

**FINDING OF NO SIGNIFICANT IMPACT  
DEPARTMENT OF ENERGY LOAN GUARANTEE  
TO HIGH PLAINS RANCH II, LLC FOR THE  
CALIFORNIA VALLEY SOLAR RANCH PROJECT  
IN SAN LUIS OBISPO COUNTY, CALIFORNIA**

**AGENCY:** U.S. Department of Energy, Loan Programs Office

**ACTION:** Finding of No Significant Impact

**SUMMARY:** The U.S. Department of Energy (DOE) conducted an environmental assessment (EA) that analyzed the potential environmental impacts associated with the California Valley Solar Ranch (CVSR) project, a 250-megawatt (MW) gross output commercial solar photovoltaic (PV) power plant project proposed by High Plains Ranch II, LLC (HPR II) in southeastern San Luis Obispo County, California. The CVSR Project would include the construction, operation, maintenance, and decommissioning of the CVSR and reconductoring (upgrading) of the Pacific Gas and Electric Company (PG&E) 230-kilovolt (kV) Morro Bay–Midway transmission line. DOE, through its Loan Programs Office, is considering providing a Federal loan guarantee pursuant to Title XVII of the Energy Policy Act of 2005 (EPAc 2005), as amended by section 406 of the American Recovery and Reinvestment Act of 2009, to HPR II to support construction and startup of the proposed project. The purpose and need for Federal agency action is to comply with DOE’s mandate under EPAc 2005 by selecting eligible projects that meet the goals of the Act. DOE is using the NEPA process to assist in determining whether to issue a loan guarantee to HPR II to support the proposed CVSR Project.

The proposed CVSR Project would employ approximately 811,000 PV solar panels mounted on low-profile SunPower T0 tracker units arranged in 10 arrays encompassing approximately 1,205 acres throughout the approximately 4,700 acre CVSR site. The CVSR would include a direct current collection system from the solar panels to centralized inverters, and an alternating current, medium-voltage collection system, with a part of the alternating current collection system being underground and the remainder carried on overhead power lines. A CVSR substation would increase voltage collected from the arrays to 230-kV, and electrical power generated by the project would be transmitted to the PG&E 230 kilovolt (kV) Morro Bay–Midway transmission line via a new 4-mile 230-kV interconnection line. A permanent operations and maintenance facility and an outdoor viewing summit would be included as part of the CVSR.

The Morro Bay–Midway transmission line, which runs in an east-west direction north of the proposed CVSR site in San Luis Obispo and Kern Counties, California, has the available capacity to carry significant additional power with minimal upgrades. As part of the CVSR Project, approximately 35 miles of the Morro Bay–Midway transmission line would be reconductored by installing new conductor wires on existing towers, along with modifying several towers. Reconductoring would also include the

construction of a new switching station. Aside from the 4-mile 230-kV interconnection line, no new transmission lines would be constructed as part of the CVSR Project.

Construction of the CVSR Project and other proposed solar projects in the area would require use of substantial amounts of aggregate for access road construction and, in the case of CVSR, structure foundation for the operations and maintenance building. The Twisselman Aggregate Mine, an existing borrow pit located near the Morro Bay–Midway transmission line corridor, would be reestablished as a source of aggregate to reduce the distance driven by trucks that would import material to projects being developed in the area. The establishment of the Twisselman Aggregate Mine on an existing borrow pit is not part of the proposed action; however, establishment of the mine is addressed in the EA as a connected action.

All discussion and analysis related to the potential impacts of construction and operation of the proposed CVSR project are contained in the Final EA (DOE/EA-1840), which is incorporated herein by reference. DOE examined potential impacts on the following environmental aspects and resources and found none to be significant: land use; visual resources; agriculture; transportation; noise; air quality and greenhouse gases; geology and soil; water resources; biological resources; cultural resources; paleontological resources; socioeconomics and environmental justice; public and occupational health and safety; intentional destructive acts; and cumulative effects.

In accordance with applicable regulations and policies, DOE sent a notification letter regarding the Department's determination to prepare an EA to the California State Clearinghouse Governor's Office of Planning and Research on October 18, 2010. The letter described the proposed action and stated that a draft EA would be sent to the state for review. On November 30, 2010, DOE solicited comments from Native American Indian Tribes with a potential interest in the project area. On December 1, 2010, DOE requested initiation of formal consultation with the U.S. Department of the Interior's Fish and Wildlife Service (FWS) under Section 7 of the Endangered Species Act. And, on April 14, 2011, DOE initiated consultation with California's State Historic Preservation Office (SHPO) under Section 106 of the National Historic Preservation Act. On June 24, 2011, DOE received FWS's final Biological Opinion to conclude the Section 7 consultation process. On June 23, 2011, DOE received concurrence from the California SHPO with DOE's determination that the project would have no adverse effect to historic properties with several additional conditions that DOE agreed to have HPR II implement, which concluded the Section 106 consultation process.

On April 15, 2011, DOE sent the Draft EA to the State of California, to several potentially affected Native American Indian Tribes, and to other identified interested parties to invite their review and comments on the Draft EA. The Draft EA was also posted on the Loan Programs Office website. Notices of availability and requests for public comment were published in *The Tribune* in San Luis Obispo, CA and in the *Bakersfield Californian* in Bakersfield, CA. The public comment period on the Draft EA ended on May 16, 2011. DOE received five comment letters from interested parties: the Sierra Club, Defenders of Wildlife, the Center for Biological Diversity, North County Watch, and the Kern

Minority Contractors Association. The State of California had no comments on the Draft EA. The comment letters received and DOE responses to comments are included in Appendix G to the Final EA.

The comments expressed concerns regarding impacts on biological, agricultural, and water resources as well as cumulative impacts. DOE used the environmental review contained in the Final EA to assess and document the significance of the impacts associated with the proposed action as defined at 40 CFR Part 1508.27. Based on this review, the comments did not support a conclusion that any of the resource areas affected would experience a significant adverse impact.

**DETERMINATION:** On the basis of the Final EA, DOE has determined that providing a Federal loan guarantee to HPR II for construction and start-up of the 250 MW CVSR photovoltaic solar power project and reconductoring of the PG&E 230-kV Morro Bay–Midway transmission line in San Luis Obispo and Kern Counties, California, will not have a significant effect on the human environment. The preparation of an environmental impact statement is therefore not required, and DOE is issuing this Finding of No Significant Impact.

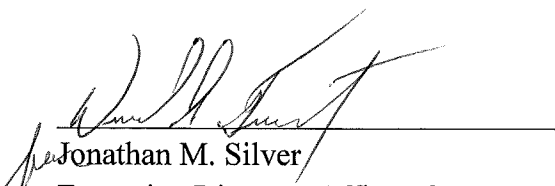
Copies of the Final EA are available at the DOE Loan Programs Office website at:  
[http://www.lgprogram.energy.gov/NEPA\\_EA.html](http://www.lgprogram.energy.gov/NEPA_EA.html) or from:

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Additional information on the DOE NEPA process is available from:

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Issued in Washington, DC on the 3<sup>RD</sup> day of August in the year 2011.

  
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Executive Director, Office of Loan Programs