

Q&As/Background Information Dry Lake Wind Project

Q: What is the Dry Lake Wind Project?

A: The Dry Lake Wind Project will consist of a network of wind turbines and infrastructure to generate and transmit renewable wind energy. It will be Arizona's first major commercial wind development. It will be located on a mix of BLM public land, Arizona State Trust land, and private land, and will be the first such project on BLM and State Trust lands in Arizona.

Q: Where will the Project be located?

A: The Dry Lake Wind Project will be constructed in Navajo County about six to 18 miles north-northwest of the town of Snowflake, just east of Arizona State Highway 377 and southwest of the I-40 corridor.

Q: When was the application submitted to the BLM?

A: The application was received in the summer of 2007.

Q: Who is the project proponent?

A: IBERDROLA RENEWABLES IBERDROLA RENEWABLES will develop, own and operate the project.

Q: What is IBERDROLA RENEWABLES?

A: IBERDROLA RENEWABLES is currently the world's leading provider of wind power with more than 8,500 megawatts (MW) of wind power in operation globally. IBERDROLA RENEWABLES plans to install 1,000 MW of wind power each year in the U.S.

Q: Where are their corporate headquarters?

A: IBERDROLA RENEWABLES headquarters are located in Spain but they have offices across the U.S., with the largest office in Portland, Oregon.

Q: Does Arizona need wind power?

A: The purpose of the Project is to use wind energy to operate a renewable electrical generation facility that would help meet growing demands for electricity in Arizona. Recent national and regional electrical demand forecasts predict that the growing consumption of electrical energy will continue to increase into the foreseeable future and will require development of new energy sources to satisfy the demand. The need for renewable sources of energy is recognized at both the national and state levels. Arizona has acknowledged the public benefits of renewable energy generation by putting in place a statewide Renewable Portfolio Standard. This project would help Arizona to meet its stated renewable energy goal of 15 percent by 2025. Arizona Governor Janet Napolitano strongly supports this project.

Q: How much energy would be produced?

A: The Project would provide up to 378 megawatts (MW) of wind energy and consist of multiple phases:

- Phase I is expected to generate up to 63 MW of wind energy with approximately 30 wind turbines, along with access roads, an interconnection substation, an Operations & Maintenance (O&M) facility, and collector lines to transmit the generated energy to the substation. The turbines would range in size from 1.5 to 3.0 MW each. This amount of energy is enough to power 15,000 “typical” homes according to the company’s website.
- Subsequent phases would include comparable facilities able to provide a total of up to 314 MW of additional wind-generated energy. Because turbines would also range in size between 1.5 and 3.0 MW, the total number of project turbines for subsequent phases would be between 105 and 209.

If the Project is fully developed, the maximum number of wind turbines would be 239.

Q: Will the energy be available to local users in the area of the turbines?

A: On July 28, 2008, IBERDROLA RENEWABLES announced that it had signed a Power Purchase Agreement with the Salt River Project (SRP). Through that contract, SRP agreed to purchase all electricity generated in Phase 1 of the Project. It will be distributed to their customers based on SRP allocations.

Q: When will construction begin?

A: IBERDROLA RENEWABLES estimates that construction would begin in 2009, with a nine- to 12-month construction period.

Q: How tall will the turbine towers be?

A: It will depend on which turbine is ultimately selected for the project, but modern wind turbines can stand over 400 feet tall.

Q: Is the project all on BLM land?

A: No, the turbines, access roads, collector lines, substation and related facilities would be constructed on a mixture of private leased land, Arizona State Trust lands, and public lands managed by the U.S. Department of the Interior, Bureau of Land Management (BLM).

Q: How many acres are involved?

A: The actual ground disturbance varies between the construction phase and the operational phase. The two attached tables from the BLM’s environmental assessment summarize the acres disturbed on BLM, private, and State Trust lands during construction and operations.

Q: Will other uses of the public lands be restricted?

A: No, multiple use – including livestock grazing and hunting – on the public lands within the project area will continue. Likewise, the Arizona State Land Department may authorize other uses of their lands within the Project boundary.

Q: Did the BLM analyze potential impacts to the entire project area?

A: Yes, the BLM Safford Field Office analyzed the impacts of the proposed action to the entire project area for the wind turbines, access roads, collector lines, a substation, and operations and maintenance facilities to be constructed on private, state, and public lands. The BLM decision to grant a right-of-way, however, will apply only to BLM-managed public lands. A separate right-of-way is being issued concurrently by the Arizona State Land Department. IBERDROLA RENEWABLES has secured other lease agreements with the private landowner, the Rocking Chair Ranch, within the Project area.

Q: What kind of environmental review was completed and by whom?

A: The BLM worked with a third-party contractor, HDR, to develop an Environmental Assessment for the proposed Dry Lake Wind Project. They also completed many of the baseline biological studies. BLM resource specialists then reviewed the studies and developed stipulations to mitigate impacts to natural and cultural resources.

Q: Did U.S. Fish and Wildlife Service issue a Biological Opinion (BO)?

A: Yes, the BLM prepared a Biological Evaluation and received a BO from FWS.

Q: Where there opportunities for public input?

A: Yes, the BLM has involved the public and interested agencies throughout the process in compliance with the National Environmental Policy Act (NEPA). The scoping period was 45 days, lasting from May 15 to June 29, 2007.

A news release and project map were mailed or emailed to nearly 700 project stakeholders and interested parties on May 15, 2007. Additionally, a formal scoping letter was sent to 99 federal, state, and local agencies and tribal representatives.

The BLM held a public scoping meeting in Snowflake on June 12, 2007. BLM and PPM staff outlined the proposed the project and environmental review process. About 30 individuals attended this meeting.

After the Environmental Assessment (EA) was completed, there was a 45-day comment period from February 12 to March 28, 2008. The BLM then reviewed public comments and made necessary adjustments to the EA.

Q: What issues were identified during scoping and addressed in the EA?

A: These include:

- Potential impacts on tribally/culturally sensitive properties and artifacts
- Potential impacts on existing land uses
- Potential impacts on wildlife and birds
- Potential impacts on property values

- Potential impacts on visual/landscape aesthetic
- Potential risks/impacts on civilian and military flight routes and airports
- Potential risks to public safety
- Other authorizations, permits, reviews, and approvals required for the Project

Q: What avian species were analyzed?

A: Studies tracked bird and bat movements as well as raptor nests. A list of the species can be found in Table 2 of Appendix C in the EA.

Q: Why was an Environmental Impact Statement (EIS) not prepared?

A: The BLM has already assessed the overall impacts in a national Wind Energy Development Programmatic EIS. The Record of Decision was signed in January 2006. The Safford Field Office was able to tier its Environmental Assessment (EA) under that broader EIS. Also, current BLM Arizona land use plans for the area allow consideration of such proposals on a case-by-case basis. Part of the preparation of the EA was intended to determine if there were any significant impacts that would necessitate an EIS. Through completion of the EA, the BLM determined that an EIS was not needed.

Q: How do I get a copy of the FONSI and Decision Record?

A: If you participated in earlier public outreach efforts, you will automatically receive a news release in the mail with instructions for accessing the document on the BLM website and requesting a printed version. To request a copy of the FONSI and ROD, contact Roberta Lopez at the BLM Safford Field Office at 928-348-4437 or Roberta_Lopez@blm.gov.

Q: What happens next?

A: With the BLM's signing of the FONSI, Decision Record, and right-of-way authorization for the project, IBERDROLA RENEWABLES may begin construction of the Dry Lake Wind Project.

Q: Is the right-of-way for Phase 1 or for the entire Project?

A: The right-of-way covers all phases of the Project however IBERDROLA RENEWABLES must provide specific information to the BLM prior to beginning construction of subsequent phases.

Q: How much will IBERDROLA RENEWABLES pay annually for this right-of-way?

A: Rental rates will be phased in for the first three years. Rent in the first year is nearly \$40,000; after three years, the annual rent is approximately \$87,000.

Q: How do this rate compare to the rental rate on State Trust lands?

A: Rental rates for the portion of the project on State Trust lands are structured differently from those based on BLM policy and there is less acreage associated with the State Trust lands. The State Trust compensation will be comparable to that of BLM on a per-unit basis.

Q: Was IBERDROLA RENEWABLES required to post a bond prior to construction?

A: Yes, the company will post a \$10,000 bond for each of the towers to be constructed in Phase 1 on BLM land.

Q: When does IBERDROLA RENEWABLES anticipate that the first energy will be produced at this site?

A: With construction scheduled to begin in 2009, IBERDROLA RENEWABLES anticipates a 9-12 month construction process, so the first energy may flow in 2009.

Q: At what point in time will subsequent phases of the project be developed?

A: Latter phases have no set timetable for construction, but IBERDROLA RENEWABLES believes that the planned subsequent phases are in acceptable areas for wind project development.