INFORMATIONAL HEARING, SITE VISIT AND SCOPING MEETING

STIRLING ENERGY SYSTEMS TESSERA SOLAR CALICO - SOLAR ONE POWER PROJECT (08-AFC-13)	)

REPORTER'S TRANSCRIPT OF PROCEEDINGS

LOCATION: Barstow City College
Performing Arts Center
2700 Barstow Road
Barstow, CA

DATE AND TIME: Monday, June 22, 2009
11 a.m. to 3:49 p.m.

REPORTED BY:

JUDITH W. GILLESPIE, CSR, RPR

(No. 3710)

JOB NO. 68281JG

A P P E A R A N C E S

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COMMISSIONER JEFFREY BYRON	CEC, COMMISSIONER
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GREG MILLER	BLM, CDD RENEWABLE ENERGY PROGRAM MANAGER

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FELICIA BELLOWS	TESSERA VP for DEVELOPMENT
KEN KOSTOK	TESSERA SR. DIRECTOR
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FOR THE COUNTY OF SAN BERNARDINO:

RUSSELL E. BLEWETT	PLANNING COMMISSIONER
SOUA VANG	ECONOMIC DEVELOPMENT AGENCY
JIMMY COLLAZO	ECONOMIC DEVELOPMENT AGENCY

FOR THE MOJAVE WATER AGENCY:

KIRBY BRILL	GENERAL MANAGER

FOR THE INTERVENOR CURE:

LOULENA A. MILES	LEGAL COUNSEL
SCOTT CASHEN	BIOLOGIST

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Barstow, CA Monday, June 22, 2009

P-R-O-C-E-E-D-I-N-G-S

MR. KRAMER: Good morning. I'm the hearing officer. We will introduce the rest of the committee after we come back from the site visit. So if you want to make your way out to the two buses that you probably saw as you came in, we will load on the buses and go on the site visit and then come back here for the informational hearing.

I made the time frames a little tight, I realize, so we may not get back right at 1 o'clock when I said the informational hearing will start. So don't worry, you won't miss anything. You are free to grab lunch if you want and eat it on the bus. So we are hoping we get back by 1:00.

(Site visit from 11:29 a.m. to 2 p.m.)

COMMISSIONER BOYD: Good afternoon. Welcome to this notice of information -- or Informational Hearing and Public Site Visit and Bureau of Land Management Scoping Meeting. I'm Jim Boyd, Commissioner of the California Energy Commission. I'm the presiding commissioner for this case.

Two seats to my left is Commissioner Jeffery Byron, who is the associate member of the Energy Commission's Siting Committee. As you will learn from some of the presentations today, we have committees of two of the five commissioners for siting cases. To Commissioner Byron's left is his advisor, Kristy Chew, and my advisor, Kelly Birkinshaw. Sitting between us is Mr. Paul Kramer, who is the Energy Commission Hearing Officer, who will be hearing officer for this case. So you will hear a lot from him and only questions, probably, from Commissioners most of the time.

But I wanted to welcome you to this event. Also joining us up here at the table are several folks from the Bureau of Land Management. You will hear more from them, and there will be some introductions of them.

This is my second -- probably the third or fourth unique siting case -- siting hearing process for the Energy Commission and its new partners, the Bureau of Land Management in this new arena of dealing with renewable energy projects in the desert regions of this state of California where the land is managed heavily and rather exclusively by the Bureau of Land Management. We each have our processes and we signed

an MOU and we are working in cooperation with each other. So thus, a bigger group of people, more players and more people involved in the siting process.

I think with that, you had the public site visit. This is the opening of the Informational Hearing and Scoping Meeting. And with that, I'm going to turn it over to Mr. Kramer, who as I said you are going to hear most from during this process. Are you ready?

MR. KRAMER: I am, but we need my slides up there.

If you go to the third page, I will begin with introduction of the parties and others with us today, starting with the applicant.

MS. CHAMPION: I'm Camille Champion, project manager for Terresa Solar.

MS. LYTLE: Corinne Lytle, Assistant AFC Project Manager, URS Corporation.

MS. BELLOWS: Felicia Bellows, vice president of development at Tessera Solar.

MR. MAGDYCH: Phil Magdych with URS Corporation, consultant for Tessera.

MR. THOMPSON: Allan Thompson, licensing counsel to the project.

MR. KOSTOK: Ken Kostok, director of engineering and construction for Tessera Solar.

MR. KRAMER: And Energy Commission staff.

MR. MEYER: I'm Christopher Meyer. I'm going to be the project manager for the Energy Commission on the CEQA side of the process.

MR. KRAMER: We have one intervenor that's been approved so far in the case that's here. Their representative is over there. Please introduce yourself.

MS. MILES: My name is Loulina Miles. I'm here on behalf of California Unions for Reliable Energy, and this is our biologist, Scott Cashen.

MR. KRAMER: The next is Bureau of Land Management.

MR. BORCHARD: I'm Steve Borchard. I'm the district manager for the California Desert District.

MR. MILLER: I'm Greg Miller. I'm the renewable energy program manager for the California Desert District.

MR. KRAMER: Do we have any representatives with the local agencies, the City or the County or other State agencies that wish to

identify themselves? Sir?

MR. BLEWETT: Russell Blewett, Planning Commissioner for First District, San Bernardino County.

MS. FISHER: Sandra Fisher, County of San Bernardino, Events Planning.

MR. COLLAZO: Jimmy Collazo with County of San Bernardino Economic Development Agency.

MR. KRAMER: Could you spell your last name for the court reporter?

MR. COLLAZO: C-o-l-l-a-z-o.

MR. KRAMER: And your colleague?

MS. VANG: Soua Vang, V-a-n-g.

MR. KRAMER: Anyone else?

MR. BRILL: Kirby Brill with the Mojave Water Agency.

MR. KRAMER: Could you spell your last name for us?

MR. BRILL: B-r-i-l-l.

MR. KRAMER: Anyone else? Thank you. Then we also have a representative from our Public Advisor's Office.

MS. McMAHON: I'm Loreen McMahon.

MR. KRAMER: She will be speaking in a little while.

A few reminders: Unlike our normal proceedings which are recorded, this one is being reported by the court reporter. So I would normally tell you that you have to come to one of the microphones so your voice gets on the tape. I don't have to do that because as long as she can hear you -- and I will ask her to speak up if she cannot hear you -- you will be on the transcript.

But if you want to make sure your last name is spelled correctly in the transcript, please spell that for her so she can get that correct.

We also have these blue cards that we would like -- we don't require you to fill them out, but if you would, if you wish to speak during the public comment portion of the hearing, it helps us organize. And if you would fill one out, give it to Ms. McMahon and she will give it to us to use. If you have a particular topic, if you would write that down on the card.

I mentioned earlier some handouts were available in the corner. They are probably all exhausted by this point, but there may be a couple more. If you see a handout that your neighbor has and you really like it and want to get a copy of it, let one of us know after the hearing, and we will see that

you get one.

We have a lot of acronyms in this process and what I call an acronym suit. So I will briefly go through these. These are basically here in the order that you are going to see them in this proceeding.

The applicant filed an Application For Certification (AFC) some time ago. The next document will probably be the Preliminary Determination of Compliance (PDC), and that's a report from the Air Quality Management District about whether the project complies with their laws and perhaps suggested conditions that will be applied to it.

Then Commission staff will prepare a Preliminary Staff Assessment (PSA), which in this particular case will also be -- well, it always is the Environmental Impact Report that the Commission uses. If you sit around waiting for an Environmental Impact Report, a document that says EIR on the cover, the whole process will be over and everyone will have gone home. And you still won't see one because we use our Preliminary and Final Staff Analyses (FSA) as substitutes for an Environmental Impact Report (EIR).

After that, the Preliminary Report, you will see a Final Determination from the Air District, followed by a Final Staff Assessment.

Then we go to hearings before this Committee. And the Committee issues a Presiding Member's Proposed Decision (PMPD), that's a recommended decision to the full Energy Commission that they may choose to adopt or not at a subsequent hearing.

In those documents you will see something called LORS mentioned quite frequently. I'm sure the staff will use that term at least once today. That's meant to encompass all the laws, ordinances, regulations and other standards that apply to the project by virtue of some law or other regulation.

CEQA is the California Environmental Quality Act. That's the law that specifies how environmental analyses are conducted for projects such as this. Its federal equivalent is the National Environmental Policy Act, which is involved in this case because Bureau of Land Management is also issuing the project permit.

Next slide. Today's agenda is, first, the public advisor will tell us how the public can participate in this process. Then the applicant will provide more information about the proposed project. The Commission and Bureau of Land Management staffs will describe their role in the process and how the

permitting process works.

The parties will discuss scheduling and other items that were raised in an Issue Identification Report that the staff filed roughly ten days ago. And we will have a presentation or comments from CURE as an intervenor, and then presentations from other local agencies, if they have any to make.

Finally, we will take public comments and questions. And this is also a scoping meeting, both under CEQA and under NEPA. So what we are especially interested in hearing from the public are your areas of concern, what you are concerned about the project, questions that you have about it so that they can be taken into account as the staff prepare its Preliminary and Final Staff Assessments and the Bureau of Land Management prepares their analysis for their permitting process.

Then finally we will discuss a few housekeeping items and we will adjourn.

Next slide.

One legal rule I need you tell you about is what we call the "ex parte rule," and I believe that's "one-sided" is what it translates to. The essence of it is that the Commission's decision must by law be based solely on the evidence that's presented at our

evidentiary hearing. And in order to have a fair process, that information needs to be available to all the participants, all the parties, the staffs, and the public so that they know what the committee has heard. So all discussions on -- next slide, please -- with committee members or their advisors need to be about a substantive matter. And that would be something to the effect of I'm for or against the project for a particular reason. That has to be in a public meeting such as this meeting today or communicated in writing, say, in the form of a letter or e-mail to be shared with all the other parties.

It is okay, though, to have an ex parte discussion about procedural matters. For instance, if you wanted to talk to me about when the next hearing is going to be or what is the deadline for comments, that sort of thing. That's perfectly allowable.

Finally, as resources, if you want to keep track of this case, you can get a lot of paper. Or if you want to avoid busting your recycling bin, you can look at most of this stuff on the Internet, including the original application and documents that will be filed as the case progresses.

The Internet page address is on the screen there. And you can also sign up for a list serve, an

e-mail list, that will notify you when new documents are posted on the Web site. And you also receive notifications of hearings such as this one or staff workshops, because another point I should make is the staff will, between now and the evidentiary hearings when you next see the committee, they will be conducting various workshops where only the staffs and the applicant and the other parties will be present, not the committee. And you will receive notice of those, as well.

That's where the meat and potatoes of the discussion of the issues and the ways that potential impacts could be mitigated and questions of that nature are quite often resolved. So you will want to keep an eye on that if you are interested in the progress of this case.

And my final slide gives you a list of contacts, including the public advisor, myself, and Mr. Meyer, the staff project manager. So you can talk to the public advisor for advice about how to participate in this process, for me about procedural questions, and Mr. Meyer about technical questions about the project.

Next on the agenda is the presentation from the public advisor.

COMMISSIONER BOYD: Can I make one comment, Mr. Kramer? Let's go back to the ex parte rule we referenced.

I want you to understand that the Siting Committee process has now commenced. It is a quasi-judicial process. We sit here not in black robes, but it is very judicial. The ex parte rule applies to all people, including the staff of the Energy Commission. We can no longer talk to our own staff except in a public setting like this or in a document that they filed with the Committee that goes into the docket, just like everyone else: The applicant and the intervenors or our friends at the Bureau of Land Management or the public.

Just so you understand, we predicate our decision on what's in the record, not hearsay, not our own feelings, not past comments, but what is developed in the record that transpires over the next -- hopefully only a year, but they tend to run longer, that process involved in permitting power plants. So with that understanding, please.

MS. McMAHON: Welcome again. As they stated, my name is Loreen McMahon. I'm the associate public advisor. Our job in the Public Advisors Office is strictly to work with the public and make sure you

know the avenues and methods of communicating through the process and getting the information.

We make the recommendations on the best way that you can be involved. As I go through this, you will find out that there are different types of involvement, formal and informal involvement.

And in the back, I have these brochures. And they give a thumbnail sketch of what the Public Advisor's Office can do to help you be involved and how to get resources and how to contact me if you want further information. I also have my business cards and I also have this presentation. So I have my telephone in a lot of places so I can be reached.

At the Commission, there are lots of places to get information. The specific Web site, every project that goes through the Commission has its own Web site for the project. So once you get into the Energy Commission site, you go into the siting cases and then you go into this particular project, which is Solar One.

Docket is where all the information that comes to us goes, and there is public access to the records as well. That's where you both send information and receive information. And then we have the list servers. And the list server is also project

specific, so you will want to sign up specifically for the Solar One project.

And then there is also the library in Sacramento that has all of the -- at the Energy Commission that has all of the documents. In your communities you can also access the documents. You don't have to be in Sacramento. The AFC, copies of this large binder here were sent to your local libraries that are listed. And of course, also, because it's on-line, you can access it from those libraries or from our Web site.

Next. We have done a lot of the outreach. Our office does the outreach independently of the applicant and independent of the project manager and the Energy Commission staff. We primarily try to outreach into the community the organizations that can help us post notices. We make a notice and we send it out to the Council members, the schools, some of the other libraries that aren't on there and community organizations and ask them to post it or notify their membership so we can get as much outreach out there without actually sending it to specific individuals.

The people that are within a certain distance of the project site will get them. And I will get to that in a minute. The rest of the Public

Advisors' outreach consists of, we put paid advertisements in local papers and we put it in Spanish as well. We want to make sure we can reach as much of the community as we can. We do a survey through the census, which we know is old, to determine what language needs might be in the community, and that's how we determine which other languages might be helpful.

We also post the notice of this hearing on public service-type sites. Your local Chamber of Commerce and your local cities were contacted and volunteered to put the information up, as did the Energy Current, which is an on-line paper. And then we contacted local TV and radio, local stations.

And then if you want to continue to get information past this meeting where we actually do this outreach, it's incumbent upon you to let us know you want further information. And the way you do that is to be aware of when the meetings are, sign up on this -- I have my sign-up sheet as opposed to the applicant's sign-in sheet out there. And I can put you on a mailing list to receive paper copies of the notices, or you can receive electronic copies by signing up on the list serve.

This sign-up sheet will allow you to check

either box or you can go on-line and sign up yourself. You don't have to do this at all, just if you want our assistance in doing that.

We do have special accommodations for disabilities at all of our meeting, and this is our contact person if you need that. And we really encourage the public to participate in all the meetings that we are having. You have the best knowledge of the issues that are in your community, the best knowledge of the issues that are going to effect you, so your input is really important to our process. So we really want to make that clear that we really do want you involved.

So how do you make your voice heard? First, come to meetings and you can speak, fill out the blue cards. Typically at our meetings we use that as a way to determine -- be able to read the next person rather than having hands go up. It's more orderly, and Paul indicated at this meeting it's not necessary, but it's definitely helpful. These are the blue cards. And when the public comment period starts, we will pass them out and you can come get them from me and return them to me, and I will take them up to Paul.

Comments that -- you can write in comments

to the Commission and make sure you put the docket number on it for this project and name on it for this project. The difference in the comments is they are considered by Commissioners, they are docketed and become part of the record, but they are not at the level of evidence that Paul previously described to you. And that's an important distinction when you want to determine how you want your voice to be heard.

So if you want to be a formal participant -- we call it a party to the case or an intervenor -- you can contact my office. And I will help you file a petition or you can go on the Web site and fill out a form and submit it. But we are in the process of updating our Web site. Currently it's there under the Public Advisor's page. If you file a petition to intervene, we recommend that you do it as early in the process as possible. It gives you a better opportunity to be involved at a more in-depth level early on, and also, it avoids possibly missing the deadline. There is a deadline for when you can intervene.

So who can become an intervenor? Anybody. You don't have to be an attorney to do it. Groups can do it; individuals can do it. And once we get the petition, it goes to our committee and they review it.

And then they accept or reject the petition to intervene. And then there will be notification of that.

So if you decide to become an intervenor, you have benefits and responsibilities. You will get notices and documents of all the stuff that goes through the Commission. But it isn't that you have access to more information because if you are just a commenter, you can get that information. But you do have responsibilities that go with it as well. You can present evidence. You can present witnesses. If you present witnesses, you have to be able to have them be cross-examined by others. So there is a whole nuance on how that works. And that's explained on the Web site, and I can talk to you about it in more detail, and it's covered a little bit in here.

So if you have any questions for me, I will be in the back and I can be reached at my e-mail, phone, and let me know if I can help you become intervenors or make comments.

MR. KRAMER: Thank you. Next we will hear from the applicant.

MS. CHAMPION: At the time we submitted applications to the agencies, the Bureau of Land Management and CEC, we were under the company Stirling

Energy Systems. Since then we have split functions into two businesses, Stirling Energy Systems and Tessera Solar. Stirling Energy Systems is responsible for the manufacture and supplier of the solar power generating equipment, which is the new version, the Suncatcher. So they do the design and manufacturing, the commissioning and the operations and the maintenance of the Suncatcher.

Tessera Solar is the developer of utility scale solar power projects in North America as well as internationally. We will do project siting, going through permitting, and seeking site control. This also includes engineering, procurement, plant operations, and the balance of plant operations and maintenance, as well.

So why are we here? We are here to provide up to 850 megawatts of renewable energy capacity a under 20-year power purchase agreement we have with Southern California Edison. We are also going to assist the State of California in meeting its goals in reducing greenhouse gas emissions. We are also going to develop renewable solar energy to help California achieve its Renewable Portfolio Standard energy requirements. And also we are going to help protect the environment by providing clean, renewable solar

energy.

In addition to the Calico Solar One project, we're also currently under permitting for another project in Imperial Valley Solar Two near El Centro, California. That project is a proposed 750 megawatt project, and the Solar One Calico project is the 850 proposed project. If permitted, basically these will be two the largest solar projects in California.

So a little bit about our technology. Again, it's the Suncatcher. SES is the exclusive developer of the Suncatcher technology. So several components consists of the pedestal here. This portion of it is hydraulically vibrated into the ground. The facets are mirrored facets. These are the portions of the SunCatcher unit that track the sun and take in the solar energy. And that solar energy is then converted to the PCU unit where it converts to electrical grid power. I have some additional pictures that explain this further.

So let me show you a little clip of how the Suncatcher unit works. So here you see as the sun rises and the solar energy, it hits the dishes, the dish concentrates or focuses the sun energy on the receiver. The Stirling engine then converts that

thermal energy into electrical energy, and that electrical energy is then pumped into the grid system that eventually heats the homes.

Here is a picture of an actual Suncatcher that's in operation at our Sandia National Laboratory, which is in Albuquerque, New Mexico, and the technology has over 20 years of recorded operating history on record.

So a little bit about the installation and assembly. The portion that actually goes into the ground is the pedestal. Here is a picture of a pedestal being installed at our Sandia Labs. No grading required, minimal ground disturbance, and the total time it takes for this to be driven into the grounds is approximately seven minutes total. Again, you will see that we don't require any grading. And there you have it.

From this point on the additional portions are put on to our pedestal. Here are several of the Suncatcher units that are in operation and this is fully constructed.

So a little bit about the project. The project is approximately 37 miles east of Barstow, California, just north of Interstate 40 and just north of (inaudible). And we are about approximately 155

miles east of Los Angeles, California.

So the size of the project, again, 850 megawatts is what we are proposing to build through an existing power purchase agreement that we have with Southern Cal Edison. Project will be located on approximately 8,200 acres of public land that's managed by the Bureau of Land Management. Nearby communities include Newberry Springs, Victorville, Barstow and Ludlow.

As we started looking at a project site, we worked with Bureau of Land Management and we worked hard to select a project site to avoid minimal impacts to recreation, as well as environmentally sensitive areas. So the construction would be in two phases, Phase 1 being 500 megawatts and Phase 2 is an optional for an additional 350 megawatts. So the total buildout would contain 34,000 SunCatchers, 20,000 of those in Phase 1 and 14,000 for Phase 2. If all goes well with the permitting, we would be scheduled to initiate construction by late 2010, with commercial operations starting by mid-2011. And this project would interconnect to the project to the SCE Pisgah station.

So here is a preliminary site plan. The yellow, as you see in here, is the Phase 1. This

contains the 20,000 SunCatcher units, and the Phase 2, which is the total of 350 megawatts. Along in here is the BNSF railroad. And what you didn't see within this, there are several underground utilities, natural gas pipelines and such. And again, this is the existing SCE transmission lines and the Pisgah substation where we would connect into.

Here is a visual simulation showing what the project site would look like when constructed and fully built. And this is a view looking north as you are traveling along Interstate 40. Again, another visualization. This is looking south if you were standing at Cady Mountains looking south. This is what the project site would look like.

So this is the applicant's proposed project schedule. So what we did was file an Application For Certification with the CEC. Several years prior to that we submitted an application for a land lease to the Bureau of Land Management. And this past May we were deemed adequate and we are here for scoping meetings and meetings with other agences.

Our goal, again dependent upon the permitting process, is to receive permitting by third quarter of 2010. And if that is successful, then we would initiate construction by the fourth quarter of

2010. That would allow us to start producing power to the grid by the second quarter of 2011 with a full projected completion buildout by the fourth quarter of 2014 for the full 850 megawatt project.

Some of the project's benefits we really feel strongly about are the increased revenue of tax sales, construction and permanent jobs, the low water use required for our technology. And as you saw in the video, minimal land disturbance.

So I would like to thank you for your time. We can answer any questions or take any comments that you may have. And there is our contact information for any additional questions you may have in the future. Thank you.

MR. KRAMER: Staff -- Mr. Meyer. Let me pass this mike down to you.

MR. MEYER: Good afternoon. My name is Christopher Meyer. I, as I said before, am the Energy Commission's project manager for this one. I'm a part of half of the team on this. Jim Strobaugh will be the project manager for the Bureau of Land Management side on the NEPA side. And we will be working together throughout this entire process. And also, we have Greg Miller here from the Bureau of Land Management who will be working with me on this

presentation to talk about specific issues with the Bureau of Land Management.

MR. MILLER: Thank you, Christopher.

I wanted to say that this is a public scoping meeting for the Bureau of Land Management's NEPA process; and also we are going to be using the NEPA commenting process with the public involvement process for Section 106 of the National Historic Preservation Act, as well.

The BLM's role is to administer public lands under the Federal Land Policy and Management Act (FLPMA). We are going to be reviewing our land use plans with the process of Land Use Plan Amendment under the California Desert Conservation Area Plan. The idea here is for Bureau of Land Management to issue a Right-of-Way Grant for the use of federal land to Tessera Solar, and we are the lead agency for the National Environmental Policy Act and, of course, the National Historic Preservation Act.

MR. MEYER: The Energy Commission -- our jurisdiction is over thermal power plants over 50 megawatts, and related facilities. When we are talking about thermal power plants as related to solar, it's basically where you have a photovoltaic where it's taking the sun's energy directly to

electricity, not a solar/thermal, so it would not be under the Energy Commission's jurisdiction. But in the case of the Stirling project, it's converting solar energy into heat, which will move the pistons within the Stirling engine. That's being a thermal power plant under the jurisdiction of the Energy Commission.

We also look at the transmission lines, substations, all of the different infrastructure, if they need to bring water into the site, anything else related to the operation of the site as far as linears. And as Paul explained earlier, we are the CEQA lead agency. But as he said, the process that we go through is the CEQA equivalent process, so you may not see all of the exact terminology.

One of the things that we make a very strong point in the Energy Commission on is to work with all of the agencies, as the Bureau of Land Management does as well, since we are working on a joint process here. We have very close coordination between the Bureau of Land Management and Energy Commission. And both of our agencies will be working closely with other state, other federal and local agencies to make sure that all of their concerns are met.

And basically, this slide just gives you a little overview of the licensing process. The Data Adequacy portion has already been met. In that stage what the Energy Commission and Bureau of Land Management will be doing is looking to make sure that the application that's come in needs to meet the Energy Commission's minimum requirements, just to be considered a complete application. So we look to see if they have all the basic information for us to start doing a more in-depth analysis. Once they have met those requirements of minimum information, they are found data adequate, which starts our clock.

Then we move onto the discovery phase where we start getting really into the nitty-gritty of the project to find out what information we need clarification on, where we need more information, where the information that they presented raised questions where we want to get more information, clarification, and details.

And that you will see in formal data requests that will go out from the Bureau of Land Management and Energy Commission staff. We have already filed those and you will find those on our Web site. And we give the applicant 30 days to look at those and give us responses back to keep the process

going. And when we receive those, then we will have workshops on them.

And that's one of the other issues here. We issue an Identification Report. During that initial review of the project, we start making a list of things that we think could be potential issues on the project, concerns that our staff has, that the Bureau of Land Management staff has on the process. And the Energy Commission back on June 12th put out a report that talked about different issues. And I will get into that a little later.

And then once staff gets done with that discovery phase, we will put out our preliminary document. There will be a comment period on that and we will put out a final document, which will be a joint document between the agencies. And then we turn it over to the Siting Committee, and they take it through the remainder of the evidentiary hearings. And they will have a Proposed Decision, and then that Proposed Decision will go in front of the full Commission.

So this gives you a little bit of an idea of the events that we will go through that I talked about and the people that are involved. The pre-filing, of course, has happened already when the

petition was accepted. And it just goes down. So this is something in the future that gives you a chance to look at that. Those of you who didn't get a copy of this, this presentation will be put on our Web site and refer back to it through the entire process.

So I gave you a little bit of an idea of this, the discovery and analysis process. But as the slide points out, this is the laws, ordinances, regulations and standards where each of our technical staff through multiple disciplines looks at the regulations, laws, ordinances, standards of each area and determines where there were potential issues, pitfalls, or how the project either conformed or doesn't conform.

And really, meetings like this will go out throughout the process. This is a formal hearing. Staff, Bureau of Land Management and Energy Commission staff will be holding workshops either on specific issues or following the publication of documents to give the public a chance to hear what the Bureau of Land Management, Energy Commission staff and the applicant's staff are talking back and forth on.

As Commissioner Boyd talked about with the ex parte rule, we do not have substantive conversations between our staff and their staff

outside the public arena. So if we have serious issues we need to work out, we will send out a public notice and the public will have a chance, just like this, to sit and listen to the questions going back and forth and have a period at the end to comment and ask questions.

So basically, as we talked about, we will put out a preliminary and final document. That will be joint between the Bureau of Land Management and the Energy Commission, and those will basically, you know, be recommendations to the committee.

And then, as I said, we turn it over to the committee and the committee will conduct all the hearings. And that will be the deciding committee you see here with the hearing officer, Paul Kramer. And what they will be putting together is a Presiding Member's Proposed Decision, which will take our draft document and look at the evidence and put together a document that will go through and give weight to all the evidence and make findings on the different departmental impacts, compliance. It will do recommendation of conditions of certification, where if you may not be familiar with our process, it would -- these would be mitigation measures that would lessen the environmental impacts that may be

identified through the process.

And part of that will be recommendations to the full committee on whether or not the project should go forward. And then that would take it to the full Commission to make a decision on the process, either approve or deny. And if the project were to be approved, then it would be up to both, in this case the Energy Commission and Bureau of Land Management, to make sure that both the construction and operation of the facility would happen in accordance with all the conditions that are put forward in the license.

MR. MILLER: The Bureau of Land Management is working under two Executive Orders or Secretarial Orders at this point. One is 3283 which facilitates the DOI's efforts to achieve a goal of approving non-hydropower renewable energy projects on public lands in the tune of about minimum 10,000 megawatts by the year 2015.

And then under Secretarial Order 3285, the Renewable Energy Development by Department of Interior. The purpose of this order was to establish development of a renewable energy priority for the Department of Interior and also establish a departmental Task Force For Energy and Climate Change.

The Bureau of Land Management Solar Energy

Development Policy and Instructional Memorandum of 2007-097 facilitates the environmental response to commercial development for solar energy projects on public lands. The Right-of-Way applications are a high priority for BLM and are processed in a timely manner. And they are approved under Title 5 of the Federal Land Management Policy Act. Rents will be established through an appraisal process for the grants for the solar energy sites, and then you can find information on the solar energy technology at those Web sites there.

Bureau of Land Management also processes Right-of-Way grants under Regulations 43 CFR 2800. And there is an informational tool kit available if you would like to pursue that on the Web sites there listed there. Those are the regulations that Bureau of Land Management follows for these grants.

The Bureau of Land Management authorized officer's role in this is just as it says there, it's the initial response to the request, the proposal. There is preapplication meetings and screenings done, and the application is then accepted or rejected, depending on what is available. At this point in regard to Tessera Solar One, we are at the processing application and the Land Use Plan Amendment. This is

part of the formal scoping process which came out in the Notice on Intent and EIS on June 5, and it will go through July 7.

We will be preparing an EIS and Land Use Plan Amendment through our NEPA process. A decision will be made on the application, whether to approve or deny the Right-of-Way grants and approve the Land Use Plan Amendment. Then an authorization will be issued and then administration through termination, Bureau of Land Management will be monitor that through compliance.

The Bureau of Land Management's Land Use Plan and Environmental Scoping Process goes like this. The Notice of Intent was filed. The public scoping period is now between June 5 and July 7 for the Notice of Intent. A preparation of a draft EIS, Land Use Plan Amendment, which will give another 90-day comment period for the public to be able to comment on that Land Use Plan and the Environmental Impact Statement.

The Final Impact Statement will be developed, the Notice of Availability for the FEIS will come out, another 30-day review, and then a Record of Decision and then a Notice to Proceed.

That's pretty much the process for the NEPA process.

MR. MEYER: One thing just to back up real slightly. You mentioned the compliance earlier. The Energy Commission has a compliance unit, and not to get too far ahead of ourselves because it's too early in the process to get an idea of what the project is, is going to be recommended for approval or not. But if it were approved, the Energy Commission has a dedicated unit to oversee the construction and compliance throughout the life of the project. And there will be a compliance project manager, if it's approved. Mary Disk (as pronounced), who is here, and she would be looking at this project through construction and through operations.

So the Energy Commission is very serious about if any projects are approved, to make sure they are built CEQA compliant with the license issued and that they are operated in compliance with any conditions. So I would like basically -- you have already heard everyone talking about -- it's just something I wanted to put in the package to refer you back in the future with phone numbers and e-mails of the principals.

Basically, the next slide is the exact same thing with the Bureau of Land Management that gives some comments. One thing to mention on the side where

it talks about the comments, the Energy Commission has a dedicated unit for docketing information on the projects. So we determined that if all of the information and comments, whether it's on the NEPA side or the CEQA side, if they all come to the Energy Commission, just send them to me with a note that it's on the Solar One project, and we will make sure that all your comments get put into the docket log and that I can distribute them.

And if you send comments in writing, nothing gets lost in translation whether it's an e-mail, whatever form. That way I can get them to all the parties, the Bureau of Land Management, the committee, the applicant, CURE, so that everyone knows what your comments are and we can address them throughout the process.

As I said before on the public participation information, our Public Advisor's Office gave you a very good overview of what is up there. This just says if we are going to have a notice go out there, we will give you 15 days, which is required within the NEPA process, before any hearings or workshops are held so that you have a chance to participate.

And other than sort of our standard

libraries that we put the applications throughout and our documents out at state, they have been placed at local libraries here in the area for you to look at.

As I said before, you can make comments both at workshops or send them in writing. Written comments are the easiest for us to track and make sure they get addressed throughout the process.

But the real value of your comments in whatever form you give them to us, you are in many cases the experts on this local area. We can assign staff that know the resources of this area. But as residents, as local officials, whatever format, you have information that is most beneficial to us as early in the process as possible so we can make sure that it gets addressed throughout the proceeding. So any help you can provide is very welcome to our staff. And as I say, the earlier the better so we don't get off on the wrong foot.

We already talked about becoming a formal intervenor. And the next slide just gives you an idea of what our Web site looks like. It has lots of good information. As I said, this presentation, issues, ID report, all of that will be on this Web site for you to review or download.

Bureau of Land Management also has

developed a Web site very similar to ours. And we have links back and forth, so I have to double-check to make sure that ours is active, but we should have a link so that if you look at our Web site, you should get a link and it will send you right to the BLM's Web site on this project as well.

Staff issues identification reports, and as I said, this is a very initial report. This is not based on our staff doing a lot of analysis. It's before the discovery phase. So this is just a first-blush look at things that are very obvious issues that we want to make sure that we carry throughout the process and get as much information as possible. And it gives you a few ideas of what we are looking for there. But I just wanted to say that the report is not all-encompassing of the issues that may come up on the process.

To start off on this project, we have a little bit of a list of the ones we will be talking about: Biological resources, cultural resources, land use, reliability, soil and water resources, visual resources, cumulative effects and alternatives. Cumulative impacts is basically what we're going to be looking at all of the other development that is possible in the desert. We are really going to try to

focus on products that are reasonable and not remote and speculative. But if we think there is a high probability of another project going out in the area, we will look at that project and the proposed project and the cumulative impacts.

Going on to biological resources, the reason we identify this one is primarily the sheer scope of the size, the lack of development at the site, and the known existence of federal and state protected species in the area. So our biological staff will be working very closely with the Bureau of Land Management's biological staff and the resource agencies, Fish and Game, Fish and Wildlife Service, to make sure we identify any species here and work through them to find mitigation or to fully analyze the potential impacts.

And we will be working with those agencies to develop mitigation, so it will not be mitigation just out of the staff. We will be working with the resource agencies, the local experts on these species to try to find the best way of dealing with the issues if the project goes forward. And once again, the cumulative impacts. We look at cumulative impacts on all the different areas, biological resources being one of them.

Cultural resources, once again we come to the fact that it's over an 8,000 acre site. There are archaeological resources in the area that have potential for being impacted by a site of this magnitude. So between the known sites and the potential for finding new sites, we decided it was something that we really needed to focus a lot of energy on.

Land use, once again, it's over 8,000 acres that could potentially be taken out of the public use and put into the use for an industrial facility. And that would be a potential land use impact. The permanent conversion of open space to an industrial use is another impact that will be very closely examined.

The reliability -- and that aspect we are looking at this -- this is a new technology we have not seen a project of this nature, of this volume, as they talked about before. You have the test units at Sandia, but nothing as far as something where you are looking at 34,000 of them working together to produce power for the grid. So since it's also a mechanical system, we are going to be looking very closely at the mechanical reliability of the system.

Visual is sort of an easy one: 34,000

SunCatchers on 8,000 plus acres. They are fairly concise units, 38 feet in diameter. And for those who are not familiar, visual resource management is a Bureau of Land Management terminology. We will be looking at the visual resource management classification for the area, and BLM will take the lead on that in determining what impacts this project would have based on the category it's in.

Cumulative impacts, I talked briefly about that. But both NEPA and CEQA are very clear that you have to look at the impacts of the proposed project in concert with anything else that is a reasonably similar project in the area. You can't just sort of look at a whole bunch of different projects discretely. If you are developing 8,000 acres and someone else is developing 5 and another person 3, altogether that's going to take up a large swath and you have to say that you can't look at the project in a vacuum is what the cumulative impact talks about.

And the alternatives analysis that we will be looking at on this project is looking at alternative technologies, looking at alternative sites, modifications of the sites. And also looking at a no-project alternative. And the CEC and Bureau of Land Management look at alternatives slightly

differently, and we will work that out through the process.

And the proposed schedule. It lines up fairly closely with the applicant. This is an idealized schedule. Changes to the project, unforeseen problems could impact us. But basically staff of the Energy Commission and Bureau of Land Management will be working hard to sort of keep this process moving along. But we will not focus on schedule to the detriment of the document. We do not want to rush through and very quickly produce a document that is severely lacking, that's not legally defensible.

So our primarily goal is to make sure that all the potential impacts of the project are disclosed, discussed and analyzed. And if we can do that within the schedule, that's wonderful. If it takes more time to get a very complete and dependable document, that's what we need to do. The TBD is basically "to be determined." Once staff finishes with our project, we turn it over to the committee, and they will take it through to the end of the process.

And you have to have caveats when you have a printed schedule. We just talked about basic things

that could slow it down. And some of the facts is that this is such a large site. When we give a traditional data request, the applicant has 30 days to look at it. When we give them a data request on archaeological or biological resources on 8,000 acres, it's hard. They will get a whole bunch of biologists and archeologists out there in 100 degree heat and work them in the heat until they drop, and they still may not be able to get it back in 30 days. And based on the complexity of the questions we have, it could take longer. That's why we say there may be delays here and there.

So if you are expecting a data response workshop right on August 6, if we discover that there are more complex issues that we need to get answered, that may slip a little bit. But we will make sure that you are noticed 15 days in advance. So that's why I say please take this schedule as a proposed schedule. Don't plan your vacations around it because dates may change here and there.

So that basically takes me to the end of my presentation. I am going to make sure the Bureau of Land Management doesn't have anything to add. Okay. Looks like staff is done with its presentation.

MR. KRAMER: Thank you. Does the

applicant wish to comment on the schedule proposed by the staff?

MS. CHAMPION: Not at this time.

MR. KRAMER: Next we will have the presentation from CURE. I don't know if the cord will reach all the way over there, so if you don't mind using the podium.

MS. MILES: CURE has done just a preliminary review of the AFC, and we have identified some issues, particularly with respect to biological impacts. We will be looking more in detail at reliability, water, transmission resources, and cumulative impacts and alternatives to the project site.

And we will be submitting data requests in about a week on biological resources. So in particular at this point, our preliminary review has found that there is not adequate information in the AFC or adequate analysis on the following biological impacts. For example, base line information regarding the Desert Tortoise. Mitigation for the Desert Tortoise. Impacts to the Burrowing Owl. Rare plant survey methods and base lane data. Rare plant impact assessment. Rare plant mitigation. And then impacts to potential jurisdictional waters on the site.

Impacts to the Mojave Fringe-toed Lizard and Nelson's Bighorn Sheep. Widelife corridors and cumulative impacts, as well as impacts to nesting bird species, collision hazards for birds, wildlife mortality from evaporation ponds, and compliance generally with laws, ordinances, regulations and standards.

We do have an outline of our comments, of our preliminary comments, and I don't think I brought enough comments for everyone, but they should have been passed out. And please share them. And if you would like to get a copy, it's going to be docketed, or come up to me afterwards and I will e-mail the copy.

Our technical consultant Scott Cashen is here, and he is going to provide a summary of the issues of greatest concerns, so he is not going to go through everything in here.

MR. CASHEN: I will try to go fast. Our concerns basically revolve around the lack of any sort of scientific rigor that was devoted to establishing base line conditions at the site. And then subsequently doing a valid impact analysis and proposing mitigation that would actually be likely to be effective.

With respect to establishing base line

conditions, CEC requires that the applicant conduct surveys according to established protocols, if such protocols have been established. And they have been established for the Desert Tortoise. The AFC says that protocol surveys were followed. I did some calculations and just by doing the math, it appeared that each biologist would have had to walk 35 kilometers a day during the Desert Tortoise survey. And as a frame of reference, there was a study cited in the AFC from which the applicant contained a detectability study. And in that study they averaged 15 kilometers a day over an eight and a half hour a day period. So if my calculations are right, they went over two times faster than what was conducted in the study that they referenced. For other tasks, there simply wasn't an attempt to follow protocol. They didn't follow protocol for rare plant surveys and they didn't follow protocol for Burrowing Owls.

In doing impacts -- doing a valid impact assessment is difficult if you don't have valid base line data. And these errors tend to compound as you get further down the process. So we are concerned about the validity of the impact assessment in that it's based on non-protocol survey data. And in addition, many of the conclusions that were made just

simply aren't taken scientifically valid.

As an example, for the evaporation ponds, evaporation ponds at other facilities have been known to kill water birds. In this case, the applicant concluded that the project evaporation ponds wouldn't be a problem because most resident birds and wildlife wouldn't drink the water because they get water from their food. Hopefully you can see that there is not a lot of logic behind that.

With respect to -- as an example for the plants, there is absolutely no discussion of the local, regional, or rangewide significance of the project on rare plants that are known to occur on the site. There is one plant in particular, white margin beer tongue, that is a rear plant species in California and the only known occurrence of this plant species in California is within the project site in the cumulative impact area. The applicant's proposed mitigation for that is to propagate the species. But when I did some research on the species, the Santa Ana Botanical Gardens has attempted to propagate that species in the past, and all those efforts have resulted in failure.

Impacts to wetlands and jurisdictional waters: We are concerned that the AFC has concluded

that there are no channels or washes out at the site. If you look at -- for those of you who do have a copy of our handout, and I'm sorry that we don't have more -- the conclusion that there is no channels or washes is simply not consistent with what's out at the site. And I don't know if you can see from here, but there are clearly washes out there. I have been to the site and there are playas -- for those of you who don't know what that is, it's a seasonal lake, it's a low spot and forms a basin and when it rains if there is sufficient, the water will collect and form a temporary lake -- there are several places out at the site that have obvious playa-formation-type features with cracked mud and lack of any vegetation growing in the middle of them. It's pretty clear that those features were not addressed.

We are particularly concerned about the cumulative impacts. And if you look at -- if you looked at the AFC and you've looked at the map that shows the cumulative impacts, this project would contribute to almost a complete elimination of all sandy flats, basins and bajadas in the region, or at least a fragmentation of them. The impact that that may have on plant and wildlife species has a potential to be tremendous. And in particular, the ability of

wildlife to move between various patches of habitat is known to be an important dynamic in maintaining viable populations. And if you look at the cumulative impact map, this project is going to contribute to almost a complete blockage of the ability of animals to move between the area's ACECs and the Desert Wildlife Management Areas.

With respect to the mitigation that's been proposed, we are concerned about the complete lack of any specificity associated with what has been proposed so far. And we are concerned about the lack of scientific support for many of the proposed mitigation measures. I will give you a couple of examples. The only mitigation proposed for the impacts to wildlife corridors are not blocking the culverts that go under the railroad and highway, at which point the AFC concluded that animals could enter the site and travel down existing roads.

And the other proposed mitigation measure was maintain an east-west movement border along the northern boundary of the site where there will also be an access road. So roads are known to serve as high source of mortality for many species, and they act as a habitat sink. So we are concerned that the proposed mitigation for wildlife corridors may actually have

additional adverse effects.

Another example would be that the compensation mitigation for Desert Tortoise would also serve as mitigation for Mojave Fringe-Toed Lizard. There is not a lot of scientific backing for that. Desert Tortoises require soil that is firm enough so that it can build burrows that won't collapse. Whereas Mojave Fringe-Toed Lizards like fine, loose sand, so those two generally don't go together.

And then finally, we have, as Loulena mentioned -- we have concerns about the proposed project conforming to existing laws, ordinances, and regulations. In particular, there are several conservation strategies outlined in the West Mojave Plan that the project so far does not appear to comply with.

And we would be happy to answer any questions about this brief presentation after the meeting is over. Thank you.

MR. KRAMER: Do any of the public agencies wish to make a comment besides Mr. Blewett? Sir, if you would come to the podium.

MR. BRILL: Really quick. As I indicated earlier, my name is Kirby Brill. I'm the general manager with the Mojave Water Agency. And

really just two quick comments. One is to do exactly that, reintroduce myself and the agency.

The agency is created by the legislature of the State of California as a Special Act District. And we are responsible for managing the water resources just under 5,000 square miles. Our service area includes portions of the land, based on the preliminary information I have, go up to and abut almost next to the proposed project site but don't go across.

And second of all, I just want to offer our agency's assistance to the Commission. We are neither in favor or in opposition to the project. We consider ourselves neutral. We are a source of information. We do have a lot of information on the water resources in that area. So we certainly offer our agency's assistance to the Commission as you go through your deliberations. Thank you very much.

MR. KRAMER: You are saying that no part of the project site is in your territory?

MR. BRILL: Based on the information I have, I saw some recent maps, they may have some potential future phases that might extend in. I would have to look at that. But based on the preliminary information I have and looking at our maps, it looks

like our boundaries go close to or butt up against some of the proposed ownership.

MR. KRAMER: Thank you.

Mr. Blewett. We are beginning our public comment period. I have four more blue cards. Just with a show of hands, how many other people in the audience are going to want to make a public comment? Just two more. Three more. Four. Okay. Thank you.

MR. BLEWETT: Mr. Chairman, welcome to the high desert.

MR. KRAMER: Thank you.

MR. BLEWETT: I have to congratulate you. In business, politics, and I guess hearings, timing is everything. A week from now the temperature will be about 20 degrees hotter, so I have to congratulate you on that.

I'm here -- the Planning Commission and the County as far as I know has not taken a position on this, but I personally have taken a position on this.

I represent the First District, which to give you an idea of the scope of the desert as a Planning Commissioner that I cover, if you drive 65 -- at 65 miles an hour for an hour in that direction or 65 miles an hour in that direction or -- for an hour -- or an hour and a half south, or almost two

hours toward Vegas, you are -- all that is in our district in our desert. Over 2 million acres. This is an infinitesimal project in the scope of the vacant land that's in our desert.

I'm here because we need the electricity. A nation without cheap electricity is a nation that becomes second rate. We need the jobs. The unemployment rate in this particular area is over 15 percent all throughout the high desert area, one of the highest in the country. Definitely the highest in the state.

And we need -- the technology of this project is outstanding because one of our major concerns always in the desert is water. And this project -- this thing uses virtually no water except for cleaning off the screens, which is amazing because as I have dealt with many solar projects that have come before us, many of them are heavy water users. And this is not one of them.

And I would really like to see this technology developed and used, particularly in our desert. It's very important because water is always a key issue. Again, thank you for coming, and I hope you enjoy your stay in our desert.

MR. KRAMER: Before you go, could you

spell your last name.

MR. BLEWETT: B-l-e-w-e-t-t, like I blew it.

MR. KRAMER: This is probably a good time for me to disclose on the record that back from 1986 until 1991, I was actually the Deputy County Counsel that sat with the County Council in San Bernardino. I don't think there is anybody around that remembers me then.

MR. BLEWETT: No, I would think not.

MR. KRAMER: Mr. Orawczyk. Did I get close? He spells it O-r-a-w-c-z-y-k.

MR. ORAWCZYK: That's the way my father spells it too.

Mr. Commissioner, thank you. I suppose I should direct my questions and comments to you. Are you the mediator, or is it directly to the applicant?

MR. KRAMER: Direct them to us.

MR. ORAWCZYK: All right.

MR. KRAMER: Say your first name for us. I don't think we --

MR. ORAWCZYK: Joe.

MR. KRAMER: Thank you. Go ahead.

MR. ORAWCZYK: I got up yesterday on Father's Day kind of early, watching HBO or something.

I got caught in the movie which you may have heard of before called "Erin Brockovich." The people in this community, in the greater Barstow community, have a very earned suspect or reservation about energy companies in general based on past experiences. So I ask for your forgiveness if I sound a bit sarcastic in my comments and questions -- or cynical. I mean no offense.

I have like 10 or 12 pages of questions after reading the Application For Certification, specifically in particular with the topics of water and with future abandonment of the project. In an effort to save the time of the committee and everybody here, would it be acceptable for me to submit these in writing and let it go, and you guys can respond later? Or do you want me it read them here?

MR. KRAMER: If you submit them in writing, that's the easiest way to make sure they get passed on to the appropriate people. So I would say yes, bring them in writing.

MR. ORAWCZYK: To whom do I submit it?

MR. KRAMER: You can give them to me, and I will make sure that Mr. Meyer gets them and passed them on.

MR. ORAWCZYK: Thank you very much. I

have no further questions. I would like to reserve the ability to ask questions at some later time.

MR. KRAMER: I would suggest if you were interested and have the time, you come to the staff workshops because that will be an especially good place for you to talk to people during the formal part of the workshop and also during the milling about stage, you can get your questions answered.

MR. ORAWCZYK: Thank you, Mr. Commissioner.

I do have one question not in the notes, and that is one I asked while we were out at the site during the bus trip. And that is how will the aquifer be recharged. The answer from the applicant at that time is we really don't know right now. And I assume they want to get back to us on that.

Was there any other response to that question? Okay. So, yeah, my concern there is what is the sustainability of the project over the 20-year period, possibly 40 years? If they draw 36.2 acre feet of water, I'm real concerned as to how long that can actually last if its potable water.

MR. KRAMER: That's something that the staff normally analyzes as part of their analysis. They should be answering your question in their

reports.

MR. ORAWCZYK: Excellent. My only knowledge is through the Application For Certification. I haven't read through the staff's notes yet, so maybe I just missed it.

MR. KRAMER: I don't think the staff has put out anything on that question yet.

MR. MEYER: Our water quality staff will be addressing that in our preliminary documents.

MR. KRAMER: Next is Mr. Silliman from the Sierra Club, and followed by Irene James from the BIA.

MR. SILLIMAN: I'm a consultant from the San Gorgonio Chapter of the Sierra Club. I just have a quick question about the ex parte rule as it may or may not apply to the applicant with regard to two groups. Specifically, I'm interested to what extent must communication between the applicant and CEC and Bureau of Land Management staff be public; and second, to what extent must communication between the applicant and resource agencies such as California Fish and Game be public?

MR. KRAMER: Well, that is actually not the ex parte rule. But there is a regulation of the Commission. Ms. Holmes, are you still back there?

MS. HOLMES: I am.

MR. KRAMER: As the staff's attorney, would you care to address that?

MS. HOLMES: Would you repeat the question, please?

MR. SILLIMAN: Sure. What I am concerned about is the degree to which communication between the applicant and certain groups must or must not be made public. Specifically, must communication between the applicant and CEC and the Bureau of Land Management staff be public? Or/and to what extent must communication between the applicant and resource agencies such as California Fish and Game, Fish and Wildlife also be public, or may it not be public?

MS. HOLMES: There is a regulation that Mr. Kramer referred to that the staff is required to comply with which prohibits us from having unnoticed meeting with the project's developer. We can't have closed or behind-the-scenes meetings with developers. Just as decision makers have to meet with the parties in a noticed setting, we do not meet with the applicant on substantive matters unless the meeting is publicly noted.

MR. SILLIMAN: Who is "we"?

MS. HOLMES: The Energy Commission

staff. I represent the staff in this procedure.

MR. SILLIMAN: How about Fish and Game or Fish and Wildlife?

MS. HOLMES: I don't believe there is a rule that prohibits project proponents from meeting with them. This is our rule that applies to our Commission staff.

MR. KRAMER: Is that your only question?

THE WITNESS: Yes.

MR. KRAMER: Irene James.

MS. JAMES: Thank you. I would like to read a letter that was produced by the Building Industry Association, Local Chapter, which covers the high desert area, on behalf of someone who is on vacation.

"The Building Industry Association, Baldy View Chapter, recognizes the importance of new construction to our economy. Although we are in the midst of a historic recession, it's imperative that we continue planning for future residential, commercial, and industrial demands for California's ever-growing population. As such we seek to enhance business-friendly policies that maximize the opportunities for environmentally conscious development.

"Clearly you are embarking on an important effort that will provide Californians with greater access to energy for both current and future consumers. We appreciate the effort of Tessera Solar, which has been and continues to be proactive in its approach to its new project here in San Bernardino County by meeting not only with BIA staff, but also with local governments, agencies, departments and groups to help explain and gather local input for its solar project, Calico Solar One. Since this type of project has proven to have both low water usage and a minimal land disturbance, from an environmental viewpoint, we can appreciate its technology" -- oops.

MR. KRAMER: If you want, you could e-mail the letter to us.

MS. JAMES: I will e-mail the letter. This is sent on behalf of Carlos Rodriguez, who is one of the governmental affairs for the Baldy View Chapter which is based in Rancho Cucamonga. He is on vacation this week, so I told him I would help out. But I will send it off to the Commission. Thank you.

MR. KRAMER: Thank you.

Jeff Aardahl, followed by Steve Marschke.

MR. AARDAHL: Good afternoon. My name is Jeff Aardahl. I represent the Defenders of

Wildlife, a national wildlife conservation organization with headquarters in Washington, D.C. I personally work in the Sacramento office. And Defenders appreciate the opportunity to be here to today to participate in the field trip and also this informational meeting and scoping session.

We intend to provide detailed comments for the scoping process in preparation for the environmental review processes of both the Bureau of Land Management and the Energy Commission. So at this time, though, I would like to speak briefly about two species of interest to us that were disclosed in the Application For Certification filed by the consultants or the project applicant.

Those species are the Desert Tortoise and the Desert Bighorn Sheep. Briefly, what I have gleaned out of the application so far has resulted in some recommendations for further analysis by Energy Commission staff and the Bureau of Land Management during the environmental process.

Specifically with the Desert Tortoise, what I would like to recommend is that the age and sex of all Desert Tortoises encountered on the project site as a result of, shall we say, a sampling process be disclosed, and that a determination of their

ecological or biological significance be made rather than just simply a statement about, in this case, 43 Desert Tortoises were observed during the sampling process, along with 30 active tortoise burrows. I think the data needs to be much more detailed and fully analyzed and disclosed to the public.

We would also like to see an analysis of the relationship of the Desert Tortoise population in the affected area of the project in relationship to more important Desert Tortoise populations in recovery units for the species, since it's a listed species, both federally and state. And those specific recovery areas I would like to see addressed in relationship to this particular site are the Ord-Rodman, Superior-Cronese and possibly the Piute-Fenner recovery units.

And I would like to have the document disclose and analyze the adequacy of the surveys for the Desert Tortoise in terms of its ability to detect hatchlings and juvenile individuals occupying the site.

With respect to Bighorn Sheep, my recommendation if fairly straightforward and simple. The analysis should disclose any seasonal use of the proposed project site by birds of prey as a foraging area where those birds may be coming out of the Cady

Mountains from nesting locations.

And that concludes my oral comments. Again, we will follow up with more detailed written comments by the close of the scoping period. I thank you.

MR. KRAMER: Could you write out the names of those units on a piece of paper for the benefit of the court reporter?

Mr. Marschke, followed by April Sall.

MR. MARSCHKE: Hi. I'm Steve Marschke and I'm president of the Society For the Conservation of Bighorn Sheep. We are a local Southern California nonprofit organization, been around since the mid-sixties. And our purpose is to provide enhanced habitat and mitigation efforts for Bighorn Sheep.

We were very concerned with the scope of this project as it's stated now, and that particularly the northeast corner is definitely within Bighorn Sheep habitat. Sheep habitat is very important. There is a lot of I think historical knowledge that people think Bighorn Sheep live in the mountains and that's in a general part true, but they survive based on the desert washes and vegetation that grows down there. And this project would impact large amounts of habitat that's very close to a known Bighorn Sheep

population. And I think, furthermore, the science that I saw in the preliminary study is inadequate with regards to Bighorn Sheep, and it's very nebulous at best.

Thank you.

MR. KRAMER: Thank you. April Sall.

MS. SALL: Thank you, Commissioners, ladies and gentlemen, members of the panel, for the opportunity to speak today. I just have a few comments -- again April Sall from the Wildlands Conservancy. The Wildlands Conservancy is a 501(c)3 nonprofit land conservation organization that conserves wild spaces in California and provides free outdoor education for Southern California's youth.

We are very supportive of renewable energy development and have several preserves that are off the grid and have renewable energy, both solar panels and winds, on those preserves to power our facilities.

We also partnered with Department of Interior and Senator Dianne Feinstein in the largest private land acquisition gifted to the American public. That was 600,000 acres in the Mojave Desert purchased with about 45 million dollars in private funds and 18 million land and conservation funds. And those lands were gifted to Department of Interior and

to the National Park Service where appropriate within their boundaries.

The project site does contain a couple of Catellus sections that were part of the Catellus land purchase. We have many concerns related to biological resources. First off, our feeling is the utility scale project should first be sited on disturbed land, public or private, instead of pristine lands. Many environmental groups, including the Wildlands Conservancy, have been working on a criteria document for siting renewable energy projects in more appropriate areas on both public and private lands, and that document is now public and given to industry.

We are concerned with the cumulative effects of these large industrial-scaled projects. The desert is very slow to recover, as many of you know, and once this land is blighted or there is significant surface disturbance, it permanently disrupts the microbiotic relationship of cryptobiotic soils.

The current Solar One site is adjacent to the new National Monument Proposal that Senator Feinstein will be introducing. It's also adjacent to the ACEC, and there are several endangered species, plant and animal, that would be affected by this

project. There is a rare penstemon that was found on the project site in a higher density than anticipated, as well as a possible new lizard to science that is the side-blotched lizard that is found only in the lava beds in the sands adjacent to the lava flow area.

And with regards to the recovery and the scale of this project, there is concern about the BLM Right-of-Way process being used for a permanent disturbance. And I have a couple of questions. I first wanted to ask BLM what is the anticipated action plan for the project site once the 20-year period is reached? Will that site be reused for another renewable energy site, or what is the anticipated plan at this point?

MR. MILLER: We can't answer that at this point because we don't know. We can't answer that unless we have approved it, so we won't know for a while.

MS. SALL: Okay. With regards to the applicant, will vegetation be mowed or trimmed? There was a little discussion about this on the tour, but can I get an official answer as to what the plan is for vegetation on the site?

MR. MAGDYCH: We are continuing to work out the details. There some vegetation below the

dishes. However, most of the vegetation on-site is less than three feet tall. So that is not much of a problem. But we are looking at the adjacent areas that will be left over, and we are trying very hard to maximize the preservation of vegetation in the future.

MS. SALL: Okay. Can I ask how the selection was made to begin construction on what you are calling Phase 1, the kind of northeastern section of the site, versus the area that you are calling Phase 2, which is closer to the highway and slightly more disturbed land?

MS. CHAMPION: So mainly, if you saw some of the maps, we tried to locate and begin construction closest to the transmission line and initiate construction there and then head west.

MS. SALL: Okay. According to the map in your packet, the transmission line also goes through Phase 2, and that's where the actual substation is currently?

MS. CHAMPION: Are you referring to the Pisgah substation?

MS. SALL: Yes, the current Pisgah substation.

MS. CHAMPION: Can you repeat your question?

MS. SALL: If there is still transmission access and the substation is located on what you are calling the Phase 2, which has slightly more impact or maybe significantly, depending on location, more impact, why did you choose to develop the more northeastern section first? If this is a new technology and new scale, why are you picking the most pristine habitat to begin your construction on, Phase 1?

MS. CHAMPION: I'm not exactly sure I fully understand your question, and I probably won't respond to the "most pristine habitat." But again, this is a preliminary construction plan that we have right now. As we go through the permitting phase and work through the agencies, if there is any need for us to change how we construct, we will definitely do that, working with the agencies. So again, we have preliminary. We are required to at least give some idea of how we plan to construct the project, but obviously, we are prepared to make any changes where necessary based on what the agencies tell us.

MS. SALL: Okay. And last question: What is the capacity of the largest SunCatcher site you currently have operating for commercial use?

MS. CHAMPION: We do not have a

commercial site today.

MS. SALL: Then what is the largest test site megawatt production?

MS. BELLOWS: We have 10 units running today, each one 25 megawatts.

COMMISSIONER BYRON: Ms. Sall, if I may ask a question. You indicated a criteria for siting renewables document that you are preparing. Is there anyone else you are collaborating with on that document?

MS. SALL: Yeah. I don't have the document in front of me, but some of the other organizations that signed on to that document are Nature Conservancy, Center for Wildlife, the Wilderness Society, Center for Biodiversity (inaudible), Sierra Club.

COMMISSIONER BYRON: Without anything in front of you, that's pretty good.

MR. KRAMER: I think Sierra Club filed something along those lines today.

Anyone else wishing to make a public comment?

MR. RAMOS: I just wondered, who the heck are you?

THE REPORTER: Excuse me. Excuse me. I

need to have your name.

MR. RAMOS: I beg your pardon. Al Ramos.

Hi. I'm a local desert rat. I live here and I'm not too smart. All I know is what I read in the papers.

Okay? Who is this company? Where do you come from? Who is the parent company? Houston Electric? General Electric? Bumbleberry? Who is it? It's enormous. And are all these machines going to be built out of locally USA manufactured? Or are they going to come from foreign countries?

MS. BELLOWS: First, our machinery is 90 percent based in North America.

MR. RAMOS: Where is the other 10 percent made in?

MR. KOSTOK: There will be various items, wires and cables, that haven't been sourced yet. So of the major components that have sourced for the Stirling SunCatcher unit itself, 90 percent is within North American. The engines are similar to like a quad's engine, same size, so the engine manufacturers are the same assembly or very similar assembly and same buildings that make the automobile engines make these engines.

MS. BELLOWS: On the SunCatcher, it's as if an engine were being built --

MR. RAMOS: Is this 10 percent money wise or 10 percent of the unit?

MS. BELLOWS: Ten percent of the unit.

MR. RAMOS: Well, moneywise the 10 percent might be a princely sum and the rest of the junk is made here out of --

MS. BELLOWS: The majority of the machine is made in the United States.

MR. RAMOS: Yeah, but the value of it, 10 percent.

MS. BELLOWS: 90 percent of the value of the equipment.

MR. RAMOS: The 90 percent is from here. Then who are you, by the way? What is your parents, Edison, General Electric, (unintelligible), Vickers?

MS. BELLOWS: None of the above. Actually, the story is that we are a renewable energy company. Our parent company is NTR.

MR. RAMOS: Who is NTR?

MS. BELLOWS: NTR stands for National Toll Roads. It's a company that --

THE WITNESS: Oh, Jeez, National Toll Roads. That's something that --

MR. BOYD: Let her finish.

MS. BELLOWS: National Toll Roads has a history of investing successfully in renewable energy. They have investments in biomass, in wind, in storage for solar facilities, in solar, and in ethanol facilities. So they are a renewable energy player. If you are to go to their site, you will see they have a very successful history, and they took a position in Stirling Systems in 2008.

MR. RAMOS: What is their capability? Do you have vast machine shops or what? What do you have? I'm sure you are financially capable. But say, do you have milling machines? Do you have vast machine shop foundries or what? How are you going to make these things? Are you going to farm them out to different people, or are you going to make them yourselves?

MS. BELLOWS: Absolutely. One of the things that NTR does very well is they hire people and they put the appropriate people in place. They have funding so that these projects can get done. And they have done a great job at taking our technology, which is the SunCatcher, from a technology level, and if you look at the SunCatcher, the Stirling engine has been played with, if you will, by McDonnell-Douglas, by

companies like Lockheed, by Boeing --

MR. RAMOS: But you are not that. You are a construction company making toll roads. You are not McDonnell-Douglas.

MS. BELLOWS: But we are very successful --

MR. RAMOS: So you say so. That's a self-serving statement. I can tell you how smart I am --

MS. BELLOWS: But if you will, go to the Web site and you will be able to see information on the successes we have had so far.

MR. RAMOS: Defense rests, I guess.

MR. KRAMER: Any other public comments?

MR. JACKSON: My name is Patrick Jackson. And I own land that's going to be completely surrounded by the Solar One project. I don't know if the people are familiar with the area, but according to the California Desert Conservation Area plan, it's an open area. That means the public and the private property owners can access their property.

A year ago, somebody put a gate across the Burlington-Northern crossing. For a year I have been writing letters trying to find out what Stirling's involvement in the gate was and have been misled up to

this point in time.

Now, right now I have learned that the Phase 2 of the project is optional. Yet we have a gate that blocks access to public lands and for people to access their own property. That to me is not right. If Stirling is not going to develop Phase 2, they should at least allow the public the right to access public lands. That's all I have to say.

MR. KRAMER: Thank you. Any other public comments? Okay.

On the agenda we had a couple housekeeping items. I think the parties can communicate with me privately if they have any changes to make to their addresses on the proof of service list, the latest version which is found on the Web site.

I'm trying to recall -- I may be confusing this project with another one -- but I do not believe that there are any pending petitions to intervene. Does anybody know otherwise? Okay.

I'm sorry. Commissioner Boyd reminds me Basin and Range Watch filed one, but I believe they had not originally served the applicant so I asked them to go back and take care of that, and they have done that. When we get a petition of this sort, we normally wait at least 10 days to see if any of the

parties want to object. And that time has not yet run. But I can ask today, does any party plan on filing any objections?

MS. McMAHON: I only have CURE that has applied. But I have been talking to other groups that are going to put paperwork in, they've told me.

MR. KRAMER: We do have the Basin and Range one, but I believe the problem originally was they didn't serve the applicant, which makes it incomplete.

MS. McMAHON: I have sent e-mails to them and I haven't heard back from them. There are other ones, too, besides that.

MR. KRAMER: We should expect more, you are saying?

MS. McMAHON: Yes.

MR. KRAMER: When a petition is made or a motion of some sort, we wait at least 10 days, depending on the motion. Sometimes the rules specifically require 14 or 15 days before we issue a ruling. And during that time, without us prodding the other parties, they are expected to decide if they want to file any kind of response and to do so. But every time something like that comes up, we don't issue a wakeup call and remind people of their

obligations. We are expecting them to remember them and speak up if they have a problem.

Are there any other matters that the party wishes to raise before we conclude? Seeing none, Commissioner Boyd?

COMMISSIONER BOYD: First, I want to thank everybody for being here today. And I welcome you to the beginning of this process. This is a good turnout, and we appreciate this. This is a very detailed public process. It was designed for you, the public, and believe me, we show up at some places and there were very few public. So we are glad you are interested. And this is a very interesting technology, very interesting area of California trying to address very interesting goals and objectives of the State of California with regard to energy, while at the same time observing the environmental laws, rules and regulations of the state.

And it also involves partnership with the federal government and the Bureau of Land Management, which is not totally new to us, but is going to be obviously -- this is not atypical. This is going to be typical hereinafter for all of the renewable projects that we will address throughout many parts of California that involve lands managed for the public

by the Bureau of Land Management. And we appreciate their participation and we look forward to seeing you in the future.

And my fellow Commissioner Byron indicates he would like to make a comment.

COMMISSIONER BYRON: Thank you, Commissioner Boyd.

Many of you may not be familiar with the Energy Commission. We do a number of different things in the state. This is one of the things that we do is permitting power plants, as was indicated earlier. And I would like to reiterate that I think it's one of the best things that the Energy Commission does. I can assure you that the staff will do a very thorough job on this.

Commissioner Boyd nor I have reached any predetermination of any kind about this. As I said earlier, we base the decision on the evidentiary record. There is a great deal of land involved here. I believe it's over 12 square miles of land. And even though renewables are the preferred source of energy in the state of California, there are some precious commodities here in the way of lands and species that we pay very close attention to.

I would also point out that on previous

siting cases or pending siting cases, we are well aware there are two processes here, the Energy Commission and the Bureau of Land Management. And we are doing our best to sync those processes up. It's time consuming, and they each have different requirements. And that will continue to be a challenge and heighten the applicant's awareness to that and being extremely responsive to the data requests that will come from our organization.

I think that's enough, except to say thank you very much for all of you that are here today. And I echo Commissioner Boyd's pleasure in seeing so many members of the public here. It's a great facility to be able to be here in the Barstow Community College, and I would like to conclude by thanking you for having us.

COMMISSIONER BOYD: Thank you, and if there is nothing more, we stand adjourned.

(The proceedings concluded at 3:49 p.m.)

R E P O R T E R ' S C E R T I F I C A T E

I, Judith W. Gillespie, a Certified Shorthand Reporter, No. 3710, for the State of California, do hereby certify that the foregoing pages comprise a full, true and correct transcription of the proceedings had and the testimony taken at the hearing in the hereinbefore-entitled matter of Monday, June 22, 2009.

Dated this 5th day of July, 2009, at Riverside, California.

_____
JUDITH W. GILLESPIE, CSR, RPR

** Worksheet **

trial date: Send out Monday for 2-week delivery

Date: Monday, June 22, 2009 Job No.: 68281JG
reporter: Judith W. Gillespie, CSR 3710 (Riverside
Location: Barstow City College, Barstow
Court: CEC/BLM Hearing Case No.:NA

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)
STIRLING ENERGY SYSTEMS TESSERA SOLAR,
CALICO - SOLAR ONE POWER PROJECT (08-AFC-13)

Appearances:
See Appearance Page appended

Deponent: Reporter's Transcript of Proceedings
Time: 11 a.m. to 3:49 p.m.
Pages: 81 Exhibits: None Copies: O & 1

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APPLICATION FOR CERTIFICATION
For the SES SOLAR ONE PROJECT

Docket No. 08-AFC-13

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(Revised 6/16/09)

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DECLARATION OF SERVICE

I, Corinne Lytle, declare that on July 9, 2009, I served and filed copies of the attached Applicant's Request for Additional Time . The original document, filed with the Docket Unit, is accompanied by a copy of the most recent Proof of Service list, located on the web page for this project at:
[www.energy.ca.gov/sitingcases/solartwo]. The document has been sent to both the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission's Docket Unit, in the following manner:

(*Check all that Apply*)

FOR SERVICE TO ALL OTHER PARTIES:

_X___ sent electronically to all email addresses on the Proof of Service list;

_X___by personal delivery or by depositing in the United States mail at Sacramento, California with first-class postage thereon fully prepaid and addressed as provided on the Proof of Service list above to those addresses **NOT** marked "email preferred."

AND

FOR FILING WITH THE ENERGY COMMISSION:

__X__ sending an original paper copy and one electronic copy, mailed and emailed respectively, to the address below (***preferred method***);

OR

_____depositing in the mail an original and 12 paper copies, as follows:

CALIFORNIA ENERGY COMMISSION
Attn: Docket No.08-AFC-13
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512

docket@energy.state.ca.us

I declare under penalty of perjury that the foregoing is true and correct.

Original Signed By:
Corinne Lytle