Thank you for your comment, Eileen Wynkoop.

The comment tracking number that has been assigned to your comment is SolarS50499.

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Solar Energy Development PEIS Comment ID: SolarS50499

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Attachment: Solar prog EIS comments signed.pdf

Comment Submitted:

Hard copy delivered to address on letter. See Attachment.



July 11, 2008

Solar Energy PEIS Scoping Argonne National Laboratory 9700 S. Cass Avenue, EVS/900 Argonne, Illinois 60439

To Whom It May Concern:

Nevada Power Company and Sierra Pacific Power Company (the Companies), subsidiaries of Sierra Pacific Resources serving communities of southern and northern Nevada and a portion of California, appreciate the opportunity to participate in and provide comments to the development of the Solar Energy Programmatic Draft Environmental Impact Statement (PEIS). The Companies understand the need for the Proposed Action as directed by Executive Order 13212, *Actions to Expedite Energy-Related Projects*, and Title II, Section 211, of the Energy Policy Act of 2005 (P.L.109-58) enacted August 8, 2005. The Companies here provide some comments and questions to this action.

The Companies have a three-part energy strategy to meet its goal of providing clean, safe, reliable electricity to its customers at reasonable and predictable prices. This strategy includes increasing its energy efficiency and conservation programs, expanding renewable energy initiatives and investments and also involves a diversified energy portfolio with a balanced mix of fuels for energy generation. This is in the best interest of its customers, its shareholders, the communities it serves and the state.

Nevada is a vast and mountainous state composed of over 85% federal lands. Over 50% of these federal lands are managed for conservation of specific natural resources. Some of the potential commercially viable renewable energy resources (i.e., solar, wind, geothermal) in Nevada are constrained by access, land conservation boundaries and military ground and air restrictions. Additionally, transmission line connectivity across the six western states is not currently in place or readily feasible, particularly in southern Nevada where a severe and critical electric transmission "bottleneck" exists due to land and air constraints of federal land and airspace administered by the U.S. Bureau of Land Management (BLM), National Park Service (NPS), U.S. Bureau of Reclamation (USBR), U.S. Fish and Wildlife Service (USWFS), U.S. Forest Service (USFS), Department of Defense (DOD), U.S. Air Force (USAF) and Tribal lands. With southern Nevada the fastest-growing area of the country, and containing high potential for solar energy development, transmission connectivity to and through this area is already being addressed soundly and responsibly through the Nevada Governor's Renewable Energy Transmission Access Advisory Committee (RETAAC) task force and the U.S. Department of Energy's Westwide Corridor Programmatic Environmental Impact Statement.

The actions as described in the Notice of Intent (NOI) published in the Federal Register on May 29, 2008 appear to be administrative in nature, to establish a solar energy policy and amend land use plans. The NOI states that, "BLM expects to identify BLM-administered land in the six state study area that may be environmentally suitable for solar energy development and land that would be excluded from such development." The Companies request that the BLM 1) specifically define what constitutes land as "environmentally suitable for solar energy development"; and 2) consider broadening the focus to this approach because it does not appear to take into consideration the technical feasibility of solar projects, the physical nature and location of adequate solar insolation upon the land or other aspects utilities and developers face from a technical and engineering perspective. It appears that the current approach the Agencies are taking is to only look at environmental land suitability to make a determination of where solar projects will be allowed on BLM land. If BLM lands are designated as "environmentally suitable" for solar energy, but the solar insolation is poor, the terrain is too rugged, the land is too far from any substation such that the cost of a transmission line would not warrant the project cost-effective, or some other non-environmental constraint is identified by the utility or developer, then the PEIS does not serve to meet the need of the Agencies to comply with Executive Order 13212 or Title II. Section 211 of the Energy Policy Act. The Companies request that the BLM and Department of Energy (DOE; collectively referred to as the Agencies) address these other facts and considerations when analyzing the Proposed Action and all Alternative Actions of the PEIS.

The Companies request that the Agencies understand and take into consideration that utilities and developers must also comply with regulatory requirements and approvals from agencies which regulate utilities in each state and the Federal Energy Regulatory Commission (FERC). All six states identified in this PEIS have state Renewable Portfolio Standards (RPF) with which they must comply, and these are, among other things, additional factors with which utilities and developers must comply with when planning solar energy projects.

With respect to additional designations of electrical transmission corridors on BLM land, the Companies feel that Nevada and the desert southwest has lands potentially viable for commercial solar development, however, many of these locations are far from the large urban areas where the power is needed and the expanses of land which must be crossed by transmission lines have many constraints as mentioned previously. The Companies would support the inclusion of designating such electrical transmission corridors on BLM land, provided that such corridors are in compliance with the previously mentioned RETAAC and Westwide Corridor efforts.

BLM has identified several regional transmission planning efforts that it will refer to in evaluating, "electricity transmission issues associated with solar energy development." The Companies suggest that the Agencies also consider the Renewable Energy Transmission Access Advisory Committee Report from Nevada, sponsored by the Nevada Governor's Office (http://gov.state.nv.us/Energy/FinalReport.htm).

The NOI states that the PEIS will not include lands already identified as environmentally sensitive. That Companies are concerned that there may be some lands with high solar insolation potential but are automatically prohibited from

development based on this assumption. The Companies request the Agencies take into consideration whether some of these types of lands can be compatibly used for solar energy production in an environmentally responsible, yet commercially viable, way. For example, some Areas of Critical Environmental Concern (ACEC) allow for certain exclusions under specific conditions or boundaries. Use of such lands under certain conditions can be particularly compelling economically.

The Companies appreciate the BLM's consideration of public comments and concerns already submitted on the moratorium placed on any new applications, and the Companies applaud BLM Director James Caswell's decision to lift the moratorium and continue accepting applications for future potential solar energy development on public lands. Given the time it takes to plan, design and permit solar energy projects, Mr. Caswell's decision will continue to help utilities and developers pursue the nation's growing interest in renewable energy from solar resources. The Companies support the decision to see solar energy applications continue to be accepted throughout the PEIS process.

In the proposed action of the PEIS it is stated that, "The BLM will develop an [reasonably foreseeable] RFD scenario to predict levels of development. It will identify lands available....and lands not available for utility-scale solar energy development." The Companies question the applicability of "predictions" in an alternative of a NEPA document, particularly when some project proponents may be speculating, may not have customers through a Power Purchase Agreement (PPA), and may not have the funding to implement a project or any myriad of reasons for not completing a project to commercial use. Furthermore, the Companies are concerned about the BLM identifying lands as available or not available for solar development simply based on environmental concerns. 'Lands available' on this simple basis does not necessarily constitute 'lands adequate' for solar energy development. Solar energy development is highly dependent on site-specific meteorological, topographical, latitudinal and other physical conditions as well as the location itself being close to a load center or existing transmission line. Here are two examples to make this point, 1) a steep or rugged mountainside on BLM-administered land may not have any environmentally sensitive concerns so would be identified as 'available for solar development'; however, steep and rugged mountainside conditions do not warrant physical or economic development of a solar plant; and 2) an alluvial fan identified as 'land available' may be shaded by the adjacent mountain range for such length of time during the day that the site would not warrant development. The Companies request that BLM include technological adequacy in its environmentally responsible approach in the Proposed Action.

Programmatic environmental impact statements are broad assessments which, for large or environmentally contentious projects such as utility-scale wind farms and solar plants, would most likely require individual, project-specific environmental impact statements themselves. How will the BLM include and process (i.e., authorize, modify or reject) all solar energy right-of-way applications already received, and yet to receive, as part of the PEIS? How will the National BLM PEIS team coordinate such processing in the PEIS on site-specific projects with local BLM Field Offices?

The NOI describes that the approach for developing the PEIS will include specialists with expertise in solar energy. The Companies request that the Agencies

include or consult with specialists and experts with development and utility expertise as well as regulatory utility commissioners, not just research and development experts.

The NOI describes that BLM will accept public input on wilderness characteristics. Does the BLM intend to designate new wilderness areas as part of this PEIS? This would place additional constraints on land use for solar energy production and not serve to meet Executive Order 13212 or Title II, Section 211 of the Energy Policy Act. The Companies respectfully oppose the BLM tagging on such "earmarks" to this effort. This will serve to detract from the Purpose and Need and shift public focus towards this effort rather than concentrate on sound, responsible solutions for solar energy production on federal land. Wilderness designations have their own processes which the Companies request the Agencies leave as such.

The NOI states that the BLM will include "anticipated climate change benefits" in the draft analysis. The Companies charge that this statement is pre-decisional. How can the Agencies claim a beneficial impact prior to the draft PEIS being started? Like potential wind projects, specific site and regulatory requirements must be studied and analyzed prior to any project commencing utility-scale development. In Nevada alone, the BLM currently has 27 solar project applications in process, proposing approximately 17,300 megawatts (MW) of generation. In the climate change benefit analysis, how can BLM defensibly support the assumption that all 17,300 MW in Nevada, and the other five states, will go into production?

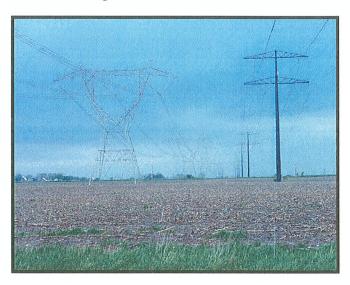
Website Clarification Request

On the Solar Energy Development Programmatic EIS website there is a tab entitled "Solar Energy Guide". This tab states, "A basic understanding of utility-scale solar energy and electric transmission is important to informed participation in the Solar Energy Development Programmatic EIS process." The Companies agree with this statement; however, the Companies have some concerns with the information presented under the electric transmission section (http://solareis.anl.gov/guide/transmission/index.cfm). Consultation directly with solar developers and utilities in the desert southwest and/or the Edison Electric Utility Institute would be beneficial to correctly present this type of information to the public.

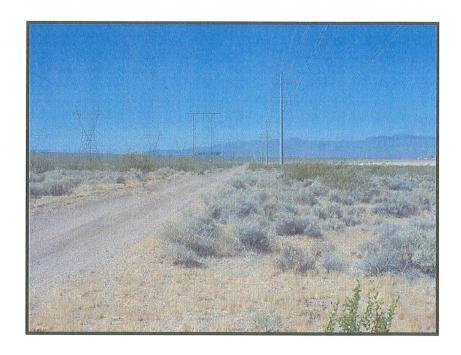
For example, the Electric Transmission section opens with the statements: "Electric power transmission is the process by which large amounts of electricity produced at power plants, such as industrial-scale solar facilities, is transported over long distances for eventual use by consumers. In North America, electricity is sent from power plants to the North American transmission grid, a vast network of electric power lines and associated facilities in the United States, Canada, and Mexico." This statement seems to imply that all plants produce power and send it out freely to "the grid", inherently sending power from solar plants in the six southwest states to the entire continent. In reality, producers of power, whether they are Independent Power Producers (IPP) selling their power to utilities on the open market or utilities producing their own power for their customers, have a specific end user to which they send the power as identified in the user and project-specific PPAs.

A statement in the following paragraph: "For newly constructed solar energy power plants, if no existing suitable transmission facilities were available, new transmission lines and associated facilities would be required." This statement implies an "if you build it, they will come" scenario. Realistically, a solar generation plant would never be constructed without, among other things: a PPA in place between the developer and a utility which would identify the specific need for any new transmission line(s) or use of an existing transmission line(s). The transmission line associated with any solar plant would be part of the whole project as proposed to BLM in the initial application. In some BLM Field Offices, an executed PPA has been requested as one of the components of a complete right-of-way application.

The subsection describing transmission towers includes this photo:



This photo depicts two designs for high-voltage transmission lines; however, the landscape is not indicative of the six desert southwest states which this PEIS intends to cover. This photo can be misleading to the public by showing what appears to be denuded agricultural land that might be construed as the result of construction, and this simply is not the case. In the six states covered by this PEIS, the normal construction practices for high-voltage transmission lines on BLM-administered lands looks more like the photo below. This is a utility corridor with three high voltage transmission lines adjacent to a dry lake bed. Note three different structure designs and with the exception of the permanent access road for patrol and maintenance, the native desert environment remains largely untouched and intact.



Nevada is leading the nation in solar and geothermal renewable energy resources, per capita, and is blessed with an abundance of wind, geothermal and solar resources, but needs the transmission infrastructure required to allow access between the remote regions where these resources are located and the markets where the power can be delivered. The Companies participated in Governor Jim Gibbons' Nevada Renewable Energy Transmission Access Advisory Committee task force which was formed in 2007 to propose recommendations for improved access to the grid system by which renewable energy industries can get market access to the transmission grid in Nevada. The Governor's initiative identified many of the same access requirements and constraints as identified in the West-wide Energy Corridor Study for Nevada. A report on this initiative along with maps that were developed identifying renewable resource opportunities and permitting constraints can be obtained http://gov.state.nv.us/energy/FinalReport.htm.

The Companies appreciate this opportunity for review of the PEIS and, with all comments addressed, prefer the selection of the Proposed Action going forward with the removal of any "underground only" corridor designations.

Sincerely,

Eileer Wynkoob

Manager, Environmental Services