

June 21, 2010

Monisha Gangopadhyay, Project Manager California Public Utilities Commission

Tom Hurshman, Project Manager U.S. Bureau of Land Management

c/o Ecology and Environment, Inc. 130 Battery Street, Suite 400 San Francisco, CA 94111

Re: Comments on the Draft Environmental Impact Report/Environmental Impact Statement for the Eldorado-Ivanpah Transmission Project

Dear Ms. Gangopadhyay & Mr. Hurshman,

On behalf of Solar Partners I, LLC, Solar Partners II, LLC and Solar Partners VIII, LLC, wholly-owned subsidiaries of BrightSource Energy, Inc. (hereinafter collectively "BrightSource"), we offer the following comments on the Draft Environmental Impact Report/Environmental Impact Statement (Draft EIR/EIS) for the Eldorado-Ivanpah Transmission Project (EITP). As you know, BrightSource is the Applicant for a right-of-way needed for the Ivanpah Solar Energy Generating System (ISEGS) project currently under review by the U.S. Bureau of Land Management (BLM). BrightSource wishes to express its support for the EITP, and urges the Bureau and the California Public Utilities Commission to promptly complete their review and approval of the project. BrightSource also appreciates this opportunity to comment on the Draft EIR/EIS, and provides comments below on two issues raised in that document that relate to the ISEGS project: the connected action analysis and the description of the ISEGS project utilized as part of the EITP "cumulative action" analysis.

Connected Action

BrightSource has consistently demonstrated throughout the development of the ISEGS DEIS and SDEIS that the ISEGS project and the EITP project are not connected actions for the purposes of NEPA. BrightSource has consistently stated that the ISEGS project would proceed with or without the EITP. However, certain statements made in the EITP Draft EIR/EIS fail to properly characterize this issue.

The EITP Draft EIR/EIS states on page 2-36 that the ISEGS project "at full build-out would be dependent on the EITP because the existing transmission line without the EITP proposed line and substation upgrades would provide insufficient transmission capacity for the power generated by all phases of the ISEGS project...." While it is true that the existing Southern California Edison Company (SCE) line



would not provide sufficient capacity by itself for all phases of the ISEGS project, other transmission options exist for the project, as BrightSource has consistently stated, and as discussed further below. The Draft EIR/EIS does goes on to state that the EITP project is not a "connected action" to the ISEGS project because EITP can operate without and does not need ISEGS in order to be a viable project. The implication of these statements, taken together, is that while EITP does not need to consider ISEGS as a connected action, the ISEGS project should consider the EITP as a connected action. However, since the conclusion that ISEGS at full power is dependent upon the transmission line and substation upgrades contemplated by the EITP is incorrect, this implication is also incorrect.

As noted in our comments filed on the ISEGS Supplemental DEIS, dated June 1, 2010, the ISEGS project is not dependent upon the EITP project in order to operate at full power. In those comments, BrightSource stated as follows:

The Applicant [BrightSource] has been very clear in stating that full implementation of its project [ISEGS] does not depend upon this transmission line upgrade, as other options, including the utilization of existing transmission located to the north of the ISEGS, exist. (June 1, 2010, Comment at 10)

Our comment further expressed disagreement with the statements in the EITP Draft EIR/EIS that indicate that ISEGS is dependent upon the EITP upgrades. The June 1, 2010, comment continues as follows:

The Applicant [BrightSource] disagrees with the statements in the EITP DEIS that the full utilization of power from the ISEGS requires the EITP upgrades. While the transmission line upgrades proposed by the EITP are needed for Southern California Edison to accommodate power generated by all the possible and planned renewable energy production facilities in the southern California desert area, the upgrades are not necessarily required to implement the ISEGS project, and in any event, for the ISEGS project to become operational, transmission line upgrades at the scale proposed by the EITP are not needed. (June 1, 2010, Comment at 11)

The Final EIR/EIS issued for the EITP should correctly note that ISEGS does not depend upon construction of the EITP in order to operate at full capacity.

ISEGS Project Description

Throughout the EITP Draft EIR/EIS, the ISEGS is treated as a "cumulative action." While BrightSource has asserted in the June 1, 2010, comments on the ISEGS SDEIS that the ISEGS and EITP projects need not be treated as cumulative actions, we acknowledged that the ISEGS Final EIS could reference or incorporate directly an analysis of the cumulative impacts analysis of the EITP that was made part of the proceedings before the California Energy Commission (CEC) relating to the ISEGS project, and which were provided to the public as part of the joint DEIS/ Final Staff Assessment for the ISEGS project.

BrightSource recommends that the cumulative actions analysis contained in the EITP Final EIR/EIS reflect impacts of the Mitigation Ivanpah 3 Alternative, which was addressed in the Ivanpah SDEIS. The Mitigated Ivanpah 3 Alternative has been recommended for approval by the CEC staff, and has the full support of BrightSource. As demonstrated in our June 1, 2010, comments on the Ivanpah SDEIS, the Mitigated Ivanpah 3 Alternative would:



- Reduce the footprint of the third Ivanpah plant by 23 percent, avoiding the area identified
 by environmental groups during the CEC proceedings and the DEIS public comment period
 as posing the greatest concern.
- Reduce the footprint of the overall Ivanpah project by about 12 percent.
- Reduce expected desert tortoise relocations by approximately 15 percent (based on previous protocol surveys of the project site; the actual number will depend on where tortoises are at the time they are relocated).
- Avoid the area identified as having the highest rare plant density.
- Reduce the number of towers at the third Ivanpah plant from five to one; reduce overall number of towers at the Ivanpah project from seven to three.
- Reduce the potential maximum number of heliostats by about 40,000.
- Avoid the area that would have required the most grading and large rock removal in the solar fields.
- Leave the largest natural stormwater features (washes) in the northern portion of the site intact.

Clearly, to the extent that the EITP Draft EIR/EIS considers the ISEGS a "cumulative action," the BLM should take care to ensure that the description of the likely impacts from the ISEGS project reflect the Alternative that now represents the ISEGS Applicant's preferred project. A full description of the Mitigated Ivanpah 3 Alternative can be found in the ISEGS SDEIS at pages 8-21. A full analysis of the reasonably foreseeable impacts of the Mitigated Ivanpah 3 Alternative can be found in the ISEGS SDEIS at pages 24 — 103. BrightSource urges BLM to adopt the Mitigated Ivanpah 3 Alternative as the "cumulative action" considered in the EITP Final EIR/EIS.

BrightSource appreciates this opportunity to provide its comments on the Draft EIR/EIS. The EITP would provide a beneficial contribution to a robust transmission system, increasing the capability to deliver renewable energy and contributing to federal and state clean energy goals. We support the EITP, and again urge its prompt approval by the Bureau and the California Public Utilities Commission.

Sincerely,

/s

Arthur L. Haubenstock

