

**BLM Nevada SEZ Pre-Auction Webinar:  
Dry Lake Solar Energy Zone  
June 17, 2014 3pm CT**

Greg Helseth, BLM Southern Nevada District Office, Renewable Energy Project Manager – Presentation

- Description of parcels
- Bidding Process
  - Sealed bids
  - Auction Day Registration
  - Oral Auction

Heidi Hartman, Argonne National Laboratory

- BLM Solar Program website overview

Approximately 30 participants joined the webinar – since not all were identified by organization, so only names are given in the summary of questions and answers below. All questions were answered by Greg Helseth and Ray Brady (Manager, BLM National Renewable Energy Coordination Office).

Questions:

- Luke Papez – Are there any other potentially encumbered areas within any of the parcels (other than the outlined area that is encumbered by NV Energy)? For example are there mining rights?
  - Everything else within the parcels has been reviewed, there are no other encumbrances. The developer for Parcels 1 and 5 will need to get a letter of concurrence from NV Energy for development within the encumbered area.
  - Follow-on question - Will BLM be granting ROWs for other facilities (e.g., gen ties, drainage) as needed for development?
  - There is access to transmission within each parcel. Drainage will need to be accommodated within each parcel. Encumbering another ROW grant would not be acceptable.
- Amy P – Question about washes, categorized as non-developable? Why are they categorized this way?
  - The Solar PEIS determined this categorization based on impacts to vegetation and wildlife.
  - Follow-on question - Even if you got a CWA Section 404 permit you would not be able to build?
  - Yes, the BLM has made the decision that these areas are non-developable, and they were not included as part of the acreage that determined the bidding fee. (NOTE: during the webinar Greg answered that it might be possible to build in the washes if approved under CWA Section 404. BLM would like to emphasize that the only circumstances under which development in wash areas identified as “non-development” areas in the Solar PEIS might be allowed would be if unobstructed flow through the washes could be maintained and there was no vegetation disturbance).
- Jared – Will the rental rates change over time? What are the rates?
  - The rates may change over time. There are two annual rental fees, one based on the acreage of the ROW authorization and the other on the approved MW capacity of the project. The acreage fee will correspond to the Clark County rate at the time the ROW is signed; currently the acreage fee is \$203.06/acre. The acreage fee includes an annual inflation adjustment and will

increase to \$206.92/acre in 2015. The MW capacity fee is phased in over a 5-year period (i.e., 20% in first year, 40% 2<sup>nd</sup> year, 60% 3<sup>rd</sup> year, 80% 4<sup>th</sup> year, 100% 5<sup>th</sup> year and thereafter). This phasing-in of the MW capacity fee applies even if the facility is built in less than 5 years. The current rate for PV is \$5,256/MW. There is not an annual adjustment for the MW fee; however, BLM will periodically review the rental rates for solar projects and determine whether it is appropriate to increase or decrease the MW capacity fees.

The specific solar energy rental fees are provided in the BLM's Instruction Memorandum titled "Solar Energy Interim Rental Policy, IM 2010-141". This IM, along with others related to Solar Energy Development, is available at <http://blmsolar.anl.gov/program/authorization-policies/im/>.

- Follow-on questions – How long is the ROW grant? After the ROW period ends, do all solar facilities need to be removed?
- The period of the ROW authorization is 25-30 years, but is subject to renewal provisions. If the ROW is not renewed, the operator would need to decommission after that period of time. The BLM requires reclamation bonding to be in place prior to issuance of the approval to begin construction, so that funds would be available for decommissioning of solar facilities in the event of developer insolvency.
- Luke Papez – Will analysis of transmission be included in the NEPA assessment done for solar facilities within the SEZ?
  - Yes, analysis of the impacts of proposed transmission facilities associated with the development of any parcel will be required. A full range of NEPA alternatives must be considered. For any new linear transmission or gen-tie line the first recommendation is to construct within an existing corridor if available.
- Randy Cagle – Are there buffer areas between parcels?
  - Yes, buffers were included in the calculation of parcel acreages. Transmission lines could be located within the buffer areas, the specific planned locations should be included in the developer's plan of development.
  - Follow-on comment: The BLM should clarify that development within encumbered area outlined on the map would require concurrence from NV Energy, and that NV Energy may not concur if the development conflicted with other plans.
  - Yes, development in Parcel 1 or Parcel 5 would need NV Energy concurrence.
- Luke Papez – Has the regional mitigation fee for the Dry Lake SEZ, as stated in the Dry Lake Solar Regional Mitigation Strategy document been locked in? (Note: The strategy document, Tech Note 444, is available at: [http://www.blm.gov/pgdata/etc/medialib/blm/wo/blm\\_library/tech\\_notes.Par.29872.File.dat/TN\\_444.pdf](http://www.blm.gov/pgdata/etc/medialib/blm/wo/blm_library/tech_notes.Par.29872.File.dat/TN_444.pdf)),
  - The \$1,836 per acre fee in the strategy document is a recommendation, and is in addition to the \$836 per acre tortoise mitigation fee required under Section 7 of the Endangered Species Act. The BLM Southern Nevada District Office anticipates that the Dry Lake Mitigation Strategy recommended amount of \$1,836 per acre will be the fee for regional offsite mitigation. This per

acre mitigation does not include tortoise fees at the current rate of \$836 per acre, bonding fees, or fees for other offsite mitigation measures that may be identified during the NEPA review of the Plan of Development for a specific project. The final regional mitigation fee is subject to NEPA review and final decision for a specific project. Clarification of this information will be added to the Dry Lake Competitive Leasing web page (<http://blmsolar.anl.gov/sez/nv/dry-lake/competitive-leasing/>) prior to the Auction.

- Follow-on question - How long does the BLM anticipate the NEPA assessment will take?
- It is anticipated that the NEPA assessment will be an Environmental Assessment (EA) tiered to the Solar PEIS and to the completed Cultural Class III Survey. Section 7 consultation with FWS has already been completed for the Dry Lake SEZ, however a supplemental biological assessment for a specific proposed project will be completed with the US Fish and Wildlife Service to address desert tortoise. Priority will be placed by the BLM on the processing of the NEPA for the Plan of Development for any project on any of these parcels. These will be streamlined NEPA reviews.
- Jared – Would the per acre mitigation fee be based on the acreage of the entire parcel or only where development occurs?
  - The mitigation fee is only paid for the land actually disturbed by the proposed project. The offsite mitigation fee is not required until construction begins. The developer would need to pay the mitigation fees (both regional and tortoise fees) and bonding fees before getting a notice to proceed with construction.
- Amy P – Were any encumbrances related to cultural resources identified in the Class III Cultural surveys? Were the tribes informed about solar development during preparation of the Solar PEIS?
  - No cultural resources were identified within the Dry Lake SEZ that would hinder solar development. The Moapa Band of Paiutes and other tribes were informed about the BLM's new Solar Program during preparation of the Solar PEIS, but would also need to be consulted with on specific project proposals. A cultural resources Programmatic Agreement has also already been signed with the Nevada State Historic Preservation Office to facilitate development within the SEZ.
- Barbara Doble – The annual acreage fee given in the 2010 Rental Policy IM is out of date; is there a more recent document?
  - See response to question from Jared on page 2 above. The annual acreage fee of \$203.06/acre will go up to \$206.92/acre in 2015; this increase incorporates an inflation adjustment. The BLM is working on a regulation that will determine future fees.
- Luke Papez – Could the map and webinar notes be posted to the website?
  - Yes, they will be posted to the Dry Lake SEZ competitive leasing web page.
- Christina – Can the shapefiles for the parcels also be made available?
  - To obtain the shapefiles, email Greg Helseth at [ghelseth@blm.gov](mailto:ghelseth@blm.gov).