Memorandum

Date: February 1, 2010
Telephone: (916) 654-4894

To: Vice Chairman James D. Boyd, Presiding Member
   Commissioner Anthony Eggert, Associate Member
   Kenneth Celli, Hearing Officer

From: California Energy Commission – Mike Monasmith
      1516 Ninth Street
      Sacramento, CA 95814-5512

Subject: GENESIS SOLAR ENERGY PROJECT (09-AFC-8), STATUS REPORT 1

Pursuant to the Genesis Committee Scheduling Order dated December 27, 2009, staff issues Status Report #1 for the proposed Genesis Solar Energy Project Application for Certification (AFC).

PROJECT DESCRIPTION

Project Genesis is a concentrated solar electric generating facility that would consist of two, independent solar electric generating facilities with a nominal net electrical output of 125 megawatts (MW) each, for a total net electrical output of 250 MW. The project would utilize solar parabolic trough technology to activate a heat transfer fluid. This heat transfer fluid provides a high-temperature energy source which is used to generate steam. As this steam expands through the turbine generators, electrical power is generated.

A proposed new transmission line, along with a new access road and new natural gas pipeline will be co-located in one linear corridor to serve the main project facility. This corridor would exit the facility to the south and would be approximately 6.5 miles long. The gen tie-line would cross Interstate 10 (I-10), and connect with the Blythe Energy Project Transmission Line (BEPTL), which is currently under construction. The gen tie-line would use the existing pole structures of the BEPTL to interconnect with Southern California Edison’s proposed Colorado River Substation.

ENERGY COMMISSION AND US BUREAU OF LAND MANAGEMENT (BLM) JOINT REVIEW PROCESS

To date, Commission and BLM staff have productively collaborated in the discovery and analysis phase of the Genesis proceeding. This joint work has been especially fruitful in some of the more critical technical disciplines under joint review, including Biological Resources, Cultural Resources and Soil & Water Resources. Given the large, undisturbed acreage of BLM-managed land which the applicant plans to develop (1,800 acres), the process by which Commission and BLM staff have worked with state and
federal wildlife agencies has been key. The agencies (which include the BLM, California Dept. of Fish & Game, Energy Commission, and the U.S. Fish & Wildlife Service, et al) are developing compensatory mitigation strategies for anticipated impacts to plants and animals in a thorough, robust manner that acknowledges and incorporates tight scheduling goals for work-product development and review.

Other issue areas include water and cultural resources. Staff is collaborating with state and federal agencies involved with the management of water resources, including the US Bureau of Reclamation, the State Water Resources Control Board, the Colorado River Regional Water Quality Control Board and the Colorado River Board of California. With respect to cultural resources, staff is working in a cooperative manner with the BLM, the State Historic Preservation Office, and Native American organizations to insure that appropriate accounting and mitigation measures are implemented in regard to culturally and historically significant resources.

**RECENT ACTIVITY**

It was in regard to water resources that staff, applicant, and intervenor California Unions for Reliable Energy (CURE) briefed the Genesis Committee and participated in a Status Conference hearing on January 26, 2010 at the Commission. This conference was held the at applicant's request, regarding legal issues surrounding Genesis' proposed use of groundwater for power plant cooling, along with mirror washing and miscellaneous industrial and sanitary needs. Staff anticipates a written decision from the Committee regarding these issues in the near term.

Staff from the Energy Commission, BLM and other agencies have met several times with the applicant, other parties to this proceeding, and the public since the Energy Commission Informational Hearing and Site Visit/BLM Scoping Meeting was held in Riverside County on December 10, 2009. These “workshops” have been very valuable to staff, and more are scheduled prior to the anticipated filing of the Genesis Staff Assessment/Draft Environmental Impact Statement (SA/DEIS) in mid-March, 2010.

**SCHEDULE**

Since staff provided the Committee its initial schedule in November of 2009 (in the Issues Identification Report), a few delays have occurred in this proceeding, despite staff’s best efforts to limit their scope and nature. Staff continues to have significant concerns that a project schedule to meet the 2010 ARRA deadline is unrealistic if water use is a disputed issue. Nonetheless, we have prepared the following revised schedule which provides the Committee with a projected 2010 schedule for the Genesis proceeding. As always, staff is committed to working with all parties to complete the discovery and analysis phase of this proceeding in as timely a manner as possible.

Staff offers the following revised schedule for the Committee’s consideration.
<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>DATE</th>
<th>Revised</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant files Application for Certification</td>
<td>8/31/09</td>
<td></td>
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<tr>
<td>Commission’s determination that AFC is complete</td>
<td>11/4/09</td>
<td></td>
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<tr>
<td>Staff files Data Requests, Set 1A</td>
<td>11/13/09</td>
<td></td>
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<tr>
<td>Staff files Issues Identification Report</td>
<td>11/18/09</td>
<td></td>
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<tr>
<td>Data Request Workshop</td>
<td>11/23-11/24/09</td>
<td></td>
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<tr>
<td>Informational Hearing and Site Visit</td>
<td>12/10/09</td>
<td></td>
</tr>
<tr>
<td>Applicant provides Data Responses 1A, Staff files Data Requests, Set 1B</td>
<td>12/14/09</td>
<td></td>
</tr>
<tr>
<td>Data Response and Issue Resolution workshop(s)</td>
<td>12/18, 1/6</td>
<td>12/18, 12/31, 1/6, 1/11</td>
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<tr>
<td>Staff receive final comments and conditions from appropriate agencies</td>
<td>1/4/10-1/10/10</td>
<td>1/19/10-1/26/10</td>
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<tr>
<td>Scoping Order Status Conference</td>
<td>1/7/10</td>
<td>1/26/10</td>
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<tr>
<td>Administrative Staff Assessment/Draft EIS (SA/DEIS)</td>
<td>1/25/10</td>
<td>3/1/10</td>
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<tr>
<td>Local, state and federal agency draft determinations</td>
<td></td>
<td></td>
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<tr>
<td>AQMD files PDOC</td>
<td>2/12/10</td>
<td>2/12/10</td>
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<tr>
<td>Notice of Availability of SA/DEIS in Federal Register; SA/DEIS filed and 90-day comment period begins; BLM submits Biological Assessment (BA) to USFWS</td>
<td>2/19/10</td>
<td>3/24/10</td>
</tr>
<tr>
<td>Staff Assessment (SA) published</td>
<td>3/3/10</td>
<td>3/25/10</td>
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<tr>
<td>Staff Assessment Workshop</td>
<td>3/17/10</td>
<td>4/8/10</td>
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<tr>
<td>BA determined adequate by USFWS</td>
<td>3/19/10</td>
<td>3/19/10</td>
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<tr>
<td>Local, state and federal agency final determinations</td>
<td></td>
<td></td>
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<tr>
<td>AQMD files FDOC</td>
<td>4/9/10</td>
<td>4/9/10</td>
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<tr>
<td>Staff Assessment Addendum (SAA) prepared</td>
<td>4/30/10</td>
<td>4/30/10</td>
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<tr>
<td>Prehearing Conference*</td>
<td>TBD</td>
<td>TBD</td>
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<tr>
<td>Evidentiary hearings*</td>
<td>TBD</td>
<td>TBD</td>
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<tr>
<td>Close BLM comment period</td>
<td>5/20/10</td>
<td>6/24/10</td>
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<tr>
<td>Response to comments, prepare Staff Assessment Addendum(SAA)/FEIS</td>
<td>6/1/10</td>
<td>7/1/10</td>
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<tr>
<td>Administrative SAA/FEIS circulated for agency staff review</td>
<td>6/9/10</td>
<td>7/8/10</td>
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<tr>
<td>USFWS issues Biological Opinion</td>
<td>6/15/10</td>
<td>7/15/10</td>
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<tr>
<td>SAA/FEIS distributed; NOA of SA/FEIS in Federal Register</td>
<td>6/30/10</td>
<td>7/29/10</td>
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<tr>
<td>BLM Plan Amendment Protest Period ends; Expedited Governor’s review period ends</td>
<td>8/30/10</td>
<td>8/30/10</td>
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<tr>
<td>Presiding Members Proposed Decision (PMPD)*</td>
<td>TBD</td>
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<tr>
<td>Committee Hearing on PMPD*</td>
<td>TBD</td>
<td>TBD</td>
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<tr>
<td>Addendum/Revised PMPD*</td>
<td>TBD</td>
<td>TBD</td>
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<tr>
<td>BLM Record of Decision/Right of Way (ROD/ROW) issued; Energy Commission Decision*</td>
<td>TBD</td>
<td>TBD</td>
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</tbody>
</table>
APPLICATION FOR CERTIFICATION FOR THE
GENESIS SOLAR ENERGY PROJECT

Docket No. 09-AFC-8

PROOF OF SERVICE
(Revised 1/26/10)

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*indicates change
DECLARATION OF SERVICE

I, Maria Santourdjian, declare that on February 1, 2010, I served and filed copies of the attached Status Report 1 for Genesis Solar Energy Project (09-AFC-8), dated February 1, 2010. The original document, filed with the Docket Unit, is accompanied by a copy of the most recent Proof of Service list, located on the web page for this project at: [http://ww.energy.ca.gov/sitingcases/genesis_solar].

The documents have been sent to both the other parties in this proceeding (as shown on the Proof of Service list) and to the Commission’s Docket Unit, in the following manner:

(Check all that Apply)

FOR SERVICE TO ALL OTHER PARTIES:

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

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

AND

FOR FILING WITH THE ENERGY COMMISSION:

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

OR

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

CALIFORNIA ENERGY COMMISSION
Attn: Docket No. 09-AFC-8
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.state.ca.us

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

Originally Signed by Maria Santourdjian