INFORMATIONAL HEARING AND SITE VISIT
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:  
Application for Certification for The Solar Two Power Project by Stirling Energy Systems
Docket No. 08-AFC-5

BOARD CHAMBERS
IMPERIAL COUNTY ADMINISTRATION CENTER
940 WEST MAIN STREET, SUITE 211
EL CENTRO, CALIFORNIA 92243

MONDAY, NOVEMBER 24, 2008
2:03 p.m.

Reported by:
Troy Ray
Contract No. 170-07-001

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345
COMMITTEE MEMBERS PRESENT
Jeffrey Byron, Presiding Member
Jackalyne Pfannenstiel, Associate Member

HEARING OFFICER AND ADVISORS
Raoul Renaud, Hearing Officer
Laurie ten Hope, Advisor
Kristy Chew, Advisor

STAFF AND CONSULTANTS PRESENT
Christopher Meyer, Project Manager
Aspen Environmental Group
Caryn Holmes, Staff Counsel
Mary Dyas, Compliance Project Manager
Negar Vahidi
Susan Lee
Keith Golden
Eric Knight
William Walters

PUBLIC ADVISER
Loreen McMahon

APPLICANT
John H. Egan, Senior Director, Project Development
Bob Ziden, Vice President
Sean Gallagher
Stirling Energy Systems, Inc.

Allan Thompson, Attorney
on behalf of Stirling Energy Systems, Inc.
APPLICANT

Angela Leiba, Senior Project Manager
URS Corporation

Corrine Lytle
Seth Hopkins
Amy Gramlich
Matt Moore
Brian Glenn
Theresa Miller
Emily Bierman
Cheryl Rustin
Sylvia Novoa
Kevin Harper
Christine Henning
Ken Kostok
Simon Day
Namid Arshadi
Sean Gallagher

BUREAU OF LAND MANAGEMENT

Steven J. Borchard, District Manager
James Stobaugh, National Office Project Manager
Thomas Pogacnik
Linda Kastoll
Tom Zale
Vicky Wood
Eryn Dreyfus
Carrie Simmons
Greg Thompson
Greg Miller
Allen Stein
Stephen Razo
David Briery

INTERVENORS

Paul Foley, Attorney
California Unions for Reliable Energy

ALSO PRESENT

Gary Wyatt, Chairman
County Board of Supervisors

John Pierre Menvielle, President
Imperial Irrigation District

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345
ALSO PRESENT

Mark T. Gran, Councilmember
City of Imperial

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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345
PRESIDING MEMBER BYRON: Welcome and thank you for having us here. This is a wonderful setting and venue to be able to conduct this preliminary hearing.

Allow me to introduce myself. I'm Jeff Byron; I'm a Commissioner at the California Energy Commission, and I'm the Presiding Member on a Committee for this project, the Stirling Energy Systems Solar Two project. And with me is the Chairman of our Commission, who is actually the Associate Member on this Committee. And that's Jackalyne Pfannenstiel. And I'll ask the Chairman if she has some remarks in just a moment.

But if you'll indulge me for just a second I'd just like to introduce what we're doing here today in my own words. And then I'll turn it over to our Hearing Officer. And we'll also go around for other introductions so you'll have a sense of everyone who's here.

As I said, we are a Committee of two. There are five Commissioners at the California Energy Commission. And many of you might already know this. But what we're going to do here is
we're going to eventually make a recommendation to
the full Commission. And we're all independently
appointed Commissioners. We will make independent
decisions with regard to this case, as we do with
all the others. In a sense we're acting as judges
in this proceeding.

And it's not until after we've collected
all the evidence from the applicant, all the
analysis from our staff, who, by the way, will be
independent of us. We have no contact with them,
as our Hearing Officer will explain about the ex
parte rules.

And, of course, we're also -- there will
be intervenors in this case, and we're also very
interested in what the public has to say. And
that's why we're here.

The Commissioners maintain no contact at
any time with the parties in this case except in
publicly noticed meetings such as this.

So, the Hearing Officer is Mr. Raoul
Renaud to my right. He'll conduct the proceeding.
And he's also the point of contact as we go
forward on any procedural issues that come up.

I was going to just mention briefly, as
well, and we'll go into more detail on all of

PETERS SHORTHAND REPORTING CORPORATION  (916) 362-2345
these, this normally when we get an application before the California Energy Commission we try and get through this process within a year's time.

This one's a little more complicated in that a good deal of the land that's being proposed by the applicant is under the jurisdiction of the Bureau of Land Management. And so we're actually conducting this case and this hearing today with the BLM. And you'll meet those gentlemen shortly, who I just met this morning, as well.

So we have to be cognizant of the fact that we have state law involved here, as well as federal law. And you'll learn more about all of that as we go on.

The primary reason that we're meeting here today is to explain the process that we go through. And, of course, you'll have opportunity to meet all the participants. But we're really learning about the basics of the project today. And we want to make sure that the public process is explained.

We have our Public Adviser here today and you'll get to hear from her, as well, so that we not only make sure that the public is included, but we encourage public participation in this
process. And that is Loreen McMahon, who's here, all the way, I believe, to my left. You'll hear from her shortly.

And we also have some elected officials here today. Elected officials are extremely important to this process because obviously many of them represent your interests. I think I can mention them now, certainly.

Is that -- and if you wouldn't mind, because we look forward to seeing and meeting you, as well, I have Mr. John Pierre Menvielle, the President of the Imperial Irrigation District. Did I say that correctly?

MR. MENVIELLE: Yes, sir.

PRESIDING MEMBER BYRON: Thank you.

Gary Wyatt, Chairman of the County Board of Supervisors is here -- was here. Well, I hope he returns.

And it looks like Mark T. Gran, and it just says elected official. City of Imperial. I'd like to welcome you very much; I hope we'll have opportunity to hear from you this morning -- I'm sorry, this afternoon, as well.

Just by way of perspective, there are about currently 24 siting cases like this before
the Commission right now. So, as you can imagine, when we have committees of two of the Commissioners, you can kind of see how that workload divides out.

We take this very seriously at the Commission. And what we're going to do here is go through some preliminary process, introduce you to the project. The applicant will be making a presentation, as well as our staff.

And then we're going to take a bus ride, as I understand it, around 3:30. And we'd really like to try and hold to that schedule if we could for a couple of reasons. One is to get there before the sun sets. And the other is so that we get home tonight in order to be back in Sacramento for meetings tomorrow morning.

So, I'd like to thank you all for being here and I appreciate your indulging me to just kind of put my perspective on what we're all about. And because our Chairman has been doing this a lot longer than I have, I'd like to defer to her and see if my Associate Member has any comments.

ASSOCIATE MEMBER PFANNENSTIEL: Thank you, Commissioner Byron. I just want to thank
everybody for hosting us for this preliminary hearing today. It's really important for us to get out into the community and hear from people here on support or concerns or, you know, to let us know. That's why we come out here, to hear from you.

And so we appreciate the turnout. It's important that there are people who both hear the process and participate by going out and seeing the site.

So, thank you for being here today.

PRESIDING MEMBER BYRON: Thank you, Madam Chairman. So, I'm going to sit back and turn our hearing over to Hearing Officer Mr. Renaud.

HEARING OFFICER RENAUD: Thank you, Commissioner Byron. And welcome, on my behalf, as well. I think before we go any further let's get introductions from the rest of the people who will be making presentations today. We'll start with the Energy Commission Staff, Chris Meyer. And if you would perhaps introduce yourself and your staff that you've brought with you.

MR. MEYER: Well, I'm Christopher Meyer; I'll be the Project Manager for the Energy
Commission section of this. And as you've heard, it's a joint process between the BLM and Energy Commission.

I have actually several members of the Energy Commission Staff here from Negar Vahidi from land use, Susan Lee who will be working on alternatives analysis. Also I have Keith Golden from air quality, who's a senior, a lot of experience in this, which will be very helpful. Will Walters on air quality; Eric Knight from the Energy Commission is an office manager over the siting unit, who's in the back there. I think I've gotten -- oh, and then Mary Dyas who will speak a little later. She is the compliance project manager assigned to this project.

PRESIDING MEMBER BYRON: Excuse me, Mr. Meyers. Would all the Energy Commission Staff please hold up your hands for just a few moments so everybody can kind of see who you are. And these folks are available if you'd like to talk to them.

MR. MEYER: Yeah. And one last, Caryn Holmes is staff attorney on this project. Thank you.

HEARING OFFICER RENAUD: Okay, thank you
very much. Immediately to Commissioner Byron's left is his Advisor, Kristy Chew; and to her left is Commissioner Byron's other Advisor, Laurie ten Hope.

And now I'd like to ask Loreen McMahon to introduce herself, please.

MS. McMAHON: Hi, Loreen McMahon, the Associate Public Adviser. I will have one of the first presentations to explain the Public Adviser's role and how we can help you be involved in the process.

HEARING OFFICER RENAUD: Great, thank you. And now, on behalf of the applicant, could you give us some introductions, please.

MR. EGAN: Yes, thank you very much. My name is John Egan; I'm a Senior Director for Project Development for Stirling Energy. And with me today I have quite a crowd.

Angela Leiba behind me, who is our Project Manager, with URS Corporation. Corrine Lytle, who is over here on my left. Seth Hopkins, socioeconomics; Amy Gramlich, visual resources; Matt Moore, water resources; Brian Glenn, cultural resources; Theresa Miller, biological resources; Emily Bierman, public involvement; Cheryl Rustin,
biological resources; and Sylvia Novoa is our
translator today, back in the back.

For Stirling Energy, myself, Allan
Thompson, our counsel, here on the left. Kevin
Harper, front row; he's our Project Manager of the
project here in the area. Christine Henning is
next to him. Ken Kostok, one of our engineers.
Ed Vaugh, another engineer. Simon Day, my right-
hand person, when he's not in Ireland. Namid
Arshadi, our land man. Bob Ziden, one of the Vice
Presidents of Stirling Energy. And Sean
Gallagher.

HEARING OFFICER RENAUD: Thank you very
much.

PRESIDING MEMBER BYRON: I don't think
we've ever had that many folks here from an
applicant.

HEARING OFFICER RENAUD: Well, it's a
good showing and we're pleased to have them here.
Are there people from the Bureau of Land
Management here who would care to introduce
themselves?

MR. BORCHARD: As I looked around the
room I realized there's a lot of people here from
the Bureau of Land Management. I'm Steve
Borchard; I'm the California Desert District
Manager.

I have several people here on District
Staff here today. The Project Manager for this
project is sitting to my right, Jim Stobaugh.
He's from our national office; he's a BLM National
Office Project Manager.

I have many people from the El Centro
Field Office here who will be working and have
been working on this project. Linda Kastoll, Tom
Zale, Vicky Wood, Eryn Dreyfus, Carrie Simmons.
And from my District Staff in Moreno Valley I have
Greg Thompson and Greg Miller and Allen Stein,
Steven Razo and David Briery.

And if there are other BLM employees I
haven't seen out there in the audience, I
apologize for not mentioning your name.

HEARING OFFICER RENAUD: All right,
thank you. And do we have any representatives of
intervenors today? CURE?

MR. FOLEY: Yes.

HEARING OFFICER RENAUD: Please.

MR. FOLEY: Hi. My name is Paul Foley;
I'm here on behalf of California Unions for
Reliable Energy. And we filed a petition to
intervene recently.

HEARING OFFICER RENAUD: Yes, we did receive that. Thank you for coming.

You might have noticed, we've asked everybody who is going to say something to come to a microphone. And there is a reason for that. This proceeding, like all Energy Commission public meetings, is being recorded and will be transcribed into a written transcript.

Notice of this meeting was sent to all interested parties, adjoining landowners, government agencies and other individuals on October 30, 2008. And we made sure to follow California law in all respects in terms of noticing these meetings.

The reason for that is that the Energy Commission wants its proceedings to be as open and transparent and available to the public as possible. So, we do everything we can to make sure that interested members of the public know about meetings and are able to get to them. We try to hold them in places that are convenient for the people who may be affected by these projects.

We also require that the Energy Commission Staff, the applicant and any other
party to the proceeding avoid private contact with
members of the Committee, that is the
Commissioners who are assigned to the case.

We want every fact, every piece of
information about the proceeding that is going to
be used to decide the proceeding to come out and
be available to the public in an open forum such
as this one. We call that the ex parte rule, and
it's set forth in the California Government Code.

The purpose of the hearing today is to
provide this public forum. This is the first of
several hearings and meetings that will take place
over the coming months. We're here to provide
information about the project, describe the
process by which the Energy Commission reviews
applications to build power generation facilities,
and to identify opportunities for public
participation.

And to accomplish that we will have a
series of presentations. First we will have a
presentation by the Public Adviser, Loreen
McMahon, who will explain about the ways the
public can participate in this case.

Then the applicant will provide a
presentation, giving information about the
proposed project. Then our Energy Commission
Staff and Bureau of Land Management will jointly
give a presentation about the review process.

And we will, as always, have an
opportunity, as well, for public comment. When it
is time for public comment we'll ask those who
wish to speak to come up to one of the microphones
up here and provide public comment.

We're hoping to be able to set out
toward the site visit at about 3:30. So, we'll
move right along and start in with the Public
Adviser's presentation, if you're ready. Loreen
McMahon. Thank you.

MS. McMahan: Thank you, Raoul. I'll
add my good afternoon, as well. There's a lot of
nuances to this process and Chris will go through
the details of it. But another part of it is that
the Public Adviser's Office is another
independent, separate office. We don't -- so that
we can do our job, which is directly to interface
with the public and to help you understand the
process.

So I have some slides, and I apologize
to the people who have their backs to it. But
primarily we're supposed to help the public
understand the process and how they can best be involved. There's different ways and different levels of involvement.

I do have a brochure in the back of the room. And I'll be sitting at that table afterwards. I've got my cards out there, as well, and I've got my presentation. So, if you miss anything or you want to talk to me about it, or get the information on it, that's back there.

At the Commission there's a lot of ways to get information directly from us. You can get it off the website, or from dockets. We have a listserver and we have a library that's open to the public.

In your community there's lots of places to get information. The application for certification for the project has been distributed to the libraries. And also at the libraries you can get access to our website if you don't have internet access at home. That's another way to view it and see what the details of the project are.

For this particular project we've had a lot of outreach that we've started quite awhile ago. We sent mailing notices, as was already
mentioned, to property owners. We've sent them to
the librarians so they can post. Agencies and
elected officials. That was when we received the
application for certification at the beginning.

Then to notice this hearing we expanded
our list; we did community outreach and we tried
to meet local officials. We put notices out in
both -- they were bilingual. They included
Spanish. We put notices in newspapers. We did
the television and the radio.

And if you know of anybody who had not
received notification or anybody who would be
interested in this project, be sure to invite them
in and have them contact my office. We want to
make sure that everyone in the community has an
opportunity to know about it and to have their
voices heard, as the project moves forward.

Also in the back we have sign-up sheets.
I know some of you have been, you know, signing up
when you got in. If any -- we missed you, it's
not required that you sign up, but if you sign up
you can get mail, U.S. mail notice, or you can
sign up for the listserve and get email
notification. Or both, if you want both.

If you sign the blue cards that
information is not transcribed onto a list. So if you want to be on any of our mailing lists, you have to do it on the actual sign-up sheets.

I just wanted to also reiterate that everybody's welcome to participate, and that we really encourage it. We really want to hear what the public has to say. Have the local residents know about the issues in their area here.

So the two types of participation that we have available for the public is informal and formal. In the informal participation you can make your voice heard by speaking at the workshops and the informational hearings that we will be having throughout the project.

You can also write comments that come to you and that you want to have docketed into the proceedings. If you do want to make comments at this proceeding or any other one, this is the little blue card that I mentioned. If you could fill this out then I can give it to the Hearing Officer so he can call you to the podium. That's pretty much what these are used for.

I have some at the table that I'm sitting at, at the back of the room, and I left some out front, too. And then when you fill them
out give them to me and I'll bring them up to the
podium, or up to the Hearing Officer.

So, when you make comments, whether
they're written or whether they're verbal, they
are considered by the Commissioners. They're put
into the record. They're docketed in and they're
considered. But they are not considered evidence.
And that's a big distinction in these types of
hearings. And Chris will go over that later.

The our other type of participation is
the formal participation where you become an
intervenor. And you already heard that CURE has
filed a petition to become an intervenor.

And to do that, if you feel that you
want to be at that level of participation, we have
forms on the website so that you can file to
intervene. And our office will help you with
that. So please be sure to contact us so we can
help you fill out the forms and help you decide if
that's the type of involvement that you want to
have.

So anyone can file to be an intervenor.

And you don't have to be an attorney. And once
you file a petition, the Committee will look at
the petition and make a decision on whether or not
you're approved to intervene.

When you do file to become an intervenor you will have the same rights and responsibilities of all the other parties to the proceedings, which would be in this case, CURE, it would be the staff, it would be the applicant.

And comments that you file will be considered evidence in the hearing. And you will be able to present your own witnesses for evidence, and cross-examine other people's witnesses, as well. So you become a full party.

And lastly there's all the rest of my contact information which is also available in paper form back there. And it's also on the website. So I will be in the back of the room if anybody wants to talk to me about any of this, or get any information from me. Thanks.

HEARING OFFICER RENAUD: Okay, thank you, Loreen. And so now we'll move on to a joint presentation by the Energy Commission Staff and Bureau of Land Management.

MR. MEYER: While we get that set up on the PowerPoint presentation, in the back of the room there are paper handouts that have places for notes. You can either grab them now or later.
Strongly recommend these for people who are going to be involved in the project. It has a lot of contact information and steps that will be very useful throughout this process. So the websites and things that you see here, telephone numbers, are all on this handout for your future reference.

HEARING OFFICER RENAUD: Oh, I'm sorry, did I say -- I think I got the order backwards. I'm sorry, let's do the applicant first. I apologize, just happened to be looking in that direction. Applicant, please.

MR. EGAN: Thank you very much. Ladies and gentlemen and Commissioners, again, John Egan, Director of Project Development, Stirling Energy.

For those in the audience, if you possibly can, see if you can get your eyeballs on one of these two screens. It's a little tough, but the presentation, for the most part, will be on the screens.

This presentation today is about the Stirling Energy Systems', we call ourselves SES, the Solar Two project. The agenda for today, I'm going to talk about Stirling Energy Systems; the Solar Two project purpose; the Suncatcher, that's what we call the unit; technology overview; the
Solar Two project description; resource areas; the Solar Two project benefits.

And you've heard the large number of people we have with us today, so there's a Q&A team, or a question-and-answer team; they'll be assembled on the buses. And they'll be in the back of the room after this. And those in the audience that have technical questions, they can be answered there, as well.

Stirling Energy Systems. What we have is a very unique technology; we call it the Suncatcher. It combines a mirrored concentrator dish with a highly efficient Stirling engine, especially designed to convert sunlight into electricity.

We've had the technology in development since 1984, but the original engine goes clear back to the early 1800s when a Scottish minister named Stirling, spelled that way, invented this engine during the period of the steam engine, because steam engines were blowing up and killing people. He designed this to be a safer method of converting heat to mechanical energy.

We hold one of the world's records of efficiency for conversion of sun's energy into
grid quality electricity at 31.25 percent. We're a United States company. We're headquartered in Phoenix, Arizona. We do have offices in Tustin, California and Albuquerque at Sandia National Labs is doing all our research.

So what's the project purpose? Our purpose is to provide 750 megawatts of renewable electrical capacity under a 20-year power purchase agreement with San Diego Gas and Electric. To develop renewable solar energy to help California achieve its renewable portfolio standard, also known as the RPS, requirement. This was raised just recently, and most of us and the audience know this, to 33 percent by Governor Schwarzenegger, which was signed on November 17th. So it's 33 percent by 2020.

We'd like to help protect the environment by delivering clean, renewable solar energy. And to assist the State of California in meeting its goals reducing greenhouse gas emissions to 1990 levels by 2020, also known as Assembly Bill 32.

So an overview of the technology. It actually in many ways is quite simple. The sunlight shines on a large mirrored dish. The
mirrors are very simple, very similar to the windows in your car. It's a silvery dish.

The light then shines into the back of the engine which you can see on one of these slides. The back of the engine, sunlight is concentrated to approximately 7-inch beam. Then it heats the back of the engine, driving a mechanical process. It generates 25,000 watts of electricity per unit. The electricity then is put out on the grid for us all to use.

The unit has some unique environmental properties. One, if you notice the bottom of the unit -- I'll use this one over here to point -- there's only a 2-foot circle where this touches the ground. The rest of the ground is untouched by our units, therefore it doesn't have to be plowed ground in order to put these up.

It consists of some fairly simple things to make, such as a box truss which supports the mirrors; a couple of azimuth drives that move the unit around. And then a controller that always knows where the sun is. Each one of these is like an independent robot, be it one or a million of them, they all work basically the same way.

In the morning the sun comes up; the
unit knows where the sun is. It goes and finds
the sun and plugs the light beam into the back of
the engine. Six seconds later the engine starts;
it starts putting power onto the grid.

The interesting thing about these units
is it's one of the few technologies right now
available that can be constructed in U.S. steel
plants, or U.S. auto plants. The possibility of
helping put Americans back to work and get us off
foreign oil.

The unit is designed to produce and
provide peak generation in peak demand periods.
So the engine is really about the size of an oil
drum. And this is a picture right here on this
one over here, on the left.

It has no combustion products, no air
emissions, no hazardous heat transfer fluids, no
fossil fuel infrastructure is needed to operate
it. It's cost competitive; it fits the model T
mass production model, can be made by the
thousands. Zero pollution. Provides peak power
when we all need it the most. And that's when we
get up in the morning, when the sun is up, and we
come home at night and turn on the air
conditioner.
The Solar Two project site is located west of here in an area next to what's known as Plaster City. And it is going to be constructed in two phases. Phase one, 450 megawatts -- I'm sorry, 300 megawatts, and phase two will be 450 megawatts. Phase one is shown in green on this slide. Phase two is in the yellow.

It is connected to the grid via a gen tieline which comes from the main center down an existing power line to the IV substation where it will be connected into the grid.

This will be one of the world's largest solar power plants. And it probably will be when it comes online, the world's largest, at least for awhile. 750 megawatts of solar power right here in the Imperial Valley.

It's located on approximately 6140 acres of federal land administrated by the BLM. And 360 acres are private land. Total about ten square miles of land.

The project was sited to avoid or to minimize impacts to the environment, such as ORV, offroad areas, and environmentally sensitive areas.

Solar Two would consist totally, if the
whole thing was built out, as many as 30,000 of these units with associated equipment and support systems. Probably more interesting things is here in the desert is our water need. At the startup level of 300 megawatts we only need 14.5 acrefeet of water to operate this system. And we need 32.7 acrefeet once we go into the full 750 megawatts. To give you a feel for that, an average house in San Diego with four people in it consumes an acrefoot. So it's very minimal water use. And it's mainly to wash our mirrors.

Again, two phases. Phase one, 12,000 Suncatchers, 300 megawatts. Phase two will expand out to 18,000 additional Suncatchers for a total of 450 megawatts. Total up 750 megawatts.

Subject to receipt of all necessary approvals construction should start in about 2010 with a projected commercial operation start date of later that same year.

It will require the construction of a new 230 kilovolt substation which will be located in the center of our project. Interconnected, as I said earlier, with the SDG&E Imperial Valley Substation along the existing power corridor.

The Sunrise Power Link is required for
us to move the second phase power of our unit, 450
megawatts, and for future clean, renewable power
projects in the Imperial Valley to move their
power into the grid.

It's hard to hide ten square miles of
solar dishes. It will be visible. It'll probably
be a tourist attraction. This is a picture of
generally what it would look like as you're going
down the freeway, the bottom picture on the slide.

Proposed project schedule, we've already
submitted the application for certification, and
that's how we got to this point. By 2009, fourth
quarter, we hope to receive certification of the
plant.

By 2010, first quarter, we'd like to
begin construction. In the third quarter, phase
one units should go online. 2012, second quarter,
phase two first units online. And by 2014
complete construction of 750-megawatt plant.

Resource areas. We're going to do this
to adhere to all local, state and federal laws,
ordinances, regulations and standards, known as
LORS. Cultural resources, we have done extensive
archeological and historical architecture,
pedestrian surveys to try to identify and
potentially mitigate adverse cultural effects of
the project.

Visual resources surveys were also
c开展的，包括准备视觉
simulations like you just saw. The visual
character of the area will change.

Land use. The project site, again, was
chosen carefully to avoid impacts to recreational
land uses including ORVs. BLM would require the
approval of a land use amendment issuance of a
right-of-way grant for us to go forward.

Solar Two project benefits. Would help
California achieve its RPS standard, and also help
California reduce its greenhouse gas emissions to
1990 levels by 2020.

Jobs. We would create approximately 106
permanent jobs in the Imperial Valley. This would
be supervisory, general, administrative,
construction, operations and maintenance.
Typically sociologists put a 30 multiplier on new
jobs, therefore we're creating close to 500
permanent new opportunities here in the valley.

Construction of Solar Two would lead to
increased revenue in the area from sales tax due
to construction and operation employees' economic
activities. Solar Two would provide approximately 60 million in 2008 dollars in construction payroll with an average monthly construction workforce of approximately 360 people. Total project value, $1 billion approximately.

Educational benefits have already started. We've been working with some of the local schools and tech colleges. We're just getting started on this. We'd like to, as much as possible hire local. We expect a potential boost in tourism, as well.

I'd like to thank you for your time. And if you notice on the slide, there's both our address and the California Energy Commission. I also have cards if anybody's interested. Thank you very much.

HEARING OFFICER RENAUD: Thank you very much. And now we'll turn to a presentation by the staff and the Bureau of Land Management. Sorry if I scared you there earlier, Chris. Now, it's your turn.

MR. MEYER: Just sort of threw me for a loop there, I was trying to catch up.

Okay, once again, Christopher Meyer. I will be working on the Energy Commission portion.
of this joint process. And to my right is Jim Stobaugh.

MR. STOBAUGH: Hi, I'm Jim Stobaugh, the Project Manager assigned for the Bureau of Land Management.

MR. MEYER: And just a second here, we're -- hold on just a second.

(Pause.)

PRESIDING MEMBER BYRON: While there's a break in the action can I just ask our audience if you wouldn't mind just raising your hand if you're here because you're a local resident or someone who lives here in southern California that's interested in this project and that's why you're here.

Thank you very much. It's just that we have so many applicants and so many members of the staff and others here, it was just good to see that there were members of the public here today.

(Laughter.)

MR. STOBAUGH: Commissioner Byron, I'd really like to thank the Commission for this opportunity, as well, on behalf of the BLM, as well as a wonderful turnout for this, because we're here for the folks here to provide them the
opportunity to input, so it's great to see the
turnout we have.

MR. MEYER: Okay, as I said before, it'll be a joint process. And this presentation
will also be on our website for those of you who go later, you can always see this as a pdf. It'll have all the same information, if you have any questions on the process, contact information.

And as I said, it's going to be a joint process. Jim and I will be working very closely together to make sure that both NEPA and CEQA aspects of this project are addressed.

MR. STOBAUGH: Yes, and as you can see from the slide, the Bureau of Land Management is tasked or charged with administering this application through our Federal Land Policy and Management Act. That's our FLPMAs, sometimes as we refer to it as. That is what the right-of-way is actually filed under, what the Stirling Energy Systems is looking for a decision from BLM.

And we also, as the second bullet talks about, is review our land use planning and processing and land use plan amendment. Because under the current application and our current land use plan, which I'm going to hold up quickly here,
it's the California Desert Conservation Area Plan passed in 1980. Sites associated with power generation and transmission sites identified in the plan, such as this one, will be considered through plan amendment process.

And if I could, just to help frame BLM's purpose and need in here, so folks understand what's involved with our process and why we're here asking for your input, really the purpose of BLM's action, and I want to stress that, BLM's action, is to provide the applicant a response decision in processing their application for a right-of-way grant for the legal use and access of the public lands managed by BLM.

And the need for that action, in view of the underlying opportunity here, is established by FLPMA, our responsibilities under FLPMA, as well as the National Environmental Policy Act and other laws to respond to the applicant's request for these right-of-way of the legal use opportunities on this, on the public lands.

And that's not only just from the construction and operation, even through the decommissioning of the proposed concentrated solar thermal generation plan related facilities.
So, the decision we're looking at down the road here is BLM to decide whether or not to grant a right-of-way. And if so, under what terms and conditions will that be.

So, that's kind of helping your frame, if you would, and kind of the gist behind what most of the bullets are on this particular slide.

MR. MEYER: Okay. And the Energy Commission's role, as you've heard from several people already, is we're looking at the CEQA side versus the NEPA side. And our role is to look at thermal power plants that are greater than 50 megawatts.

What you may hear this back and forth, when we talk about thermal, this is referring to any power plants that derive their electricity from a process that is involving heat. Something like a photovoltaic site, wind, those do not have a heat component, and are therefore outside the jurisdiction of the Energy Commission.

Anything like solar troughs or this project, which is the Stirling engines using heat, fall into the jurisdiction of the Energy Commission.

We also look at other facilities such as
the transmission lines that are associated with
this project. We look to the first point of
interconnection which basically is from the
project site to the substation in this case.

And we also look at if there are
portions of transmission lines after that point
that will need to get upgraded, you know, heavier
wires, larger poles, anything of that nature,
because of this project, we'll look at those in
more of a cursory manner. And they also have to
be dealt with at a later point.

We also deal with water supply systems,
you know, for this project; you know, access roads
that may be necessary; laydown areas that are not
directly part of the process, but will be areas
that will be disturbed because of the construction
or operation.

And as I said, you know, we are the lead
agency for the CEQA portion, which is the
California Environmental Quality Act.

And one of the things that both Jim and
I worked very closely on is to make sure that any
local agencies, federal agencies, state agencies
that have jurisdiction on this process, who are
going to be, you know, providing this information
either on cultural, biological issues, to make
sure that we work with them.

Also work with any local agencies,
elected officials, to make sure that their
concerns, comments are addressed in our
environmental document.

So basically there are three parts of
the Energy Commission's process which the BLM and
the Energy Commission will be working to align
these as much as possible.

The first stage has already occurred,
which is data adequacy. When we refer to
something as data adequate we do not mean that it
has every bit of information that we need to go
forward. We're just saying that data adequacy is
the minimum to accept that application as
adequate. It has the minimum that we need to
start the whole process.

Then what brings us to the second phase,
which is the discovery and analysis. One of the
first steps on that is data requests where we say,
okay, you've given us the minimum amount of
information for your application to be considered
complete. Now we need additional information to
do a full and comprehensive environmental
analysis.

So that's where we start asking the applicant questions. We've sent out the first part of our data request to the applicant already. And they'll be, by about December 9th they'll be getting us information back on that.

Another thing we'll talk about a little bit more later is the issues identification report. That's basically a very early document in the process where we say what major issues, what potentially are either show-stoppers or significant environmental areas could be impacted from the proposed project. And that's online, as well. So you can see the entire report. I'll talk about it a little bit more later.

The public workshops, as Raoul talked about, there will be a couple different types of public meetings, forums, for people to give comments. One will be the hearings like this, which will be a very formal setting. It'll have a court reporter; there'll be an official record.

Later on you'll have workshops that will basically be between the BLM Staff, Energy Commission Staff, the applicant, any intervenors, other parties. And because of the ex parte rule
and sort of the open meeting rules, we have to
have any substantive discussions on topics in the
public view. So that any decisions that we make,
issues that we need to get clarified, we have to
make those in the full view of the public so you
know what issues are going back and forth on the
project.

So basically these workshops are almost
like it's an open meeting. It'll be a meeting
between the parties to get work done. But it
offers the public a chance to ask questions, get
clarification.

So we use this as a chance for -- the
Energy Commission to work with the BLM to open
this as part of a scoping process.

And the next workshop, you know, we'll
talk about, it'll be fully noticed, will be on
December 18th. That will give our staff a little
time to get the data responses in. It'll be a
data response, issues resolution, workshop and
scoping. And that'll be the final sort of scoping
workshop of the process. And then the scoping
period for the BLM within 50 days after that. So
you have a little bit more time to get scoping
comments in there.
Then the preliminary and final staff assessments. That's, for those of you who are familiar with, like the environmental impact reports, environmental impact statements, sort of a NEPA/CEQA process. Our preliminary and final staff assessments are equivalent to an environmental impact report.

And basically then we come to the third portion, after our staff works together with the BLM, to get these preliminary and final documents out, on my side I turn that over to the Committee. And then the Committee will go ahead and the Hearing Officer, Raoul, will be holding evidentiary hearings, and the Committee will put together a decision.

This gives you a little bit of an idea, sort of that same process of how it goes through. It's just sort of a good place just to sort of see how things flow together between the hearings and the proposed decision and the final decision.

And these different processes, different hearings and the spaces between the different preliminary documents and the next one, there'll be a lot of public involvement for people to provide us comments.
And we always ask people to provide written comments wherever possible. Anything you give me in writing, it makes it very easy for me to pass it on to staff, make sure everyone understands exactly what you're asking for, what questions, concerns you have. So that I don't have to try to interpret what your concerns are as I pass them on.

And I've pretty much gone through most of this, as I talked about before. This goes into a little bit more detail you can reference later. But when we look at our discovery and analysis process, the job of staff is to work as almost a disinterested third party. We're neither an opponent or proponent of the project.

Our job is to make sure that the public questions are addressed, and that the public good is looked after. And just to facilitate that process.

And that brings us, you know, to after the staff has finished our part, our main job is to give the Committee as much information as possible, to give a very complete record so that they can make the best decision possible. As has been said several times before, any information...
you're able to provide us helps us get a better product.

So, you know, the more public participation we can get, more comments we can get early in the process, that makes sure that we can address them in our preliminary and our final documents, and give the Committee a complete record.

And one last thing just on the last one, just very briefly, the Energy Commission, at the very end of our process, one of our important roles is any decision that comes out of the Energy Commission to allow to go forward during construction, the Energy Commission has the responsibility to make sure that any conditions, all conditions, are enforced throughout the construction and operation.

So we'll be working with the BLM and their code enforcement staff to make sure that if we go to a point where this project is recommended and it does actually get approved, in that case any conditions that are put in there to mitigate environmental or potential environmental impacts, we have a special crew that is focused on making sure that that happens.
And as I introduced before, Mary Dyas is
with our compliance unit and she'll be taking
charge of that.

Thank you.

MR. STOBAUGH: Thanks, Christopher. One
of the things, to just kind of let the audience
realize, as you've been hearing Christopher, we're
walking down this aisle together, if you would.

We both have responsibilities, one at
the state, and, of course, at the federal level.
There has been a memorandum of understanding
developed between BLM and the Energy Commission.
And the intent behind that is to conduct a joint
environmental review of the Solar Two project into
a single NEPA, as I referred to earlier, under
BLM's guidelines, and CEQA, the state process, to
share in the preparation of a joint environmental
analysis. And to avoid duplication, if you would,
of our staffs; share that expertise among our
staffs.

As well as promote the intergovernmental
coordination, both the local, state and federal
levels. And facilitate public review. You know,
instead of having you guys here one set of
meetings, yet another set of meetings, and you
realize we're all walking down the analyzing the same project. Let's bring them together like this so you can understand we are walking down two process and trying to combine the efforts, as well as the efficiencies, that we can, you know, build in with them.

And the other points I just bring up here is the policies. We want -- the second bullet there is we want to facilitate environmentally responsibility commercial development of solar energy projects on the public lands.

That's the gist of what that W, Washington Office instruction memorandum of 2007-97 gets into. And there's copies, as you can see at the bottom there. You can go to it and pull up that particular document. But that's what the policy is after.

We want to also look at the right-of-way applications for solar energy projects. They're all considered a high priority that will be processed in a timely manner. And if approved, as I mentioned earlier, it would be approved under Title 5 of the Federal Land Policy and Management Act.
So, as we, again we're walking down, trying to do this in a joint, collaborative effort to facilitate and invite, at the same time, the public's input and your perspective of what you see as far as the related issues, if you would, or concerns you may have in this.

And I want to reiterate something Christopher brought up. Of course, you may speak on things. But if we could -- we certainly want to encourage written comments. That way we know exactly what you are trying to state in there, and we will look at those verbatim. So we have in your own words the comments you really want to place in any type of input regarding this project.

So strongly encourage you, if you will, to not only do it verbally, but at minimum do it in writing. And hopefully we'll have it right. We'll be able to track it. We'll even be able to see where we addressed it in our NEPA and CEQA documents in the processes, to make sure that the comment was addressed.

This is a slide that shows basically the regulations that the Bureau of Land Management is going to be working under, 43 Code of Federal Regulations 2800, to walk through our processes.
These two sites on here are on the internet on the website. The first one is just general right-of-way guidance. And the one down at the bottom on solar right-of-way is specifically getting at the policies and that instruction memorandum that was referred to on the previous slide.

So as we go through the BLM authorized role in this is going to look at the initial response to the proposal; go through this preapplication screening to see much like Christopher and them were talking about, what do we have in an application to consider it complete enough to move on to acceptance in processing. Or is it something we know through land use planning would not be warranted or allowed.

This one actually is going to require a land use plan amendment, and is allowable under the rules of land use plans, if you would, to consider an amendment for this type of proposal. It's about it being, you know, excluding or disallowing all together.

We conduct the scoping. You can see where we're at in this slide right here today. And after this we collect your input. We begin
developing our environmental impact statement
document. And at the same time, it's a land use
plan amendment.

So, as I mentioned, the two purposes and
needs earlier, that's the reason why the BLM is
looking at a twofold decision in this case. So we
have a decision on the application, as well as the
approval of the land use plan amendment, to
authorize the use, as Christopher referred to as
what the Commission is up to, we have to look at
administering this all the way through its
termination. So cradle to grave.

Here, if you want, real quick -- I'm not
going to go into all of the points, but as you can
see, here is the process both for under the
National Environmental Policy Act, NEPA, for an
environmental impact statement, as well as the
land use plan amendment.

The notice of intent was released on
October 17th in the Federal Register. We're at
this public scoping period right now. From this
we will help us, from the information and data
requests and working with the CEC on this, help
us, as well as our own data and our own staff
under Steve Borchard's and Vicky Wood's
organization here, who really have the on-the-ground expertise of looking at things more realistically and practically, will formulate our alternatives to be considered, as well.

And then again, eventually, you can see there's going to be the preparation of a draft environmental impact statement, as well as the draft land use plan amendment.

That'll have a 90-day comment period. So there is, after the scoping ends for the front end to develop that draft EIS, will be a 90-day comment period afforded you in the future.

There'll also be another comment period for 30 days after the final, as you can see, as we work our way toward the record of decision and approval of the land use plan amendment.

And as Christopher brought up, as well, you can see the last little bullet is monitoring the project is all a part of the process, as well.

Thanks a lot.

MR. MEYER: Okay, I won't go through this because you've actually heard the introductions of everyone here, but this is a slide that's good for you to reference throughout the process if you want to contact any of the
parties from the Energy Commission side.

MR. STOBAUGH: And here's the contact

information for the Bureau of Land Management. As
you can see, the receipt of scoping comments are
actually going to Christopher Meyer and the
Commission, itself. Again, trying to streamline
and make convenience where these comments are
going in our joint effort to analyze this
proposal.

MR. MEYER: And Loreen actually did a
great job just going through the public
participation process. And this just gives you a
little bit more information on the listserver. If
you go to the Energy Commission website you'll see
right on the website there is a little box there
you can enter your email address in. And that way
anything that gets put on the website you'll get
an automatic email. It's a great way of just
keeping up to date if there are any changes on the
project website, any new documents that are added.

And as I talked about before, our
dockets unit, you know, will keep a complete
record. Even documents that are just letters
going back and forth, memos, records of
conversations that may not go onto our website.
There'll be a complete docket log of those.

And that docket log will be on the website. You can see, even if it's not printed as a full document, it'll be on the website as a list. And if there's anything you see in there that you'd like to see a copy of, you can contact the docket unit to get a copy.

And basically this is just stuff we've gone over before, as far as the different ways you can make oral comments in a forum such as this, and there'll be a record. At the different workshops, which will be run by Jim and I. Your opportunities to come up and make, you know, oral comments, as well.

But there will not be a reporter at those workshops, the staff workshops. So any comments you make there it's just really dependent on how well our staff can write down your comments and take notes on it.

So it's great for you to come out and express your issues to everyone verbally. But if it's really an issue that you want us to deal with in sort of very strict detail, following it up with a written comment and just send it to my attention, would be wonderful. And then I can
make sure that Jim and all the other parties get a
copy of your comments and your questions.

And a formal intervenor is -- you know,
she's gone over fairly well, and it's a good idea,
when you're thinking of potentially becoming a
formal intervenor, talk to Loreen as far as what
both of the advantages and also responsibilities.
Because by being a formal intervenor, it changes
some of the responsibilities you have as a party
in the case. And it's good to understand this
before you decide, you know, make that decision.

And this is just what the webpage looks
like. You can see where the listserver is, the
little box there. So this will be consistently
updated throughout the project. And you'll see
different tabs. You can go to different places
throughout.

Actually when you go here you can also
go backwards onto the Energy Commission's website
and see other cases. Also you'll see the
different memorandums of understanding that Jim
spoke of. Those things are all in pdf so you can
look and see what the details of those are, as
well.

MR. STOBAUGH: And this is the Bureau of
Land Management's site for over here and El Centro, as well. So you can -- you know you're in the right place if your slide looks like this when you bring it up.

MR. MEYER: Just to make a note, I think both of our websites have links to our counterparts. So, if you find one of them, you should be able to, you know, look around and you'll find a link to the corresponding agency's website on the same project.

Okay, this bring us to the staff issues identification report, which I talked about before. Sort of our initial impressions of the project in looking through the application for is it complete, and also starting to formulate our data requests.

Staff, at that point, looks at the things that they say, okay, I have lots of questions on a certain area. And if it looks like it could be a significant issue, either delaying the project or possibly affecting staff's ability to make a recommendation, we try to focus on those things early on so that the public understands what issues staff is focusing on, so you can make comments specific to those areas.
On this project really there are three areas, and then the cumulative impacts. So, cultural resources is one of the big areas. Land use, as you can imagine, for a project of this size. Visual resources, again from the scope.

When we talk of cumulative effects and alternatives, cumulative effects is for almost any area that you can have an environmental impact. We want to look at are there four or five other projects in this area, that this project may not have a significant impact, but when you add it to all of the other ones that may not have a significant impact, either, but cumulatively there is a significant impact. That's one of the things that the Energy Commission and the BLM will be looking at throughout this process.

And then alternatives. If a significant impact is identified in any one of the technical -- either engineering or environmental areas, we will be looking at alternatives that focus on reducing that to a less-than-significant impact.

Cultural resources. Potential issues on this project are based on just both the frequency of the cultural resources, basically meaning for this 10-square-mile portion. There are a lot of
archaeological resources on this land. And we're
still doing a lot of work and the applicant is
doing a lot of work, as well, trying to determine
the level of importance and significance of these
different sites. And what potential impact the
proposed project would have on them.

So, the Energy Commission Staff and the
Bureau of Land Management Staff, the cultural
resource experts, have been working very hard on
this one. But, as you can imagine, when most
power plants traditionally will affect up to maybe
100 acres maximum, looking at 6500 acres is a lot
of paperwork.

So, we're anticipating having data
requests on that, you know, probably just after
the first of the year -- excuse me, the first of
December.

The other one we talk about potential
discoveries, that's just a very simple way of
saying we don't know what's under the ground. We
may have a situation where any number of
activities could have either obscured or removed a
surface expression of an archaeological site.

When the project starts getting
constructed we could discover that there are
things there that we didn't know about. So, that's one thing we have to make sure that our documents address and we keep in consideration.

And then the mitigation is a part of that. The concern on cultural, you know, how can you mitigate these impacts.

Land use, as I said, is simply right now if you have land that is open for potential use by the public for multiple uses, whether it's camping, hiking, offroad use, to transfer that land out of the general public use into a more industrial use for the production of power, staff considers that a potentially significant impact to the public.

And that's something that we're going to be looking at very closely. And BLM is going to be really taking the lead on that, working with our staff. And, as I say, this is one where the cumulative impact becomes big. And I'll let Jim talk about that, as far as just the BLM, what they're dealing with right now.

MR. STOBAUGH: Well, there are solar power generation -- Steve, you're actually in the frontlines on this, what you're seeing. But, how many applications right now we have?
MR. BORCHARD: Seventy-seven.

MR. STOBAUGH: Seventy-seven

applications. I mean it's just unbelievable what we've looked at.

You know, we're looking at the -- you have the 30,000 25 kilovolt solar power dishes that John Egan had covered in there. And these are wonderful maps, by the way, and slides that we have to look at. So if you want a picture's-

worth-a-thousand-words.

But the related structures you have, I mean you have a main services complex; you've got assembly buildings; you got a 230 kilovolt electrical substation to make this work. The access roads and the water supply lines. And then there's the 10.3-mile, double-circuit 230 kV line that's going to put this -- if approved, going to put this on the grid, itself.

So, you have, you know, a wide array, if you would, of impacts to look at. And the links, as well, as with other projects in this vicinity.

So, yes, it is going to be a large-scale scope of looking at things, but there are processes in place for both the state and the federal government to deal with them. And we're
going to walk through the process. And you are
participants being invited, as of today, to walk
through that process with us.

MR. MEYER: And visual resources, as you
can imagine, as John pointed out, that, you know,
you can't hide 30,000 of these 40-foot
Suncatchers. They do sort of jump out at you.

You know, whereas he says, we're going
to look at it, you know, there are some people who
are going to be really just fascinated to come see
them. Staff has to look at this as far as what is
the impact of having that many units of that size,
you know, in a landscape that right now is just
more of an open desert.

And the development of the VRM
classifications is going to fall into the BLM.
It's just to make sure that when our visual staff
and BLM visual staff work together that the
criteria that we use meet the BLM's needs.

I think I pretty much spoke about this,
we've covered it pretty well, it's just the
cumulative effects is something that we're going
to be looking at very closely just because of the
sheer number of renewable projects.

And not just thermal, but you know,
wind, photovoltaic, other projects in the nature that if they're planned for this area they're not going to take up land, have visual impacts, any of the areas. We have to look at those in a cumulative nature.

And let me point out, this is a proposed schedule. This is something that staff, both on the BLM and the Energy Commission, we're looking at how fast -- if everything goes really smoothly, how fast can we push this thing through to the point where we can make a recommendation, either for or against this project.

And as I say, you know, our job is to be objective on this as neither a proponent or an opponent of the project. So we don't presuppose that we're going to make recommendations to our respective management teams, and in my case, the Commission, to either approve or deny it at this point.

But this schedule is something that I have worked with Jim on, and ultimately the Committee that's assigned to this project will look at that. And they will put out an official schedule that they will propose.

And, as I say, this project, because
it's a joint document between the Energy Commission and the BLM, there will be procedural issues that take a little bit more time than a normal Energy Commission project, plus the sheer volume of information we're dealing with with a site of this size.

So our normal 12-month process is just not viable here. And one of the biggest things that I'll say to everyone is this will not be a schedule-driven exercise. We are not going to publish a document before it's ready.

We're going to get the information and provide a comprehensive document that'll give the public a chance to participate, but also we want to get the best document possible produced. And if that affects the schedule, unfortunately it does. We'll just work as fast as we can to get a good product together for you, as the public, to review, so that we can get the best comments back from you to get this process, you know, continue it going in a good direction.

And I think I've sort of hit all the caveats. I think I made all the possible excuses I can make on why the schedule may get delayed a little bit.
It's one of the things that Jim can speak on awhile is that in the NEPA process there are some other protest periods.

MR. STOBAUGH: Once we get to a record of decision, should we go with the approval of a land use plan amendment and there after the final, well, actually the issuance of the final environmental impact statement, there will be a 30-day availability for review by the public, as well as what's part of that is a protest opportunity.

And if there are no protests, you know, the process can move along after 30 days. If there are protests, we're looking more at a 90-day process to deal with rendering resolution with the protests after the final environmental impact statement is published.

MR. MEYER: And that concludes my presentation on our process for the siting and I'd like to ask Mary Dyas, the Compliance Project Manager, to speak to you very briefly on our compliance project, if the project were to be approved, the post-certification process.

MS. DYAS: Good afternoon, everyone. My name is Mary Dyas; I'm the Compliance Project Manager.
Manager assigned to this project for the Energy
Commission.

And I first off want to make sure,
assure you that my being here and giving this
presentation by no means is meant to imply or
assure that the project has been approved.
Approval or disapproval will come after the
comprehensive siting process, which Chris and the
BLM Staff have just gone over for you.

I'm here to assure you that if the
project is licensed, there is a rigorous ongoing
monitoring process by the compliance unit for the
proposed project to insure that it is built,
constructed and operated in accordance with all
applicable laws, ordinances, regulations and
standards, to include the conditions of
certification that are put forth in the final
documents that's going to be produced.

In addition, also before I move on to
that next step, during the siting process now is
the appropriate time for the public, as well as
agencies and all other parties to the project, to
comment on the document and the conditions of
certification, because it becomes much more
difficult to change the conditions once the
In addition to myself and Commission management, there is a third-party delegate involved in the compliance process to oversee the construction of the project. This delegate is a chief building official, which is delegated by the Energy Commission.

The CBO, or chief building official, can be a local building official such as the city or building department, but in most cases it is a third-party company from the preapproved statewide list of qualified delegate CBOs that is maintained by the compliance unit at the Commission.

And though the CBO reports directly to the Commission compliance unit, their expenses and activities are paid for by the applicant.

In most cases, shortly after this final staff assessment or final EIS, I don't know what they're calling it for sure, shortly after that document the final document is published, the Compliance Project Manager, in this case myself, and legal staff will delegate authority to enforce onsite compliance to the CBO through a memorandum of understanding.

The delegate CBO is responsible for
monitoring all critical construction activities to
insure compliance with facility design, transmission system engineering. And to insure
that related civil, structural, electrical and
mechanical codes are consistent with county, state
and federal building requirements.

Also, once a project is licensed, a
compliance fee is imposed on the project. And those fees are due after licensing and then every year after that for the life of the project, by July 1st.

And occasionally, as I mentioned, it's more difficult to change the conditions of certification after the license, but occasionally a project owner may decide that they do want to make changes. And some of those changes may be due to new technology or unforeseen constraints that have come up.

If this occurs, the applicant will be required to contact the Commission compliance unit and arrange a pre-amendment petition meeting to discuss the proposed changes. And then, if and when the owner proceeds with an amendment petition, a notice of receipt will be sent out to the combined mailing lists that will include all
the names that are on the mailing list in the
siting process, as well as any additional ones
that have been added during the compliance
process. And this also includes the surrounding
landowners and residents within 1000 feet of the
project.

Staff will then process the amendment,
and where needed will provide technical analysis
similar to the analysis that's being done on this
application for certification during the siting
phase.

And that is pretty much about what the
compliance process is. And this goes on for the
life -- we monitoring the operation of the project
for the life of the project, not matter how long
that could be, 20, 30 years or longer, if
necessary.

I have cards if anyone is interested.
And then there's also on the website, I don't
believe they put it on till later in the process,
but they do create a compliance project page
associated with a particular project. And then my
name and information will be on there if you need
to contact me.

Thanks.
HEARING OFFICER RENAUD: Okay, thank you, everyone, for those excellent presentations. Very informative.

The Committee will review the proposed schedule and the comments submitted by the applicant with respect to the schedule, and issue a scheduling order which will constitute the expected schedule for the case. Sometimes, as Mr. Meyer pointed out, unavoidable, things occur that you can't -- that will affect the schedule. But for the most part we'll try to stick to the schedule that will be set forth by the Committee in the next few days.

At this point I think we will move into our public comment period. I have a card first indicating that Imperial County Supervisor Gary Wyatt is here. Mr. Wyatt, did you wish to speak?

SUPERVISOR WYATT: Yes.

HEARING OFFICER RENAUD: All right, please come forward. I'm sure you're used to speaking in this room, so.

SUPERVISOR WYATT: Maybe, a couple times. Maybe this morning, as a matter of fact. (Laughter.)

SUPERVISOR WYATT: Good afternoon and
thank you for being here today, and for everyone else that has attended this very critically important meeting. Not only for this project, but we believe for our county, as a whole.

Let me start, I have asked, about a half hour ago, if they could find out why it's about 150 degrees in here. You know, when summer has already ended, and so hopefully we can get it cooler than it is now in the room.

I'll keep my comments very brief. It's just plain and simple. We sent a letter in; we'll be commenting further, I believe, as a county. But I'm here to re-register those particular feelings and my own personal feelings on this particular project.

This particular project, we believe, is the beginning of a great deal of opportunities our county has been looking for for many many years. We are the answer to many of the needs of people throughout the southwest and throughout California.

We are the home of renewable energy. We believe that we are the county that could literally become the capital of renewable energy in the United States. Between geothermal, solar,
and wind power we believe that we could produce thousands and thousands of megawatts.

What we do need, of course, with this is we cannot magically move this power from here to those centers that need that power through some other type of technology, other than transmission lines. And we need transmission lines. This project specifically needs that.

But we believe this is a great renewable, clean project that will do tremendous things, not only for our county, but for others, as well.

Being a rural county, a small county, that sits next to a million people to our south and millions and millions of people to the west and to the north, we've given a great deal of our resources sometimes not so willingly, in the form of water and other types of things. And now when we are trying to give the power, we hope that you will work with us to make that happen.

We want to do it in a responsible manner, of course. And all the compliance issues must, of course, be followed. But this is about meeting the needs not only for the RPS for areas outside of ours, but also to meet the needs for
this area.

We're historically one of the highest unemployment areas in the United States; in excess of 20 percent. When I saw the other day they were complaining in areas that their unemployment had gone up to 6 percent and 8 percent, we would be so ecstatic if our unemployment rates were just down around 10 percent. But historically they've been anywhere from 17 to 25 percent per year.

It's unbelievable that that could occur year after year, and we've been working very hard to help that to be different than that.

This project will be the beginning of that type of thing. This is the future for our Valley. It brings a new industry other than just farming. We'll always have farming, but we believe that renewable energy is something that's very viable for our Valley. And we can provide the answers and the solutions for many of the other parts of the southwest United States and all of California.

We encourage you to help us get this through and get it passed, and get it built. That's what we would like to see done. Imperial County stands strongly behind Stirling Energy's
project.

PRESIDING MEMBER BYRON: Mr. Wyatt, thank you for being here.

HEARING OFFICER RENAUD: Thank you.

John Menvielle, did you wish to speak?

MR. MENVIELLE: Yes, thank you. Good afternoon. I'm John Pierre Menvielle, President of the Imperial Irrigation District Board of Directors.

I am here to speak in favor of the Stirling Energy Systems solar project in the Imperial Valley.

IID is the third largest public power provider in the State of California, and is a staunch supporter of the development of renewable energy resources within its service area.

We view projects like this one as being essential to spurring the growth and development of this emerging segment of the regional economy.

The District has committed its own resources to upgrading its transmission systems to promote the growth and development in the coming years.

As an energy balancing authority we applaud Stirling's innovative technology. As an irrigation district, we are greatly encouraged by
the efficiency measures it will employ to conserve water.

And as a leading public sector employer and corporate citizen with an obvious stake in the economic progress of the communities we serve, we look forward to the hundreds of jobs the company will create in the future.

If IID can be of any further assistance in moving this project forward through the scoping process, you may be assured that we stand ready to do so. Thank you.

HEARING OFFICER RENAUD: Thank you. Very good. And let's see, Mark, I believe it's Gran -- did I get that right? And your affiliation?

COUNCILMEMBER GRAN: I'm a City Councilmember for the City of Imperial. And I have to make a disclaimer at this point in time I can't represent the City Council or the City, since we haven't brought this subject up in front of the forum. But I'm saying this as an elected official and a resident of the County.

I have to reiterate what Mr. Wyatt and Mr. Menvielle said in that I do support this wholeheartedly. We have the opportunity to build
a center for renewable energy. And just
coincidentally, I also work for a renewable energy
company, Cal Energy, which does geothermal. And
so this could be the economic driver that we need
in this Valley. And we look forward to your
support on that.

Mr. Wyatt mentioned that we're the
highest unemployment. We're also the lowest per
capita income. And we need industries that bring
jobs to the area that pay more than minimum wage.
And this would do that, and start to bring these
renewable energy companies here and show them that
it can be done. And we also need the Sunrise
Power Link to get this power out of here.

So we look forward to your support in
getting this project going. Thank you.

HEARING OFFICER RENAUD: Thank you very
much. And so far everybody's doing a great job of
keeping it brief so we can stay on schedule. And
I'll just remind everybody to keep that in mind.

Let me ask Marlene Best of Imperial
Valley Economic Development to come up.

MS. BEST: Good afternoon, ladies and
gentlemen. Thank you for coming here to Imperial
County; we certainly welcome you.
From the Imperial Valley Economic Development Corporation's mission statement, we are here to help promote and market economic development opportunities for our county, for our region as a whole.

We have a strong agricultural background in our area which allows us to feed the nation. We are very interested in supplying the opportunity for Stirling Energy to help us power the nation. We would like the opportunity for this project to move forward. We've heard many comments already about our poverty levels, our economic levels and our interest in promoting and supporting those.

And we are here from the Economic Development Corporation to support this project and urge your agreement on this project.

Thank you very much.

HEARING OFFICER RENAUD: Thank you.

Connie Bergmark.

MS. BERGMARK: Hi; my name is Connie Bergmark. I'm with Imperial Lakes; we are the closest residential community to the project. Jennifer Donovan standing with me here. We are both property owners there. I've been a property owner there for about 18 years.
We would like to say that Stirling Energy came out and briefed us on the project back in April. We certainly appreciate that. They gave us a rundown, pretty much the same slide show that we had here today. So we got to see the technology and the impacts on our residential community. We are very impressed, and we appreciate the time that they spent with us.

We would encourage ongoing communication on the project so we're kept in the loop as far as the construction impacts, operational impacts. But other than that, we support the renewable energy in the Valley. And all of our homeowners wholeheartedly support the project. Thank you.

PRESIDING MEMBER BYRON: Ms. Donovan, do you want to add anything?

MS. DONOVAN: No, that's it. We're very excited about the project. I live here full time, so I also am very excited about the opportunity for new jobs and new economic improvements here in the Valley. So we support Stirling Energy a hundred percent.

PRESIDING MEMBER BYRON: Thank you.

MS. DONOVAN: Thank you.

HEARING OFFICER RENAUD: Thank you.
Mauricio Lam.

MR. LAM: My name is Mauricio Lam and I'm here to share a few words in support of this power generation project in Imperial County.

Many people from other areas identify the Imperial County as an area with diverse economic activities, as well as having a great potential to offer new opportunities to business in the area.

We have land, we have power, water, and most importantly, qualified labor. The fact that Stirling Energy is interested in developing this project in our community has to be well seen by us. Why, many of us may ask. Because besides creating jobs during its construction, which are estimated to be around 700 new jobs, and during its operation, estimated about to be 200, the project will bring additional invaluable benefits.

The generation systems proposed for this particular plant will not use any type of fossil fuel or gases that when combusted or burned generate gases that are discharged directly into the open atmosphere, contributing towards the greenhouse effect condition and deteriorate the air quality.
The proposed fuel for this plant is a hundred percent natural, abundant and inexhaustible. It is available almost 365 days of the year. I am referring to the solar energy. This abundant energy that irradiates every day in our region and does not contaminate.

Solar energy does not produce gases, and we will always have a state of the art example of a power plant in our community that we will see improving as technology advances to make these systems more reliable and efficient.

In a summary way I would like to encourage and promote this type of projects. This project, besides producing the power we use and require in our daily lives, also take care of our environment.

The most important benefit is that beside ours, as a community of Imperial Valley, we will be ceding a great benefit for the future generations to come with this sustainable project. That production of clean power is vital for our future generations and provide us with a better quality of life.

Thank you.

PRESIDING MEMBER BYRON: Thank you,
Mr. Lam. Did you have an affiliation you wanted
to share with us?

MR. LAM: Yes. I'm with Nolte
Associates; we're a local engineering and
surveying firm.

PRESIDING MEMBER BYRON: Thank you.

HEARING OFFICER RENAUD: Okay. Dennis
Trafecanty. Sorry if I mispronounced that.

MR. TRAFECANTY: Hello; my name's Dennis
Trafecanty. I'm with the Protect Our Communities
Fund, which is at the San Diego Foundation, a not-
for-profit fund. We embark on trying to protect
our communities from unnecessary developments and
other environmental issues and education for our
children.

I have a great deal of concern. I don't
mean to pour cold water on something, but I have a
great deal of concern about SES and their project.
This is like a startup. There's seven units, to
my knowledge, in the whole country, and in the
world, that are in prototype stage. And we're
talking about in one year approving a project.

There's no way on God's green earth that
we will ever be able to go to commercial
production on something like this. I'm a CFO, I'm
a business owner in Poway. By the way, in Poway it was 82 degrees when I left today. When I got here it was 82 degrees. The sun was shining in San Diego; it does shine in San Diego.

This is also a key renewable project that SDG&E has been touting for three years as a basis for approval of the proposed Sunrise Power Link project.

I understand there's a hundred million of money that SES has garnered through a commitment from a, I think a Danish firm, but anyway, a firm from a foreign county.

I heard on the slides, or saw on the slides that this is a $1 billion project. So the funding isn't in place. Why would you approve something unless you were sure funding was in place and it was a viable project.

By the way, I have an article here from USA Today, in February. I'm happy to give it to you if you want it. There's a lot of questions about this project.

I know that Southern Cal Edison sold the technology to Stirling for something like $300,000. And Edison even ordered some of these units. And it's in this article. And I don't
think Edison wants them anymore. And part of it has to do with their ability to develop the project.

I've been involved in the Sunrise Power Link project for three years. And I haven't seen any changes to what's going on. Of course, I'm not privy to that, but it isn't anywhere near commercial.

So why would we want to give away 6000 acres of public lands to a company that's a startup, that doesn't have enough money to finish the project -- what prudent investor is going to invest in that? Are you going to allow the ratepayers to pay $2 billion to put a line into San Diego, and then ultimately up to L.A. which has to be added to the cost of this? They need the Sunrise Power Link, that's what they said. That has to be added to the cost.

San Diego doesn't need any power until 2014, that's what the ALJ Steven Weissman said in connection with the EIR/EIS hearings. We believe it's 2017.

It was in the Wall Street Journal just this week, 3 percent decline in power usage countrywide. Wonder what's that go to do with?
Probably the economy. I know I just bought a fuel
efficient car.

SWPPL, Sunrise -- Southwest Power Link,
built in 1984, 24 years ago, touting geothermal.
Check the records. They've got 60 megawatts of
geothermal on the Sunrise Power Link. And people
here, there's the worst health hazard in the
country right here in Imperial Valley for
children, elderly and all of us in the middle,
because of asthma. It's that powerline in
Mexicali that San Diego Gas and Electric's parents
built. And they're bringing LNG from the far
east.

So this isn't just an open desert. The
powerlines will desecrate the open desert. It
will desecrate the remote back country wilderness.
Anza Borrego Desert State Park, no, it's not just
north county. You're going through Anza Borrego
Desert State Park in south county, as well.
Nature Conservancy just bought the land to
designate as part of the park.

So, don't endanger our bighorn sheep
population and the migration by going right
through the park. That's their only corridor to
the herds in Mexico.
So, Mr. Wyatt, geothermal, solar and SES, okay. You'll be paying for the health concerns of your residents of Imperial Valley because when a project fails you're going to be getting more dirty fossil fuel from Mexico thanks to SDG&E's parents, Sempra's projects down there. And you're going to have to take care of those children.

Thank you.

PRESIDING MEMBER BYRON: Mr. Trafecanty, I heard you say you work in Poway. Are you a resident here or do you live in Poway?

MR. TRAFECANTY: I'm a resident in Santa Isabel and I work in Poway. I'm a business owner in Poway.

PRESIDING MEMBER BYRON: Thank you, sir.

HEARING OFFICER RENAUD: All right, thank you. Laura McDonald.

MS. MCDONALD: Hi, Laura McDonald, representing San Diego Gas and Electric. I am the Project Manager for the Sunrise Power Link project.

And I, too, just wanted to voice my support and the company's support for the Stirling Energy Solar Two project. As you know, San Diego
Gas and Electric has an RPS mandate to meet 20 percent renewables by 2010. We recently voluntarily supported the 33 percent goal that the Governor has set forth.

So we're pleased to be a partner with Stirling Energy on this project. We're thrilled to see the project moving forward. Hopefully we'll have a decision on the Sunrise Power Link in the middle of December. And then we'll see both of these projects go forward. Good for the Imperial Valley; good for San Diego; and good for the California region.

So, thank you very much.

HEARING OFFICER RENAUD: Thank you.

Carroll Buckley.

MR. BUCKLEY: Carroll Buckley, President of the El Centro Chamber of Commerce and Visitors Bureau. On behalf of the El Centro Chamber and Visitors Bureau, thank you for visiting today.

The Chamber is on record with a policy statement that says, in part, we support policies that encourage the generation of additional local energy, including production of renewable energy resources for export and local consumption,
consistent with land use policies and environmental impacts are fully mitigated.

On behalf of the Chamber of Commerce we support the project. We support the jobs. The fact that renewable energy sources are being mandated, where are you going to build them, how are you going to get that renewable energy, Imperial County has the answers.

I have my comments in writing if you would like them.

HEARING OFFICER RENAUD: Thank you.

Karen Collins.

MS. COLLINS: I am an anthropologist. I am not associated with anybody, but I do live down here.

To begin with I am concerned simply that the energy is going to San Diego and that we're not getting it. I would have thought that IID would have done something about trying to get something, but, you know, that's IID.

I am also concerned with what is the life expectancy of these dish. In 50 years are we going to have a bunch of abandoned large solar things sitting out there in the desert? I think that would be really ugly.
I am for solar energy. I am concerned at the location because of the cultural resources. The area that has been selected actually impacts two areas on the National Register. You have the shoreline for Lake Kuwae. We are in the middle of a desert, but we used to have a great big huge lake here, which basically ran from one side of the ag field to the other side of the ag fields. And you have the shoreline for Lake Kuwae. You also have the discontinuous district for the Yuha Intaglios, which are both out there. So you have impacts to that. There's also a number of cremations that are out in that general area, too.

I personally believe that there are other areas, particularly in some of the fallowed ag lands that probably would be cheaper to put it in. And from a cultural resource standpoint would be a lot more economical to put it in.

It would also put them closer to water because the west side main is the last point at which water will gravity flow. So that means that they're going to have to wind up pumping all their water out there. It's not going to be a gravity flow system like we've got in the rest of it.
And we don't have enough water out in Plaster City to wind up doing wells, because Plaster City is already having to bring in water from Aquatia from the aquifer out there. So there isn't the water.

So, those are basically my concerns.

Thank you.

HEARING OFFICER RENAUD: Tim Kelly.

MR. KELLY: Tim Kelly, President and CEO of the Imperial Valley Economic Development Corporation.

First of all, thank the Commissioners for being here today. And I'd like to thank the investment already made by Stirling Energy in Imperial County. They've been a very good, I want to say resident, because it seems like we see them so often we think they live here.

But the amount of money that they've already been spending in developing the project, at lunch today I saw probably about 20 of them. And that sales tax for our community.

(Laughter.)

MR. KELLY: They attended our education workforce conference; and they gave a presentation, in addition, to our energy
conference. The hotel rooms that they stayed in were a benefit to not only the City's but the County of Imperial.

And we support this project for several different reasons. First of all, the economy, the value that it's going to bring to the economy of the Imperial Valley. And the ancillary businesses that will need to support the SES Two.

The jobs that will be created. I sit on the workforce development board. We've already had meetings with Stirling Energy. And looking at the future workforce and what the job creation is going to be, and when we start developing not only the training for those jobs, but also placement of those jobs, and looking at funding that can be available, not only through the Workforce Investment Act, but also from the employment training panel and other resources available.

In addition to that, Imperial Valley College has already had meetings with Stirling Energy to start adapting programs for renewable energy specifically for this project. It's not just one type of employee that will work the Stirling Energy Systems, probably about a half a dozen or more types of jobs. And those jobs are
going to be very high paying. And it's going to need a very diverse type of training program.

The environment, that's probably the biggest issue in Imperial Valley, PM10s. And so we talked about asthma and things like that. But this is actually going to be a dust mitigation project. That location is the dustiest area in Imperial County.

Stirling Energy Systems Two and the other project, it's going to decrease the amount of dust coming from that area.

Tourism. Just about every place I've been in the world when people talk about what is there to see, they talk about projects such as renewable energy and others. And this will be a project that will bring people from outside the area, not only to see Stirling Energy Two, but also the other projects in Imperial County such as geothermal, solar and some of the other projects such as biodiesel that are taking place in Imperial County today.

And, of course, energy. The energy that can be produced here goes onto the grid, first of all, and will reduce the amount of energy that will be needed from fossil fuels, as we mentioned
before.

But there is a demand in San Diego. And so we support it for that reason. The Imperial Irrigation District will also benefit, which will keep the rates in Imperial County lower.

Thank you.

HEARING OFFICER RENAUD: Thank you.

Christina Luhn.

DR. LUHN: Good afternoon. My name's Dr. Christina Luhn. I'm with the San Diego Regional Economic Development Corporation. And I'm Project Manager for a project called the MegaRegion Initiative, which is a long-term economic development strategy partnering San Diego County, Imperial County and Baja, California for global competition.

The key to this project is to brand and market the region around targeted industries that are complementary. Clean tech, which includes renewable energy, is the key industry that we've targeted.

But the underlying rationale and the reason that we received a $225,000 economic development administration grant through the Department of Commerce is because of job
creations. And not just any kind of jobs, but
jobs in industries that have a future. Not that
are on the tail-end of being obsolete.

So, for that particular reason, and I'm
from San Diego, for the energy, as well, we
support Stirling.

Thank you.

HEARING OFFICER RENAUD: Thank you.

Steve Taylor.

MR. TAYLOR: Good afternoon. My name's
Steve Taylor; I work with San Diego Gas and
Electric. And I am the Contract Manager for the
Stirling project.

I'm speaking in fervent support of the
Stirling project, since it's an integral part of
our efforts to meet San Diego Gas and Electric's
renewable portfolio standard.

This project is even more important
given Governor Schwarzenegger's recent
announcement of trying to have 33 percent of our
energy met with renewable power.

And, for the record, SDG&E does believe
in their technology. SDG&E also supports the
Governor's efforts to clear the red tape for
permitting renewable projects. And I certainly
look to all of you to move that spirit forward as soon as possible.

SDG&E currently has 6 percent of our portfolio coming from renewable energy. We have 15 percent under contract for 2010. And we have 21 percent for 2011. So we are well on our way.

SDG&E is committed to working with all the parties in this proceeding to make this project a reality. Thank you very much.

HEARING OFFICER RENAUD: Thank you.

Carmen, can't really read the last name --

MS. LUCAS: Lucas.

HEARING OFFICER RENAUD: Lucas.

MS. LUCAS: Good afternoon, I guess I didn't write hard enough. My last name is Lucas, L-u-c-a-s. It's really easy.

I am a Quimay Indian from Laguna Mountain. My interest here is a bit different. I'm 73 years old and I'm reflecting, after hearing everybody speak, that you live long enough the culture is no longer yours. I think perhaps I'm at that threshold.

I would caution you all, even the audience, we're in desperate times. Nobody really knows what we're about to embark financially in
this country, as well as economic avenues.

I will only say that just because it
does concern me for your future, the future of
your children, the future of your grandchildren.

So when we're in desperate times we do
desperate things. I probably won't live long
enough to see this project through to its final
conclusion. I don't know if that's a blessing or
not.

But just to give you a little bit of
history, as an Indian in San Diego County, you
know, we lived in this environment from coast to
coast. That's the Pacific Ocean to the Colorado
River. Continuously for over 10,000 years without
the use of electricity, without the use of cars,
without the use of money.

But we did that with intellect that knew
how to work with this environment and the rhythm
of the environment and we moved back and forth.
That evidence is still on the ground, and it's out
there south of Plaster City.

I would ask you, in your process here,
please make it a requirement that a Native
American monitor be on the initial surveys of
these projects. We are best qualified to identify
sacred landscapes. We are best qualified to
identify the cultural resources. We are best
qualified to identify human remains. We don't
need to argue with people, we know our history.

I would like to thank BLM and your
archeologist, Carrie Simmons, for making it
possible for me to make a site visit out there. I
would have preferred to have worked on the
project. I think it's crucial that we have an
understanding it's not just Imperial County, it's
all of the Colorado desert region. BLM manages a
big part of all of it, so we're not dealing with
just solar projects, we're also dealing with
geotherm al projects, SDG&E.

I grew up understanding that the desert
was a dangerous place. We saw mirages out there.
I can still hear my father sitting at the
fireplace talking about the old women burying gold
because we got killed for having gold.

I can still remember that you didn't
cross that desert till the evening when it was
safe to do that. Today we have air conditioning
and we take that all for granted, not really
realizing what the consequences of that is.

So these are the things I'd like to
bring to the record and just ask you again to be very careful. I do know that in this area you have an enormous deposit of pottery which tells me that you have a sacrifice burial area.

I do know the Heritage Commission, Dave Zinkelcan (phonetic) called me and asked me to be here today because there were two human remains that were identified in that area. The Heritage Commission wants that on the record. They want to know that these resources are being protected and looked after.

I would be concerned. I know you indicated in your discussion here that these things won't have much ground disturbance, but I would also say that's probably a plus, but I don't know that it is, because you're going to have to go from someplace to get them there. There's going to be a lot of activity.

And in the past, young folks who work on these projects really don't care where they're going. So, there's a lot of things on that ground that will be impacted. So there'll have to be some way to protect those resources, particularly the human remains.

So with that thought in mind, I thank
you for the opportunity to speak. And I, again,
would ask you to seriously consider those
comments. Thank you.

HEARING OFFICER RENAUD: Thank you.

Elias Felix.

MR. FELIX: Good afternoon, everybody.

My name is Elias Felix. I'm associated with Nolte
Associates, and I'm here today to express my
support for this project.

I believe that it will generate growth
for the community. It will also promote economic
development. And I believe it's also a great
opportunity for higher education to better
understand the energy production alternatives and
sustainable solutions for our communities.

Thank you very much.

HEARING OFFICER RENAUD: Thank you.

Donna Tisdale.

MS. TISDALE: Thank you. I'm actually
an elected Chairperson on the Boulevard Community
Planning Group, but I was born and raised in
Imperial Valley, and I own farmland here. And
some of it's being explored now for geothermal
energy. I just want to put that on the record,
but I'm speaking for myself, as an individual.
And this project is not unrelated to the Sunrise Power Link project, which Imperial Valley supports the southern route, which actually will bulldoze its way through the eastern San Diego County area, my community. And part of that process, it downgrades -- BLM has downgraded 20,000 acres, -- resource management, to accommodate not only the Power Link, but also industrial wind turbines.

And Sunrise Power Link, SDG&E and Sempra and Cal-ISO have said there's only 80 megawatts of capacity left on the Southwest Power Link right now. Now, Stirling and others have said that the first 300 megawatts can be moved without Sunrise.

Well, my question is, who's telling the truth. You know, is there 300 megawatts capacity? Is there only 80 megawatts capacity? I know that Sempra had to amend their application for their -- permit, for their cross-border powerline at Acumba to accommodate the Cal-ISO's 80 megawatt declaration.

Also the BLM land use amendment, I hope they do it better than they did the one for Sunrise through eastern San Diego County where they amended the plan in a whole separate document.
for the Sunrise Power Link, rather than a plan amendment for the updated resource management plan. They issued those things within days of each other. We're looking at the legal recourse on that.

Also we have Cumia Windfarm up there, and promises of jobs were one of the big promotions. Well, they brought in Norwegian -- people from Norway, to put up the turbines. So my concern here is not just for the project, itself, the environmental impacts, but the misrepresentation to the community. This is not a wealthy community.

And I hope they're not asking for -- and I brought this up in the preapplication, I hope they are not going to ask for tax breaks and tax credits and incentives from this community, when they should be considering building a factory here, if this is what they're really going to do. And they're really going to manage to make it a go, why don't they build a factory here and employ people here, rather than bring in people from elsewhere, ship the energy elsewhere and just, you know, make a few little side promises here and there.
Because when the rubber hits the road
quite often promises fall by the wayside. And
Imperial Valley has been left in the dust of quite
a few of these promises.

I also wanted to say that I look at the
simulation, I drive back and forth from my home in
Boulevard, eastern San Diego County, to the Valley
for the ranch and my family, I'm worried about the
reflection of those mirrors on drivers. I mean
what about public health and safety. They say it
follows the sun, so if you're driving, you know,
-- what is the reflection rate on that?

We also have the Navy Air Base here and
I'm sure they've been brought into the loop, but
it is a concern.

Also the Division of Ratepayer Advocates
and the Utility Consumer Action Network have done
research on the Sunrise Power Link. I, myself,
have read about 10,000 pages of it. And they say
this is not in the best interests of the
ratepayers and cannot be justified.

And when you add in the cost of
renewable energy from projects like Stirling Solar
and all these industrial projects, the cost to the
ratepayers are phenomenal. Where are those
figures? We're not seeing those figures. And I'm afraid in this economy, when people are struggling to pay their bills and their mortgages, how are they going to pay for the cost of this renewable energy? That's not brought up. Now, Imperial Valley, they have their own utility and they may be affected differently. But I pay rates in San Diego County to SDG&E and California's going to have to pay for the utility for Sunrise Power Link.

So all this needs to be taken into consideration. So, anyway, thank you very much. Also, cumulative impacts, 2.5 million acres have been applications for right-of-way for BLM lands. So, sun, wind, solar, cumulative impacts.

Thank you.

HEARING OFFICER RENAUD: Thank you.

Edie Harmon.

MS. HARMON: Edie Harmon. And I've lived out in the Ocotillo area for more than 30 years. And so when I come into the Valley I come past this area. I would argue that the area that's being proposed, almost more than 6000 acres, is not an area that's heavily impacted now,
and not a major generator of dust.

However, it is south of the Plaster City offroad vehicle open area, which is a major generator of dust and blowing sand. It is to the east of 1000 acres that were bulldozed east of New Mirage that, in times of wind, there are times you cannot tell the difference between the soil and the sky because there is so much blowing dust and sand.

And when I read proposals and I've read a lot of the details on this project, and I look at moving parts, the dish umbrellas, and I'm wondering what happens, given the fine dust -- we have what we call blow-sand, which is so fine that it ends up you can't even crank open windows because the sand affects the cranking mechanism, I'm wondering about putting 12,000, 30,000 dish collectors in an area where there are really strong quantities of blowing sand.

And I live probably less than five miles from the mountains. There are times I cannot even see the mountains from my house because the particulate matter in the air is so great.

And so I think that is a real consideration. It's not a dust mitigation area,
it's an area that's going to be very heavily
impacted by dust that's being generated offsite.

And when I go back home from the Valley
there are a lot of dirt roads. It's amazing how
much dust is generated by a single offroad vehicle
or a motorcycle or a pickup truck on a dirt road.
There's really a big plume.

And I think, from reading the documents
about the moveable parts and the mean time between
breakdown, between failure, and I've seen figures
as low as 40 hours before a unit has to be shut
down for maintenance, repair. I think it was the
CEC came out with a publication this year
suggesting that it would be several years before
they even get to the point where it's hundreds of
thousands of hours between time for breakdown,
whether it's hydrogen releases, problems with the
seals.

But also, and none of the things that
I've seen on failure deal with the problems of
what happens with dust and sand when you've got
moving mechanisms.

And I've seen winds come through that
will break down the limbs of a 12-inch diameter
tree and cause it to go down in the open desert.
I've seen eight-foot, ten-foot long two-by-sixes flying through the air, sheets of plywood flying through the air when chubascos come up from south of the border. I don't know what these kind -- and I can be outside and five minutes later there'll be a tremendous wind come through carrying things through the air. I don't know whether these units can close fast enough, and I don't know what happens when debris, sand, dust ends up impacting these mirrors.

I think the amount, when they're talking about water for rinsing off, but what happens with peak of these. And, you know, again, at the end, if the project is not feasible you have a tremendous amount of material that has to be -- has to end up somewhere.

As earlier speakers have said, I think there's a real serious concern when you're talking about going from prototype development where you've got six units at Sandia National Laboratory in New Mexico, which is an entirely different climate, I suspect, with different vegetation, and that they don't have the same dust and wind.

And going from a prototype of six units
to suddenly you're going to have 18,000 units out here, exposed to the elements. And area with over, when I looked at the BLM report on cultural resources, I was just overwhelmed to think that there would even be a serious proposal that would have impacts in areas so culturally sensitive.

And after listening to Carmen Lucas, I hope you'll realize there are a lot of people for whom the past is very important.

And I think while we're talking about renewable energy I would be far more impressed -- when I was at the pre -- meeting I asked, if this grid-ready electricity every three units, why aren't they proposing to put these units so that they could generate electricity for Plaster City, for the Centinela State Prison, which are very close by, the hospitals, the schools.

Why aren't there proposals to generate electricity that's going to go into the IID system so that people in Imperial County, that must have some of the highest per capita energy consumption in the summer when it's 120, can have some benefit?

And the answer to the question was it wouldn't be profitable to use this technology to
generate electricity for use in Imperial County.

It would only be profitable if you were going to build the Sunrise Power Link to transport that energy to San Diego.

And I've seen the studies that are coming out of San Diego and they're looking at the potential for rooftop solar, photovoltaics, distributed electricity. They've plenty of parking lots, roofs, schools. A lot of people are putting photovoltaic units on their homes, so they're getting the energy during the day.

I would be far more impressed if there were big energy proposals for Imperial County, that we're proposing rooftop solar on all the flat roofs, and to provide shade for all the parking lots in Imperial County. Because that would truly benefit the County and set an example for, you know, technology for the future.

It's being done at Death Valley; it's being done in places in Nevada. It's being done elsewhere. I don't know why we're not looking at the technologies that work rather than a technology that wants more than 6000 acres of public land with sensitive cultural resources to turn into industrial sites to export an unproven
technology to San Diego.

I have lots of questions and I'm getting them in writing. But I think there's a lot of issues that have to be looked at, a good, hard look.

And I feel like part of the reason that some of these projects are coming to public lands is because industry looks at public lands as a less expensive way of getting the land base, rather than looking at fallowed farmlands, abandoned feedlots, areas where the soil is sterile, parking lots or rooftops. Places where there wouldn't be such impacts.

When you're disturbing land that has not already been heavily impacted, you're reducing the ability of those soils to sequester carbon. And listening to Howard Wilshire, who spent 37 years with USGS, he's concerned about the impacts of some of these industrial-scale wind and solar because they go on lands that aren't disturbed, it has a negative impact on carbon sequestration on those lands.

And I haven't heard anything or seen anything on that issue related to this project. But I think it needs to be looked at.
PRESIDING MEMBER BYRON: If I may, Ms. Harmon brings up a number of issues. I'm not going to try and address all of them, but I think one merits just a brief explanation.

When we get an application from an applicant we are obligated to respond to it. So, she brought up a number of different issues which we will consider, and the staff will look at very carefully.

But we didn't create this application. We have to evaluate it. I just want to make that clear. Thank you.

HEARING OFFICER RENAUD: Thomas Topuzes.

MR. TOPUZES: Good afternoon. My name is Thomas Topuzes; I'm a local businessman from El Centro. Welcome to the Valley. I'm the past Chair of the Imperial Valley Economic Development Corporation, and also I'm the Co-Chair of the MegaRegion Initiative, which you heard about a little bit earlier, working San Diego, Imperial County and Baja, California.

I support the SES solar project. Renewable energy, if you've been here anytime after May, June, until about the end of October you realize we have a lot of radiant solar energy
I think this is a good place to have the project. It's going to help California meet its needs for energy. It's certainly going to help job creation. I understand the latest unemployment rate that we have, I heard it was 27 percent, which is not good.

Also, the program provides some environmental benefits, certainly you know a lot more about reduction of carbon footprints that I'll ever know. And also greenhouse gases.

But the solar energy, it's there, we see it every year. We think it can help California. It certainly will help our people here. The location has been studied and I appreciate the fact that you're here and reviewing this. And we certainly hope that you support it.

Thank you very much.

HEARING OFFICER RENAUD: Thank you. Tom Dubose.

MR. DUBOSE: Good afternoon. My name is Tom Dubose. I am a co-owner of a local company here called Development Design and Engineering. We're a land-planning civil engineering/surveying firm here in El Centro.
I'm also the Second Vice President of the Building Industry Association, the Desert Chapter. As you can imagine, that is a crippled industry at this point.

And we need new opportunities and new stimulus with which to put our people back to work in building housing product.

I've lived here all my life. I've raised my family. This is where I do business. And I feel like that in Imperial County we've always taken the approach of being more concerned about ourselves than anyone else. And I'll give a couple examples.

At great taxpayer expense to the citizens of San Diego there was a long, drawn-out, debated analysis of which to place an airport. And at the end of the day when one of those considerations was Imperial County, our approach in Imperial County was to say that if you don't want it, we'll take it. And we asked the populace to vote on that. We didn't go to San Diego to say you really don't want that, it's not good for you.

And so I get a little concerned when I hear outside interests who say that they're interested in our welfare. I think you will find,
through these hearings, that the majority of
people who are residents of Imperial County, are
going to tell you what we feel like is in our best
interests.

Because in the past we've been affected
by what somebody else doesn't or didn't want, but
you guys could take it down there.

As a business owner who built a new
office building, I tried to do the environmentally
right thing, and we were recognized and we
appreciated the District in recognizing us for our
energy efficiency in our new building.

And yet, when I get ready to solar that
rooftop up, I'm going to be lucky to generate
enough electricity for my office, much less
someone else's at another location.

As I look at some of the agencies and I
hear some of the agencies here over a period of
time, I think that we have looked upon some of
those agencies as a threat to our economy with
some of the decisions, whether it be offroad or
open-space use.

And I think this is an opportunity for
some of those same agencies to come to our rescue
and benefit us with this much-needed opportunity
of this new industry. This is something that I think the majority of the citizens of Imperial County want, and we're looking forward to, as we need to continue to expand and grow opportunity.

We are providing, we believe, a service to a lot of others, other than us. And, as mentioned earlier, everybody seems to want to have some of our resource. We'd like to have that resource under our terms and conditions. And we feel like the permitting through this process and the hard work that you have to do will allow us to do it.

The last thing I'll say is I'll not profess to be an expert in something I don't know. But what I do know and I'm very comfortable with, as I deal with this every day, that the environmental process that you are underway with now will, in fact, sort out all of these issues. And so when you get to that conclusion, and we feel it will be positive, just remember that the majority of the constituents and voters and residents of Imperial County said that this is something they want.

Thank you.

HEARING OFFICER RENAUD: Thank you. Do
you want to --

PRESIDING MEMBER BYRON:  Yes, I understand that's all the folks that have indicated they want to speak at this preliminary hearing or site visit, as we refer to it.

I'd like to thank you all very much. Excellent comments, all. It gives us a good sense, as Commissioners, as to what the public concerns are around this project.

But I'd like to emphasize that no decision has been made. We will be making our decision based upon facts and the evidence that's presented before us.

There's a lot of work to do. If we were to think of this as a football game, it's early in the first quarter here. We have a long way to go before we know the outcome of this proceeding.

And so I think, unless my Associate Member has any other comments -- none? I think we're ready to go take a tour. Mr. Renaud.

HEARING OFFICER RENAUD:  Yes, I understand there are buses waiting. Are they out on Main, or do we know where they are? Probably if everybody just troops downstairs it'll be -- it'll be self-evident.
And we'll board those and head out as quickly as we can so we still have some daylight.

PRESIDING MEMBER BYRON: Exactly. Let's proceed post haste. Thank you, all, very much.

(Whereupon, at 4:15 p.m., the informational hearing was adjourned.)

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CERTIFICATE OF REPORTER

I, TROY A. RAY, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California Energy Commission Hearing; that it was thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said hearing, nor in any way interested in outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 4th day of December, 2008.

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