with the Energy Commission's Decision and if the project, as changed, will remain in compliance with applicable laws, ordinances, regulations, and standards (Title 20, Calif. Code of Regulations, section 1769). Energy Commission staff mailed the enclosed "Notice of Receipt of this Request for Staff Approved Project Modifications to the Energy Commission's post-certification project mailing list on February 2, 2010.

CONCLUSIONS

In accordance with the provisions of Title 20, California Code of Regulations, section 1769(a), Energy Commission staff have concluded, based on their review of the January 5, 2010 petition, that the proposed changes to the BEPTL would result in no significant impacts to the environment and that the proposed changes meet the criteria of section 1769(a)(2). The BLM has delegated the review of this SAPM to the Energy Commission. Therefore, staff recommends approval of the proposed staff approved project modifications.

If you have any questions, please contact the Energy Commission's Compliance Project Manager, Mary Dyas, at (916) 651-8891 or send e-mail to mdyas@energy.state.ca.us.

TERRENCE O'BRIEN
Deputy Director
Siting Transmission and Environmental
Protection Division

Enclosure

cc: Penny Eckert, Tetra Tech EC, Environmental Manager
Claude Kirby, Bureau of Land Management