

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

439



SUBMITTAL DATE:
January 27, 2011

FROM: TLMA - Planning Department

SUBJECT: Renewable Energy Projects - 2011 State Legislative Platform; Position Regarding the Desert Renewable Energy Conservation Plan

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Approve and direct the Executive Office to add Attachment No. 2 to the 2011 State Legislative Platform to ensure that the County does not disproportionately bear the burden of renewable energy production;
- 2) Direct the Transportation and Land Management Agency to prepare a Board policy requiring County staff to negotiate revenue generating agreements (such as

Carolyn Syms Luna

Carolyn Syms Luna
Planning Director

Initials:
RJ:rj

CONTINUED ON ATTACHED PAGE

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	n/a
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	n/a
	Annual Net County Cost:	\$ 0	For Fiscal Year:	n/a
SOURCE OF FUNDS: n/a				Positions To Be Deleted Per A-30 ☐
				Requires 4/5 Vote ☐

C.E.O. RECOMMENDATION:

APPROVE

BY:

County Executive Office Signature

Jennifer L. Sargent
Jennifer L. Sargent

Dept Recomm.: ☐ Consent ☒ Policy
Per Exec. Ofc.: ☐ Consent ☒ Policy

Prev. Agn. Ref.

District: All

Agenda Number:

3.29

development agreements and franchise agreements) for renewable energy projects, including power plants, transmission lines, and related facilities, to further ensure that the County does not disproportionately bear the burden of renewable energy production; and,

- 3) Approve, and authorize the Chairman to sign, the attached letter to Mr. Dave Harlow, Director, California Desert Renewable Energy Conservation Plan.

BACKGROUND:

Federal and State initiatives to encourage the development of renewable energy projects have led to an influx of utility scale solar power plants in Riverside County because it is uniquely suited for the location of such facilities. The County supports renewable energy production and acknowledges the positive effects it will have. The County also recognizes that such production will result in lost economic development potential (including lost employment opportunities and lost property tax revenue), lost recreation potential, lost historical resources and the unreimbursed costs of additional transportation facilities, public safety facilities and related services. Without appropriate ways to reduce these losses, Riverside County will bear a disproportionately heavy burden for renewable energy production. This is particularly true for renewable energy projects that do not fall under the permitting jurisdiction of the County (see Attachment 1 Riverside County Statement of Jurisdiction) because the County has no opportunity to address their effects. The 2011 State Legislative Platform (see Attachment 2) identifies potential legislative remedies that would assist Riverside County in reducing its disproportionate share of renewable energy production. Directing staff to negotiate revenue generating agreements, such as development agreements and franchise agreements, will further ensure that the County is made whole.

The Desert Renewable Energy Conservation Plan (DRECP) is a State launched effort to create a joint Natural Communities Conservation Plan (NCCP) that will ensure long-term species protections while facilitating renewable energy production. The County is actively engaged in the Stakeholder Committee that is guiding development of the DRECP. The letter to the Director of the DRECP (see Attachment 3) identifies the following matters that must be resolved before Riverside County will support the DRECP:

- a. The number of renewable energy projects anticipated to be permitted and the amount and kind of mitigation anticipated to be required must be defined;
- b. Renewable energy production must be encouraged at or near the point of consumption;
- c. Already permitted Habitat Conservation Plans must not be impacted or have additional requirements imposed;
- d. Riverside County must have an integral role in planning, management, and research in order to maintain local control and involvement; and,
- e. The conservation impacts of renewable energy production must be appropriately reduced so that the County does not bear a disproportionate burden of such impacts.

ATTACHMENTS:

- 1) Riverside County Statement of Jurisdiction
- 2) 2011 State Legislative Platform
- 3) Letter to Mr. Dave Harlow, Director, California Desert Renewable Energy Conservation Plan

ATTACHMENT NO. 1

STATEMENT OF JURISDICTION

The County has ultimate land use jurisdiction in all unincorporated areas of the County except where exercise of jurisdiction is preempted by law. As shown on the table below, Riverside County will act as the permitting authority for all proposals on unincorporated County lands for all Photovoltaic (PV) systems, Hydroelectric, Wind Energy Conversion Systems (WECS), and thermal powerplants (traditional and solar) with a generating capacity less than 50 MW. Similarly, the Bureau of Land Management (BLM) will issue permits on all federally owned lands managed by BLM for PV, Hydroelectric, WECS, and thermal powerplants with a generating capacity less than 50 MW. The California Energy Commission (CEC) has certification authority pursuant to Public Resource Code Sections 25500 et seq. for all thermal power plants in excess of 50 MW on any lands in the State of California, to the extent permitted by federal law.

JURISDICTION TABLE			
		Project Located on Unincorporated Riverside County Land	Project Located on Bureau of Land Management Land
TECHNOLOGY	All Photovoltaic (PV), Hydroelectric, Wind Energy Conversion Systems (WECS), and Thermal Powerplants Generating less than 50 Megawatts	Jurisdiction Riverside County	Jurisdiction Bureau of Land Management
	Thermal Powerplants Generating 50+ Megawatts	Jurisdiction (see notes) California Energy Commission	Jurisdiction (see notes) California Energy Commission
Notes: 1. The California Energy Commission (CEC) has exclusive authority to issue a certificate for thermal powerplants with a generating capacity of 50 MW or greater for all sites and related facilities in the State; the issuance of a certificate by the CEC is in lieu of any permit required by any state, local, regional or federal agency to the extent permitted by federal law. CEC issuance of the certificate supersedes any applicable statute, ordinance or regulation of such agencies, to the extent permitted by federal law. Public Resources Code Sections 25120, 25500 and 25502. 2. As part of the certification process, the CEC is required to request comments and recommendations from local governmental agencies that administer local laws, ordinances, regulations and standards (LORS). Public Resources Code Section 25506. 3. The County shall provide comments and issue recommended conditions in accordance with Public Resources Code Sections 25506, 25519 and 25538.			

ATTACHMENT NO. 2

2011 STATE LEGISLATIVE PLATFORM TO ENSURE THE COUNTY DOES NOT DISPROPORTIONATELY BEAR THE BURDEN OF RENEWABLE ENERGY PROJECTS

Issue: Riverside County supports renewable energy projects. These projects, however, will result in lost economic development potential (including lost employment opportunities and lost property tax revenue), lost recreation potential, lost historical resources and the unreimbursed costs of additional transportation facilities, public safety facilities and related services. Without appropriate ways to reduce these losses, Riverside County will bear a disproportionately heavy burden for renewable energy production because it is uniquely suited for the location of renewable energy projects.

Action: 1) Lobby for and support an amendment to Section 73 of the Revenue and Taxation Code clarifying that the property tax exclusion for newly constructed solar energy systems applies only to solar energy systems generating energy for on-site consumption and does not apply to solar power plants generating energy for off-site consumption.

Rationale: Currently, Section 73 of the Revenue and Taxation Code allows a property tax exclusion for all newly constructed solar energy systems. Pursuant to AB1451 (2008), the exclusion extends through the 2015-16 fiscal year. The term "solar energy systems" has been broadly construed to include facilities generating energy for off-site consumption. This deprives local governments of the economic benefit of the property tax that would be realized if development not exempt from such tax were to occur on the property.

Action: 2) Lobby for and support legislation that would impose a fee for energy generated by renewable energy projects at the point of consumption which would be returned to the jurisdiction where the generation occurred.

Rationale: Given the County's unique locational characteristics, it is certain that renewable energy generated in the County will be utilized outside of the County. As a result, the County will, as noted above, bear the burden of lost economic development potential, lost recreation potential, lost historical resources and the unreimbursed costs of additional transportation facilities, public safety facilities and related services. Much like the added fee for trash that comes into the County from other jurisdictions, such jurisdictions should pay an added cost for renewable energy generated within the County.

Action: 3) Support the California Desert Protection Act of 2010 (S2921) which provides that 25% of the income collected by the Bureau of Land Management (BLM) be returned to the County from which the income is derived. The bill, as proposed, allows the income to be used only for advancing renewable energy, energy efficiency, and conservation. Lobby for and support an amendment to the bill that would allow California Desert Protection Act income to also be used to enhance County infrastructure and services.

Rationale: Because the County provides transportation facilities, public safety facilities and related services to public lands, this funding mechanism could compensate the County for the additional impacts caused by renewable energy projects.

ATTACHMENT NO. 3

Date TO BE PLACED ON BOARD LETTERHEAD

Mr. Dave Harlow
Director, California Desert Renewable Energy Conservation Plan
1516 Ninth Street, MS-46
Sacramento, CA 95814

RE: RIVERSIDE COUNTY'S POSITION ON THE DESERT RENEWABLE ENERGY CONSERVATION PLAN (DRECP)

Dear Mr. Harlow:

Riverside County is a recognized leader in the protection of natural communities and endangered species. It developed both the Coachella Valley and Western Riverside Multi Species Habitat Conservation Plans (HCP) and has been implementing them for over ten years. These HCPs balance environmental protection and economic development objectives, while simplifying compliance with endangered species laws.

Consistent with this leadership role, the County has been actively participating in the DRECP process through our designated representative on the DRECP Stakeholder Committee. Although the County supports renewable energy production and acknowledges the positive effects it will have generally, the County also recognizes that conservation required by the DRECP will result in local impacts in the form of lost economic development potential (jobs, property tax revenue, etc.), lost recreation potential and lost historical resources (farmland, historic sites, etc.) Without appropriate ways to reduce these impacts, Riverside County will bear a disproportionately heavy burden for renewable energy production because it is uniquely suited for the location of such facilities. Before Riverside County can support the DRECP, the County needs to be assured that the following matters will be resolved:

- The DRECP will define the total number of renewable energy projects to be permitted in Riverside County through the Plan, the number that will be located on land within the County's jurisdiction, and the number that will be located on land outside the County's jurisdiction.
- The DRECP will define the mitigation required for the renewable energy projects to be permitted wherever located.
- In considering mitigation, the DRECP will evaluate options other than land set-asides such as the payment of fees or the cost of making the local workforce employable in the renewable energy industry.
- The DRECP will encourage renewable energy production at or near the point of consumption.
- The DRECP will acknowledge that permitted Habitat Conservation Plans will remain intact and that the DRECP will not mandate any additional requirements.
- In spite of the area encompassed by the DRECP, it will, by design, work to preserve the unique values and character of Riverside County.
- The DRECP will establish an integral role for Riverside County in the formal implementation process of the DRECP and will in no way impact local land use control.
- The DRECP will memorialize guarantees to ensure that the burden of acquisition, management, and/or monitoring do not fall on the local jurisdiction(s).
- The DRECP will ensure that lands conserved within Riverside County are managed by land managers selected and overseen by jurisdiction(s) or entities within the County.

- Research done on and for projects within Riverside County will be conducted by local entities.
- The DRECP will ensure that the conservation impacts of renewable energy production are appropriately reduced so that the County does not bear a disproportionate burden of such impacts.

Riverside County intends to continue to contribute to the DRECP process and anticipates that the final product will meet the broad scale needs of local jurisdictions, facilitate the permitting of quality renewable energy projects, and provide for the protection of the environment. Please feel free to contact Gail Barton, Principal Planner (gbarton@rctlma.org) if you require clarification or additional information.

Sincerely,

Bob Buster, Supervisor
First District
Chairman of the Board