



COUNTY OF LAKE

BOARD OF SUPERVISORS
Courthouse - 255 N. Forbes Street
Lakeport, California 95453
Telephone 707/283-2367

VORIS BRIMFIELD
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District 5

April 4, 1990

*Melanie
File*

The Honorable Jim Nielsen
California State Senate
3063 State Capitol
Sacramento, California 95814

California Energy Commission

DOCKETED
12-OIR-02

TN 71878

AUG 23 2013

Re: SB 2200 -- Geothermal Resources Development Account

Dear Senator Nielsen:

At its regular meeting on March 20, 1990 the Lake County Board of Supervisors discussed SB 2200 in depth. It is the Board's conclusion that loans from the geothermal loan program should not be made to private entities unless the application has been approved by the County of origin. In light of the preceding, the Lake County Board of Supervisors proposes that the following be added at the end of Section 3822.(g):

... and (3) shall be included in an application submitted and approved by the local County of origin in which the project occurs.

It is the Board's opinion that the County is best qualified to judge what will be of local benefit; the program was established by the legislature in 1980 to offset impacts to local jurisdictions from geothermal development. Granting funds to a private entity without local County sponsorship would, in our opinion, be misuse of an already limited fund pool.

Our staff is available to work with you on this bill. With the proposed amendment, the Lake County Board of Supervisors will be pleased to offer support to the bill.

Should you have any questions, please call Gloria L. Flaherty on our staff at (707) 263-2367, Mark Dellinger, Geothermal Coordinator, or Alex Hinds, Planning Director, both at (707) 263-2221.

Sincerely,

LAKE COUNTY BOARD OF SUPERVISORS



L.D. "BUD" FRANKLIN
Chairman

cc: Judith Luchsinger, Lake Co. Supt. of Schools
Charles Imbrecht, California Energy Commission
Assemblywoman Bev Hansen
California Supervisors Association of California
Senate Energy and Public Utilities Committee
Siskiyou County
Sonoma County
Mono County
Modoc County
Imperial County

MICHAEL B. HANFORD
County Administrator

County of Siskiyou
County Administrator

P.O. Box 750
Yreka, California 96097
(916) 842-3531 ext. 248

DARBY HAYES
Asst. County Administrator

*for
Melanie
bill binder*

May 4, 1990

The Honorable Jim Nielsen
California State Senate
3063 State Capitol
Sacramento, CA 95814

Re: SB 2200 - Geothermal Resources
Development Account

Dear Senator Nielsen:

The Board of Supervisors of Siskiyou County has taken official action supporting the position of the Lake County Board of Supervisors in their request to amend SB 2200. We believe that it is imperative for the County of origin to have approval authority over any state geothermal loans to private entities for geothermal purposes within a county's jurisdiction.

Your favorable consideration of the amendment recommended by Lake County is recommended and appreciated.

Yours truly,

Michael B. Hanford
Michael B. Hanford
County Administrator

MBH:skw

cc: Lake County Board of Supervisors
Sonoma County Board of Supervisors
Modoc County Board of Supervisors
Inyo County Board of Supervisors
Mono County Board of Supervisors
Imperial County Board of Supervisors
County Supervisors Association of California
Senator John DoLittle
Assemblyman Stan Statham
Each Member, Board of Supervisors - Siskiyou County

COUNTY of MONO

ENERGY MANAGEMENT DEPARTMENT

HCR 79, Box 221
Mammoth Lakes, CA 93546
(818) 934-6704, Ext. 403



DANIEL L. LYSTER
Director

Melanie
April 4, 1990 *File*

The Honorable James Nielsen
California State Senate
3063 State Capitol
Sacramento, CA 95814

Dear Senator Nielsen:

In reading SB 2200, it is my understanding that this proposed legislation was introduced to accomplish three primary goals:

- (1) Extend the maximum repayment period on loans provided by the State Energy Resources Conservation Development Commission (Commission) from the Geothermal Resources Development Account (GRDA) from the current six years to twenty years.
- (2) Delete provisions requiring the disbursement of revenues to be made a part of the Governors' Budget and revise procedures for approval by the Commission of proposed projects.
- (3) Authorize the Commission to make loans to private entities engaged in the exploration and development of geothermal resources, subject to specified conditions.

As the bill is now written, it is the third goal of making loans to private entities engaged in the exploration and development of geothermal resources which has the potential to adversely impact Mono County. In that regard, please consider the following:

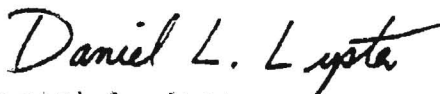
- (A) The original intent of GRDA funds was to offset impacts to local jurisdictions from geothermal development. It is totally inappropriate that loans be made to private (for profit) entities unless the application for loan monies is sponsored by a public agency who would be the applicant and serve as Project Direct for oversight of the project.
- (B) The determination that a loan made to a private entity shall "provide tangible benefits to a local jurisdiction" must be made by that local jurisdiction and not by Commission. The Commission, located in Sacramento, is too far-removed from Mono County to be familiar with both the physical characteristics of the geothermal resources located here and the environment surrounding those resources. Additionally, the Commission is not as aware as are Mono County officials of the political atmosphere and planning goals related to

geothermal development. For example, making 20-year loans available to private entities may tend to accelerate the exploration and development activities beyond what is now naturally constrained by the limited availability of power sales agreements and private sector financing. Development projects which are now deemed "marginal" or "too thin" with regard to profit projections may be pursued at a faster and more aggressive pace than is currently desired by Mono County. Certainly, such a heightened development interest would be counterproductive to our goal of phasing geothermal development projects and allowing for the collection and analysis of ample resource monitoring data prior to permitting such projects.

If this bill is amended to either delete loans to private entities or require that such loans be subject to the local jurisdiction in which the project is to be located being designated as the applicant, the Mono County Board of Supervisors would be pleased to support its passage. Otherwise, as stated in the attached Mono County Minute Order No. 90-115 (adopted March 20, 1990), Mono County strongly opposes SB 2200 as it is written.

If you have any questions regarding our position on SB 2200 or our policy toward geothermal resource development in Mono County, please contact me at (619) 934-6704.

Sincerely,



Daniel L. Lyster
Director
Mono County Energy Management Department

cc: Senate Energy & Public Utilities Committee
Senator John Garamendi
Assemblyman Norm Waters
Charles Imbrecht, CEC
Mono County Board of Supervisors

MICHAEL B. HANFORD
County Administrator

County of Siskiyou
County Administrator

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