## DOCKETED

Docket Number:	97-AFC-01C	
<b>Project Title:</b>	High Desert Power Plant	
TN #:	221008	
Document Title:	Comprehensive Stipulation and Agreement Between Parties	
Description:	Comprehensive Stipulation and Agreement Between Applicant High Desert Power Project, LLC, California Energy Commission Staff and California Department of Fish and Wildlife on Proposed Amendments to Soil&Water Conditions of Certification for the High Desert Power Project	
Filer:	Liza Lopez	
Organization:	California Energy Commission	
Submitter Role:	Commission Staff	
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### BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA

Application for Certification for the:

Docket No. 97-AFC-1C

HIGH DESERT POWER PROJECT

### COMPREHENSIVE STIPULATION AND AGREEMENT BETWEEN APPLICANT HIGH DESERT POWER PROJECT, LLC, CALIFORNIA ENERGY COMMISSION STAFF AND CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE ON PROPOSED AMENDMENTS TO SOIL&WATER CONDITIONS OF

### September 1, 2017

**CERTIFICATION FOR THE HIGH DESERT POWER PROJECT** 

On October 30, 2015, High Desert Power Project, LLC ("HDPP") filed a *Petition for Modification to Drought-Proof the High Desert Power Project* ("Petition").<sup>1</sup> The Petition requests interim and long-term changes to the Conditions of Certification governing water use at the High Desert Power Project ("Facility"). The Commission granted a Committee to oversee these proceedings on January 19, 2016.<sup>2</sup> The parties to the amendment proceeding, the California Energy Commission ("CEC Staff"), the California Department of Fish and Wildlife ("CDFW"), and HDPP (collectively, "Parties") have reached this Comprehensive Stipulation and Agreement as to all issues in this proceeding as follows:

1. The Parties request that the Committee determine whether to retain, amend or delete Soil&Water-6.d based on the briefs of the Parties and oral argument at a hearing, if any. The Parties request no change in the schedule established in the Order After July 10, 2017, Committee Conference.<sup>3</sup>

2. The Parties stipulate and agree to revisions to all of the Soil&Water Conditions of Certification for the Facility contained in Exhibit A (redline/strikeout) and Exhibit B (clean). The proposed amendments to the conditions strike a compromise between the Parties on use of recycled at the Facility (Soil&Water-1), allow for the storage of SWP Water via percolation on a permanent basis (Soil&Water-4, -5, -6), provide that the Mojave Basin Watermaster will account for all water injected and percolated on behalf of the Facility (Soil&Water-4, -5, -6), and remove various obsolete conditions that have been satisfied.

<sup>&</sup>lt;sup>1</sup> TN#: 206468.

<sup>&</sup>lt;sup>2</sup> Order No. 16-0113-2a, TN#: 207552.

<sup>&</sup>lt;sup>3</sup> TN#: 220543.

3. If approved by the Commission, the stipulated Soil&Water amendments will be the final relief granted to HDPP on its Petition and will resolve any claims of CEC Staff and CDFW with respect to that Petition, with the exception of condition Soil&Water-6.d.

4. The Parties agree that they will not submit opening and rebuttal testimony for the hearing scheduled on September 20, 2017 pursuant to the Scheduling Order issued August 25, 2017;<sup>4</sup> however, the Parties agree to jointly submit evidence and written and oral testimony in support of this Stipulation and Agreement if requested by the Committee.

The Parties respectfully request that the Committee recommend and that the full Commission approve the requested revisions to the Conditions of Certification for the Facility presented in Exhibits A and B.

IT IS SO STIPULATED.

DATED: September 1, 2017	HIGH DESERT POWER PROJECT, LLC
	/ S / ELLISON SCHNEIDER HARRIS & DONLAN LLP Attorneys for High Desert Power Project, LLC Jeffery D. Harris Peter J. Kiel Samantha G. Neumyer
DATED: September 1, 2017	CALIFORNIA ENERGY COMMISSION
	/ S / Michelle Chester Staff Attorney
DATED: September 1, 2017	CALIFORNIA DEPARTMENT OF FISH & WILDLIFE
	/ 5 /

/ *S* /

Nancee Murray Senior Staff Counsel

<sup>4</sup> TN#: 220915.

### Exhibit A

### Redline/Strikeout Version of Stipulated Amendments to All SOIL&WATER Conditions

### SOIL&WATER-1 <u>Water Supplies</u>

The only water used for project operation (except for domestic purposes) shall be State Water Project (SWP) water obtained by the project owner consistent with the provisions of the Mojave Water Agency's (MWA) Ordinance 9 and/or appropriately treated recycled waste water <u>and/or</u> an alternative water supply obtained from the Mojave River Basin (MRB) consistent with the "Judgment After Trial" dated January 1996 in City of Barstow, et al., v. City of Adelanto, et al. (Riverside County Superior Court Case No. 208568) ("MRB Water Rights") as administered by the Watermaster (the "Judgment").

- a. The project owner shall implement an interim "Loading Sequence" in the following order:
- <u>a. 1.</u> The project owner <u>willshall</u> use recycled waste water as the primary water supply, to the extent it is available and its quality is sufficient to maintain cooling tower functions and reliable operation of the facility, provided that the use of recycled waste water:
  - 1. <u>Shall not exceed 2,500 acre-feet per year (AFY) in any calendar year (the</u> <u>"Maximum Annual Recycled Water Use");</u>
  - 2. <u>Shall not exceed 2,000 AFY calculated on 3-year calendar year rolling</u> <u>average (the "Average Annual Recycled Water Use"); and</u>
  - 3. <u>Shall meet a minimum of 20% of annual cooling water needs, excluding periods recycled water is not available or is not of sufficient quality, calculated on a three-year rolling average basis (the "Average Annual Recycled Water Blend Percentage")</u>.

The Maximum Annual Recycled Water Use, the Average Annual Recycled Water Use and Average Annual Recycled Water Blend Percentage shall be calculated and reported based on the metered data. The project owner shall exclude from the calculations (1) water used when recycled water is unavailable when the project requests recycled water; and (2) water used when recycled water of sufficient quality is unavailable when the project requests recycled water per the water quality specification in the project owner's agreement with its retail water supplier. Recycled Water unavailability shall be logged by the facility's operators and reported monthly to the Energy Commission Compliance Project Manager (CPM).

If any of these three criteria are not satisfied because of an extensive, unavoidable disruption of water supply due to an Act of God, a natural disaster, an emergency, or other unforeseen circumstance outside the exclusive control of the project owner,

the CPM, project owner, and CDFW shall meet to determine how future water use will satisfy the terms of SOIL&WATER-1 as soon as practicable.

If any of these three criteria are not satisfied due to circumstance within the exclusive control of the project owner, project owner shall make a financial payment to California Department of Fish and Wildlife (CDFW) by March 1 for the previous calendar year's water use for deposit in a High Desert Power Project Mitigation and Protection Expendable Funds Account to be established by CDFW pursuant to Fish and Game Code section 13014(b)(1)(E) as follows: (a) \$500 per AF of Recycled Water used in excess of 2,500 AFY in any calendar year; (b) \$500 per AF of Recycled Water used in excess of 2,000 AFY calculated on a three year rolling average; or (c) \$500 per AF for the difference in AF between 20% of total HDPP project industrial annual water use and total Recycled Water used in the calendar year The amounts listed herein are in 2017 dollars and will be adjusted for inflation using the Consumer Price Index.

b. 2. If there is insufficient recycled waste water of quality or quantity sufficient to maintain cooling tower functions and reliable operation of the facility, rRecycled waste water may be blended with either (a) directly available SWP water or (b) banked SWP Water that has been either percolated or injected ("Banked SWP Water") and is available for extraction in accordance with SOIL&WATER-6. from the four HDPP wells as long as the amount of banked SWP water used does not exceed the amount of water determined to be available to the project pursuant to SOIL&WATER 5.

3. If there is insufficient directly available SWP Water of quality or quantity sufficient to maintain cooling tower functions for reliable operation of the facility and the amount of banked SWP water determined to be available to the project pursuant to SOIL&WATER 5 is less than 4,000 acre feet (AF) in water year 2015/2016 (ending September 30, 2016) and less than 5,000 AF in water year 2016/2017 (ending September 30, 2017), the project owner may blend recycled waste water with MRB Water Rights to achieve the required cooling tower blowdown rate or cooling tower functionality, subject to the limitations contained above.

4. The Project Owner shall consume no more than 2,000 AF of MRB Water Rights in water year 2015/2016 (October 1, 2015 September 30, 2016) and no more than 2,000 AF in water year 2016/2017 (October 1, 2016 September 30, 2017). The acquisition, use and transfer of MRB Water Rights shall comply with the Judgment and Rules and Regulations of the Watermaster.

At the project owner's discretion, dry cooling may be used instead, if an amendment to the Commission's decision allowing dry cooling is approved.

<u>c.b.</u>The project owner shall report, on or before the 15th of each month, the use of water from all sources for the prior month to the <u>Energy Commission</u>-CPM in acre-feet. The monthly report shall include acre-feet usage by source, as well as total. <u>Specific recycled water events of unavailability or quality issues will also be included with daily detail.</u>

**d.e.** The project's water supply facilities shall be appropriately sized and utilized to meet project needs. The project shall make maximum use of recycled waste water for power plant cooling given current equipment capabilities and permit conditions.

**VERIFICATION**: The project owner shall provide final design drawings of the project's water supply facilities to the CPM, for review and approval, thirty (30) days before commencing project construction. The project owner shall submit to the CPM documentation showing the agreements entered into between the project owner, MWA Watermaster, and water right owners in MRB regarding the acquisition, use and transfer of MRB Water Rights. The project owner shall report all use of water <u>and recycled water unavailability</u> in acre feet to the <u>Energy Commission</u>-CPM <u>and CDFW</u> on a monthly basis for each supply: Recycled Water, SWP Water, <u>and</u> Banked SWP Water<del>, and MRB Water Rights</del>. The monthly report shall contain a brief statement on (1) the water quantity and water quality of the supplies available in the prior month and (2) a summary of efforts to use available supplies to provide cooling water for operations, build the HDPP groundwater bank, and/or preserve the HDPP water bank.

<u>The project owner, the CPM, and the CDFW shall meet and confer as soon as practicable if</u> <u>it appears that the project's water use may fall outside the following bands:</u>

- <u>1. The Maximum Annual Recycled Water Use may exceed 2,500 acre-feet per</u> <u>year (AFY) in any calendar year;</u>
- 2. The Average Annual Recycled Water Use may exceed 2,000 AFY calculated on 3-year calendar year rolling average; or
- 3. The Average Annual Recycled Water Blend Percentage may be less than a minimum of 20% of annual cooling water needs, excluding periods recycled water is not available or is not of sufficient quality, calculated on a three-year rolling average basis.

If any of these three criteria are not satisfied because of an extensive, unavoidable disruption of water supply due to an Act of God, a natural disaster, an emergency, or other unforeseen circumstance outside the exclusive control of the project owner, the CPM, project owner, and CDFW shall meet and confer to determine how best to restore water use consistent with the terms of SOIL&WATER-1 as soon as practicable.

If any of these three criteria are not satisfied because of circumstances within the exclusive control of the project owner, the CPM, project owner, and CDFW shall meet and confer to develop and have the project owner fund on a one-time basis an environmental enhancement program for the benefit of the Mojave River riparian habitat in the Transition Zone to address potentially significant adverse impacts resulting from the failure to satisfy the criteria. If the parties cannot agree upon a program and funding level, then the Staff may initiate, or CDFW may recommend, a formal Complaint against the project owner pursuant to the Commission's rules and regulations.

**SOIL&WATER-2** The project owner shall provide a copy of the storage agreement between the Mojave Basin Area Watermaster (Mojave Water Agency) and  $\forall VWD$  prior to the initiation of

any groundwater banking, and within fifteen (15) days of any amendment or renewal of the storage agreement.

**VERIFICATION:** The project owner shall submit to the <u>CEC</u> CPM <u>and CDFW</u> a copy of the application for a storage agreement (for the project's cooling water) with the Mojave Basin Area Watermaster at the time the application is filed. The project owner shall submit to the <u>CEC</u> CPM <u>and CDFW</u> a copy of the approved storage agreement from the Mojave Basin Area Watermaster within fifteen (15) days of receipt of the agreement.

**SOIL&WATER-3** The project owner shall provide a copy of a "Will Serve Letter" from VVWD to the CEC CPM prior to the start of commercial operation.

**VERIFICATION:** The project owner shall provide a copy of a "Will Serve Letter" from VVWD to the CEC CPM within thirty (30) days of its receipt by the project owner.

### SOIL&WATER-4 Injection Banking Schedule

- a. The project owner shall inject one thousand (1000) acre feet of SWP water within twelve (12) months of the commencement of the projects commercial operation.
- b. By the end of the four years and two months from the start of commercial operation, the project owner shall install and begin operation of a pre-injection ultraviolet (UV) disinfection system.
- c. By the end of the fifth year of commercial operation, the project shall submit a report to the CPM demonstrating that HDPP has maintained an average THM concentration level consistent with the WDR permit requirements.
- d.a. After the end of the fifth year of commercial operation, <u>t</u>The project owner shall <u>may</u> inject SWP water when it is available in excess of volumes needed to operate the project, up to a cumulative quantity of 13,000 acre-feet, subject to equipment capabilities and permit requirements. The amount of <u>injected SWP</u> water available to HDPP for extraction is equal to Injection minus Extraction minus <del>Dissipation Losses</del> minus 1000 acre-feet, as defined in SOIL&WATER-6.
- e.b. The project owner may bank SWP water in the Mojave Groundwater Basin through percolation using existing Mojave Water Agency (MWA) facilities for the sole use at the HDPP facility subject to the terms of any necessary agreement(s) with MWA, the Mojave Basin Area Watermaster, the City of Victorville or the Victorville Water District. MWA shall be responsible for ensuring protection of water quality related to percolation.

**VERIFICATION:** The project owner shall submit an installation and operation report describing the pre-injection ultraviolet disinfection system (UV) by the end of the fourth year of commercial operation. Forecasted estimates of SWP water to be injected shall be included in the quarterly Aquifer and Storage Recovery Well Report. The project owner shall submit a UV performance report by the fifth year of commercial operation. For other related items, see the verification to Condition 5. See also the verification to Condition 12. The project owner, shall provide to the CPM and to the California Department of Fish and Wildlife (CDFW) a copy

### of any agreement(s) with MWA, Mojave Basin Area Watermaster, City of Victorville or the Victorville Water District regarding use of existing MWA facilities for the percolation and banking of SWP water for the facility.

### SOIL&WATER-5 Calculation of <u>Water Bank</u> Balance

- a. The amount of <u>injected</u>, banked groundwater available to the project shall be calculated by <u>MWA or the Mojave Basin Area Watermaster</u>. the CEC staff using the HDPP model, FEMFLOW3D. The amount of banked groundwater available shall be updated on a calendar year basis by the CEC staff, taking into account the amount of groundwater pumped by the project during the preceding year and the amount of water banked by the project during the preceding year.
- b. When calculating the amount of <u>injected</u>, banked groundwater available to the project, <u>MWA or the Mojave Basin Area Watermaster CEC staff shall</u> subtract any amount of water that is produced by Victor<u>ville</u> Valley Water District (VVWD) from the project wells for purposes other than use by the project that exceeds the baseline, as defined in SOIL&WATER-17(1).
- e. Each annual model run shall simulate the actual sequence of historic pumping and injection since the injection program began. From the model runs, the CEC Staff shall determine the amount of groundwater available for each new calendar year. If the amount of banked groundwater available to the project is less than one (1) year's supply plus 1,000 acre-feet, the CEC Staff shall determine the amount of groundwater available to the project on a quarterly basis.

# <u>c.</u> The amount of percolated, banked groundwater available to the project shall be calculated by MWA or the Mojave Basin Area Watermaster.

**VERIFICATION:** During the period beginning eighteen (18) months after the start of rough grading and concluding at the end of the first month after one full year (12 months) of commercial operation, the project owner shall provide a monthly report to the CEC CPM and to the CDFW on the progress of construction of the project wells, and shall identify the amount of SWP water injected and the amount of groundwater pumped during the previous month. The CEC CPM shall provide notice that this material has been submitted to those identified on the project s compliance mailing list.

After the end of the first month after one full year (12 months) of commercial operation, the project owner shall submit to the CEC CPM and to the CDFGW in writing, on a quarterly basis, a monthly accounting of all groundwater pumped, and all SWP water treated and injected, and all SWP banked through percolation by MWA in the preceding quarter. Within thirty (30) days of receipt of the approved annual storage agreement, pursuant to SOIL&WATER-2, the project owner shall submit to the CEC CPM and to the CDFGW an annual written estimate of the anticipated amount of SWP water that will be banked and the anticipated amount of groundwater that will be pumped in the coming year. If the amount of banked groundwater available to the project is less than one (1) year's supply plus one thousand (1,000) acre feet, quarterly estimates of anticipated injection and withdrawal will be required. The CEC CPM shall

provide notice that this material has been submitted to those identified on the project s compliance mailing list.

CEC Staff shall use this information in the HDPP model to evaluate the amount of banked groundwater available and to calculate the approximate rate of decay. CEC Staff shall notify the project owner within thirty (30) days of the amount of banked groundwater available to be pumped in the new calendar year or in the next quarter, if applicable.

### SOIL&WATER-6 Banked Water Available for Project Use

- a. The amount of banked groundwater available to the project during the first twelve (12) months of commercial operation is the amount of SWP water injected by the project owner into the High Desert Power Project (project) wells, minus the amount of groundwater pumped by the project owner, minus the amount of dissipated groundwater, and minus any amount described in SOIL&WATER-5(b).
- ba. The amount of banked groundwater available to the project after the first twelve (12) months of commercial operation is: (1) the amount of SWP water percolated in accordance with SOIL&WATER-4(b); and (2) the amount of SWP water injected in accordance with SOIL&WATER-4(a) by the project owner into the project wells, minus the amount of groundwater pumped by the project owner, minus the amount of dissipated groundwater losses, minus one thousand (1,000) acre feet, and minus any amount described in SOIL&WATER-5(b).
- eb. During the three (3) years prior to project closure, the project owner may withdraw the balance of banked groundwater determined to be available to the project, except for one thousand (1,000) acre-feet, pursuant to SOIL&WATER-5. The project owner is not required to replace this final withdrawal of groundwater. However, during the three (3) years prior to project closure, at no time may the balance of banked groundwater decline below one thousand (1,000) acre-feet. Furthermore, there must be a remaining balance of one thousand (1,000) acre-feet banked in the groundwater system at closure, as determined to be available to the project pursuant to SOIL&WATER-5. This balance of one thousand (1,000) acre-feet must remain in the groundwater system, and the project owner, by contract or other conveyance, may not transfer the rights to this balance.
- d. The project shall not operate for longer than thirty (30) years unless the Commission has approved an amendment to its license that specifically evaluates the water resources impacts of continued operation and imposes any mitigation necessary to ameliorate any identified impacts. [Note: the Parties agree that the Committee shall decide whether to retain, amend or delete this condition 6.d. based on the parties' legal briefs and argument if a hearing is held on this issue.]
- e. No water is available for project use if the requirements of SOIL&WATER-4 are not met by the project owner.

**VERIFICATION:** The project owner shall use the same verification as for **SOIL&WATER-5**; however, in addition, any facility closure plan submitted during that last three (3) years of

commercial operation shall address the disposition of any remaining water available to the project, as well as the disposition of the water treatment facility.

**SOIL&WATER-7** The project owner shall retain ownership and operational control of the water treatment facility.

**VERIFICATION:** Should the project owner choose to transfer ownership or operational control of the water treatment facility, it must apply for an amendment to the Energy Commission Decision, and include an evaluation of any environmental effects associated with the transfer of ownership or operational control to another entity.

**SOIL&WATER-8** The project owner shall conduct pumping tests in all project wells to establish *in situ* hydraulic parameters including transmissivity and storativity in the Regional Aquifer. From these parameters and the project well-log data, the project owner shall calculate the following site-specific values:

- effective horizontal hydraulic conductivity
- effective vertical hydraulic conductivity
- specific yield, if pumping tests indicate the aquifer is unconfined, or
- specific storage, if aquifer is confined.

Prior to conducting the pumping test, the project owner shall submit a work plan detailing the methodology to be used to conduct the proposed pumping tests and to calculate the specified parameters and values to the CEC CPM and to the CDFG for review and approval.

Based upon the information generated by the pumping tests, CEC Staff shall revise the HDPP model to reflect the results of the pumping tests. All modeling runs referred to in **SOIL&WATER-5** shall incorporate the results of these pumping tests, following approval by the CEC CPM determined pursuant to this Condition.

Protocol: The pumping tests shall provide data to calculate the *in situ* hydraulic parameters of the Regional Aquifer.

- At a minimum the pumping tests for all HDPP wells shall include the measurement of drawdown in at least one (1) non-pumping (observation) well that is screened at the same depth as the pumping well.
- Observation well(s) for each pumping test must be sufficiently close to the pumping well that pumping produces measurable drawdown of sufficient duration in the observation well(s) to analyze the site-specific hydraulic parameters including transmissivity and storativity in the Regional Aquifer.
- In addition, if the observation well data indicates a slow release of groundwater from storage, the pumping test shall be extended until the release from storage can be observed to stabilize in a plot of the data from the observation well(s). (For a description of the

evaluation of storativity under slow release conditions, see Driscoll, F.G., 1986, Groundwater and Wells, H.M. Smyth, Inc., p. 229-230).

• Single well pumping tests and pumping tests that do not produce enough measurable drawdown in observation wells to conclusively calculate hydraulic parameters will not meet the Conditions of Certification.

**VERIFICATION:** The project owner shall submit to the CEC CPM and to the CDFG, six (6) months prior to the start of pumping tests, the work plan that details the methodology for conducting the proposed pumping tests on the seven (7) HDPP wells and for calculating the specified parameters and values. With the approval of the work plan by the CEC CPM, in consultation with the CDFG, the project owner shall perform the pumping tests following the CEC protocol. The CEC CPM shall provide notice that this material has been submitted to those identified on the projects compliance mailing list.

Within two (2) months after the completion of pumping tests, the project owner shall submit to the CEC CPM and to the CDFG a report detailing how the pumping tests were conducted and the results of the tests, including the calculation of: (1) the *in situ* hydraulic parameters of transmissivity and storativity for the Regional Aquifer; and (2) the site specific values of effective horizontal hydraulic conductivity, effective vertical hydraulic conductivity, and specific yield and/or specific storage.

The CEC CPM shall provide notice that this material has been submitted to those identified on the projects compliance mailing list.

**SOIL&WATER-9** The project owner shall modify the HDPP model grid to accommodate the representation of gradational changes in the hydraulic conductivity of the Regional Aquifer, in conformance with the USGS Mojave River Groundwater Basin model. The CEC Staff shall revise the HDPP model, using the modified grid, to incorporate the gradational changes in the hydraulic conductivity of the Regional Aquifer represented in the USGS Mojave River Groundwater Basin model.

All modeling runs referred to in **SOIL&WATER-5** shall incorporate the modifications of the model along with the model information obtained from the USGS following approval by the CEC CPM determined pursuant to this Condition.

**VERIFICATION:** The project owner shall submit the modified model grid input files (including updated versions of any other input files that are effected by the modification of the grid) within two (2) months after the construction of the HDPP wells to the CEC Staff for review and approval, in consultation with the CDFG. The CEC CPM shall provide notice that this material has been submitted to those identified on the projects compliance mailing list.

**SOIL&WATER-10** The project owner shall prepare an annual report describing groundwater level monitoring performed as follows. The project owner shall monitor groundwater levels in all project wells, in VVWD wells 21, 27, 32, and 37, in Adelanto wells 4 and 8a, and in all other wells within a one (1) mile radius of the project wells. Groundwater monitoring shall also be conducted within the Mojave River Aquifer Alluvium. Additional monitoring wells specified by

VVWD for the evaluation of well interference within Pressure Zone 2 shall also be included. Monitoring shall be performed on a quarterly basis starting within six (6) months after the start of rough grading.

**VERIFICATION:** The project owner shall annually submit a copy of the groundwater level monitoring report to the CEC CPM, the CDFG, the MWA, and the VVWD. The CEC CPM shall provide notice that this material has been submitted to those identified on the projects compliance mailing list.

**SOIL&WATER-11** The project owner shall submit an approved Waste Discharge Requirement prior to the start of any groundwater <u>injection</u> banking unless the <u>Lahontan</u> Regional Water Quality Control Board (RWQCB) decides to waive the need to issue a waste discharge requirement or waive the need for the project owner to file a Report of Waste Discharge.

**VERIFICATION:** The project owner shall submit a copy of the approved Waste Discharge Requirement from the Lahontan RWQCB to the CEC CPM within sixty (60) days of the start of rough grading. The project owner shall also submit to the CEC CPM a copy of any additional information requested by the RWQCB as part of their evaluation of the application. If the RWQCB decides to waive the need to file a Report of Waste Discharge or the need for a waste discharge requirement, the project owner shall submit a copy of the letter from the RWQCB to the CEC CPM. If a waste discharge requirement is required by the RWQCB, the project owner shall provide a copy of the approved permit to the CEC CPM.

**SOIL&WATER-12** The project owner shall prepare and submit to the CEC CPM and, if applicable, to the Lahontan RWQCB for review and approval, a water treatment and monitoring plan that specifies the type and characteristics of the treatment processes and identify any waste streams and their disposal methods. The plan shall provide water quality values for all constituents monitored under requirements specified under California Code of Regulations, Title 22 Drinking Water Requirements, from all production wells within two (2) miles of the injection wellfield for the last five (5) years.

The plan shall also provide SWP water quality sampling results from Rock Springs, Silverwood Lake, or other portions of the East Branch of the California Aqueduct in this area for the last five (5) years. Also identified in the plan will be the proposed treatment level for each constituent based upon a statistical analysis of the collected water information. The statistical approach used for water quality analysis shall be approved prior to report submittal by the CEC CPM and, if applicable, the RWQCB. Treatment of SWP water prior to injection shall be to levels approaching background water quality levels of the receiving aquifer or shall meet drinking water standards, whichever is more protective. The plan will also identify contingency measures to be implemented in case of treatment plant upset.

The plan submitted for approval shall include the proposed monitoring and reporting requirements identified in the Report of Waste Discharge (Bookman-Edmonston 1998d) with any modifications required by the RWQCB.

**VERIFICATION:** Ninety (90) days prior to <u>injection</u> <u>banking</u> of SWP water within the Regional Aquifer, the project owner shall submit to the Lahontan RWQCB and the <del>CEC</del> CPM a

proposed statistical approach to analyzing water quality monitoring data and determining water treatment levels. The project owner shall submit the SWP water treatment and monitoring plan to the CEC CPM and, if appropriate, to the Lahontan RWQCB for review and approval. The CEC CPM's review shall be conducted in consultation with the MWA, the <del>V</del>VWD, and the City of Victorville. The plan submitted for review and approval shall reflect any requirements imposed by the RWQCB through a Waste Discharge Requirement.

### SOIL&WATER-13

The project owner shall implement the approved water treatment and monitoring plan. All **banked** <u>injected</u> SWP water shall be treated to meet local groundwater conditions as identified in Condition SOIL&WATER-12. Treatment levels may be revised by the <u>CEC</u> <u>CPM</u> and, if applicable, by the RWQCB, based upon changes in local groundwater quality identified in the monitoring program not attributable to the groundwater banking program. Monitoring results shall be submitted annually to the <del>CEC</del> <u>CPM</u> and, if applicable, to the RWQCB.

**VERIFICATION:** The project owner shall annually submit monitoring results as specified in the approved plan to the  $\overline{CEC}$  CPM. The project owner shall identify any proposed changes to SWP water treatment levels for review and approval by the  $\overline{CEC}$  <u>CPM</u> and, if appropriate, the Lahontan RWQCB. The project owner shall notify the RWQCB, the  $\overline{VVWD}$ , and the  $\overline{CEC}$  CPM of the injection of any inadequately treated SWP water into the aquifer due to an upset in the treatment process or for other reasons. Monitoring results shall be submitted to the  $\overline{CEC}$  CPM

**SOIL&WATER-14** The project owner shall provide access to the United States Air Force for all efforts to characterize and remediate all soil and groundwater contamination at the power plant site.

**VERIFICATION:** The project owner shall submit, in writing, a copy within two (2) weeks of receipt of any request from the Air Force for site access to characterize or remediate contaminated soil and/or groundwater to the CEC CPM.

**SOIL&WATER-15** Prior to beginning any clearing, grading, or excavation activities associated with closure activities, the project owner must submit a notice of intent to the State Water Resources Control Board to indicate that the project will operate under provisions of the General Construction Activity Storm Water Permit. As required by the general permit, the project owner will develop and implement a Storm Water Pollution Prevention Plan.

**VERIFICATION:** Two (2) weeks prior to the start of construction, the project owner shall submit to the CEC CPM a copy of the Storm Water Pollution Prevention Plan.

**SOIL&WATER-16** Prior to the initiation of any earth moving activities, the project owner shall submit an erosion control and revegetation plan for CEC Staff approval. The final plan shall contain all the elements of the draft plan with changes made to address the final design of the project.

**VERIFICATION:** Thirty (30) days prior to the initiation of any earth moving activities, the final erosion control and revegetation plan shall be submitted to the CPM for approval, in consultation with the CDFG.

**SOIL&WATER-17** The project owner shall enter into an Aquifer Storage and Recovery Agreement with the Victor Valley Water District <u>or its successor Victorville Water District</u> (<del>V</del>VWD). This agreement shall contain the following conditions:

1) It shall prohibit  $\forall$ VWD from producing or allowing others to produce water from project wells, except that  $\forall$ VWD may produce water from project wells: (i) for use by the HDPP project pursuant to **SOIL&WATER-1**; and (ii) for purposes other than use by the HDPP project pursuant to **SOIL&WATER-1** provided that such production, in combination with production from the  $\forall$ VWD wells identified in "c" below does not exceed the amount identified as "the baseline", as defined in a below.

a. The contract shall define the baseline as the average aggregated annual production of the wells identified in "c" during the immediately preceding five (5) years. The contract shall state that any water produced by VVWD pursuant to (ii) above shall be included in subsequent calculations of the baseline only if that production does not exceed the baseline for the calendar year in which the production occurs, as required by this Condition.

b. The contract shall require  $\forall VWD$  to establish the first baseline using the five (5) calendar years preceding the operation of the project wells, and shall re-calculate the baseline on a calendar year basis by January 15 of each year.

c. The contract shall state that "wells identified in "c" means  $\forall VWD$  wells that are located in a corridor two (2) to two and one half (2 1/2) miles wide adjacent to and west of the river's western bank including all wells within the following land sections:

- Within Township 6 North, Range 4 West, sections 31, 32, 33, and 34.
- Within Township 5 North, Range 4 West, sections 4, 5, the east 1/2 of 8, 9, 10, 15, 16, the east 1/2 of 21, 22, 23, 25, 26, 27, the east 1/2 of 28, the east 1/2 of 33, 34, 35, and 36.

2) It shall state that the project owner shall provide to the CEC CPM and CDFGW on a quarterly basis a monthly accounting of: 1) all water pumped from project wells that is supplied to the project owner; and 2) water pumped from project wells that is supplied to  $\forall VWD$ .

3) It shall state that  $\forall$ VWD shall provide to the <u>CEC</u> CPM and CDF<u>GW</u> a baseline calculation no later than January 15 of each year.

4) The contract may include terms that require  $\forall$ VWD to compensate HDPP for any costs associated with subtractions from the amount of banked groundwater available to HDPP under the terms of **SOIL&WATER-5**(c).

**VERIFICATION:** The project owner shall provide to the <u>CEC</u> CPM and CDF<u>GW</u> a copy of a signed Aquifer Storage and Recovery Agreement with the terms described above prior to commencing construction of the project. Any amendments to this agreement shall be approved by the <u>CEC</u> CPM thirty (30) days prior to the effective date of the amendment. The <u>CEC CPM</u> shall provide notice that this material has been submitted to those identified on the projects compliance mailing list.

**SOIL&WATER-18** The project owner shall ensure that flow meters are installed on project wells such that the total amount of water injected and produced on a monthly basis can be determined. In addition, the project owner shall ensure that separate flow meters are installed on: 1) that portion of the water delivery system that is dedicated to providing water to the project owner; and 2) on that portion of the water delivery system that will be used to provide water to  $\forall\forall\forall WD$  pursuant to **SOIL&WATER-17.-1(ii)**.

**VERIFICATION:** The project owner shall provide to the <u>CEC</u> CPM and CDF<u>GW</u> on a quarterly basis a monthly accounting of: 1) all groundwater injected into project wells; 2) water pumped from project wells that is supplied to the project owner; and 3) water pumped from project wells that is supplied to <del>V</del>VWD. The <u>CEC</u> CPM shall provide notice that this material has been submitted to those identified on the projects compliance mailing list.

**SOIL&WATER-19** The project owner shall limit any use of water treatment facilities by VVWD or another entity, for purposes other than providing water to the HDPP, to treating SWP water for injection into the regional aquifer.

The project owner shall not allow VVWD or another entity to use the water treatment facility for treatment of water that is injected and then recovered by VVWD unless the watermaster and VVWD have entered into a water storage agreement, and for which the appropriate lead agency has completed a CEQA review as required by MWA Ordinance 9. Any water injected by VVWD shall not increase the baseline pursuant to **SOIL&WATER-17.1**). The project owner shall not enter into any contract or amend any existing contract to allow VVWD or another entity to use the water treatment facility for domestic purposes, unless the Energy Commission has approved an amendment to the project Decision allowing such use.

**VERIFICATION:** The project owner shall provide to the CEC CPM and CDFG a copy of any water storage agreement between the watermaster and VVWD within thirty (30) days of its execution which incorporates these restrictions. The CEC CPM shall provide notice that this material has been submitted to those identified on the projects compliance mailing list.

**SOIL&WATER-20:** The project owner shall provide the CPM two copies of the executed Recycled Water Purchase Agreement (agreement) with the Victorville Water District (VWD) and/or City of Victorville (City) for the long-term supply (20-25 years) and delivery of tertiary treated recycled water to the HDPP. The HDPP shall not connect to the City's recycled water pipeline without the final agreement in place. The project owner shall comply with the requirements of Title 22 and Title 17 of the California Code of Regulations and section 13523 of the California Water Code.

**VERIFICATION:** At least 30 days prior to the connection to the City's recycled water pipeline, the project owner shall submit two copies of the executed agreement for the long-term supply and delivery of tertiary treated recycled water to the HDPP. The agreement shall specify a maximum delivery rate of 4000 gpm and shall specify all terms and costs for the delivery of recycled water to the HDPP.

At least 30 days prior to connection to the City's recycled water pipeline, the project owner shall submit to the CPM a copy of the Engineering Report and Cross Connection inspection and

approval report from the California Department of Public Health and all water reuse requirements issued by the Lahontan Regional Water Quality Control Board.

**SOIL&WATER-21:** Prior to the use of recycled water during the operation of the HDPP, the project owner shall install and maintain metering devices as part of the water supply and distribution system to monitor and record in gallons per day the volume of recycled water used by the HDPP. The metering devices shall be operational for the life of the project, and an annual summary of daily water use shall be submitted to the CPM in the annual compliance report.

**VERIFICATION:** At least 10 days prior to use of recycled water for HDPP operation, the project owner shall submit to the CPM evidence that metering devices have been installed and are operational on the recycled water line serving the project. The project owner shall provide a report on the servicing, testing, and calibration of the metering devices in the annual compliance report.

### SOIL & WATER-22.

Until September 30, 2018, and notwithstanding the existing Soil & Water Conditions of Certification, the project owner may percolate SWP water consistent with an agreement with MWA (or modification to any existing agreement regarding SWP water banking), provided that the amount of percolated water that will be available to withdraw for power plant cooling shall be calculated in the same manner as for injected SWP water pursuant to Conditions of Certification Soil & Water 4, 5, and 6.

**VERIFICATION:** If the project owner and MWA are able to reach an agreement or modify existing agreements regarding use of existing MWA facilities for the percolation of SWP water, the project owner shall provide a copy of such agreement or modified agreements, and any subsequent modifications to the CPM, within 10 days of their finalization.

### Exhibit B

### Clean Version of Stipulated Amendments to All SOIL&WATER Conditions

### **SOIL&WATER-1** Water Supplies

The only water used for project operation (except for domestic purposes) shall be State Water Project (SWP) water obtained by the project owner consistent with the provisions of the Mojave Water Agency's (MWA) Ordinance 9 and/or appropriately treated recycled waste water.

- a. The project owner shall use recycled waste water, to the extent it is available and its quality is sufficient to maintain cooling tower functions and reliable operation of the facility, provided that the use of recycled waste water:
  - 1. Shall not exceed 2,500 acre-feet per year (AFY) in any calendar year (the "Maximum Annual Recycled Water Use");
  - 2. Shall not exceed 2,000 AFY calculated on 3-year calendar year rolling average (the "Average Annual Recycled Water Use"); and
  - 3. Shall meet a minimum of 20% of annual cooling water needs, excluding periods recycled water is not available or is not of sufficient quality, calculated on a three-year rolling average basis (the "Average Annual Recycled Water Blend Percentage").

The Maximum Annual Recycled Water Use, the Average Annual Recycled Water Use and Average Annual Recycled Water Blend Percentage shall be calculated and reported based on the metered data. The project owner shall exclude from the calculations (1) water used when recycled water is unavailable when the project requests recycled water; and (2) water used when recycled water of sufficient quality is unavailable when the project requests recycled water per the water quality specification in the project owner's agreement with its retail water supplier. Recycled Water unavailability shall be logged by the facility's operators and reported monthly to the Energy Commission Compliance Project Manager (CPM).

If any of these three criteria are not satisfied because of an extensive, unavoidable disruption of water supply due to an Act of God, a natural disaster, an emergency, or other unforeseen circumstance outside the exclusive control of the project owner, the CPM, project owner, and CDFW shall meet to determine how future water use will satisfy the terms of **SOIL&WATER-1** as soon as practicable.

If any of these three criteria are not satisfied due to circumstance within the exclusive control of the project owner, project owner shall make a financial payment to California Department of Fish and Wildlife (CDFW) by March 1 for the previous calendar year's water use for deposit in a High Desert Power Project Mitigation and Protection Expendable Funds Account to be established by CDFW pursuant to Fish and Game Code section 13014(b)(1)(E) as follows: (a) \$500 per AF of Recycled Water used in excess of

2,500 AFY in any calendar year; (b) \$500 per AF of Recycled Water used in excess of 2,000 AFY calculated on a three year rolling average; or (c) \$500 per AF for the difference in AF between 20% of total HDPP project industrial annual water use and total Recycled Water used in the calendar year The amounts listed herein are in 2017 dollars and will be adjusted for inflation using the Consumer Price Index.

b. Recycled waste water may be blended with either (a) directly available SWP water or (b) banked SWP Water that has been either percolated or injected ("Banked SWP Water") and is available for extraction in accordance with **SOIL&WATER-6**.

At the project owner's discretion, dry cooling may be used instead, if an amendment to the Commission's decision allowing dry cooling is approved.

- c. The project owner shall report, on or before the 15th of each month, the use of water from all sources for the prior month to the CPM in acre-feet. The monthly report shall include acre-feet usage by source, as well as total. Specific recycled water events of unavailability or quality issues will also be included with daily detail.
- d. The project's water supply facilities shall be appropriately sized and utilized to meet project needs. The project shall make maximum use of recycled waste water for power plant cooling given current equipment capabilities and permit conditions.

**VERIFICATION**: The project owner shall report all use of water and recycled water unavailability in acre feet to the CPM and CDFW on a monthly basis for each supply: Recycled Water, SWP Water, and Banked SWP Water. The monthly report shall contain a brief statement on the water quantity and water quality of the supplies available in the prior month.

**SOIL&WATER-2** The project owner shall provide a copy of the storage agreement between the Mojave Basin Area Watermaster (Mojave Water Agency) and VWD prior to the initiation of any groundwater banking, and within fifteen (15) days of any amendment or renewal of the storage agreement.

**VERIFICATION:** The project owner shall submit to the CPM and CDFW a copy of the application for a storage agreement (for the project's cooling water) with the Mojave Basin Area Watermaster at the time the application is filed. The project owner shall submit to the CPM and CDFW a copy of the approved storage agreement from the Mojave Basin Area Watermaster within fifteen (15) days of receipt of the agreement.

### SOIL&WATER-3 [Deleted]

### SOIL&WATER-4 Banking Schedule

**a.** The project owner may inject SWP water when it is available in excess of volumes needed to operate the project, up to a cumulative quantity of 13,000 acre-feet, subject to equipment capabilities and permit requirements. The amount of injected SWP water available to HDPP for extraction is equal to Injection minus Extraction minus Losses minus 1000 acre-feet, as defined in **SOIL&WATER-6**.

b. The project owner may bank SWP water in the Mojave Groundwater Basin through percolation using existing Mojave Water Agency (MWA) facilities for the sole use at the HDPP facility subject to the terms of any necessary agreement(s) with MWA, the Mojave Basin Area Watermaster, the City of Victorville or the Victorville Water District. MWA shall be responsible for ensuring protection of water quality related to percolation.

**VERIFICATION:** Forecasted estimates of SWP water to be injected shall be included in the quarterly Aquifer and Storage Recovery Well Report. For other related items, see the verification to Condition 5. See also the verification to Condition 12. The project owner, shall provide to the CPM and to CDFW a copy of any agreement(s) with MWA, Mojave Basin Area Watermaster, City of Victorville or the Victorville Water District regarding use of existing MWA facilities for the percolation and banking of SWP water for the facility.

### SOIL&WATER-5 Calculation of Water Bank Balance

- a. The amount of injected, banked groundwater available to the project shall be calculated by MWA or the Mojave Basin Area Watermaster.
- b. When calculating the amount of injected, banked groundwater available to the project, MWA or the Mojave Basin Area Watermaster subtract any amount of water that is produced by Victorville Water District (VWD) from the project wells for purposes other than use by the project that exceeds the baseline, as defined in SOIL&WATER-17.
- c. The amount of percolated, banked groundwater available to the project shall be calculated by MWA or the Mojave Basin Area Watermaster.

**VERIFICATION:** After the end of the first month after one full year (12 months) of commercial operation, the project owner shall submit to the CPM and to CDFW in writing, on a quarterly basis, a monthly accounting of all groundwater pumped, all SWP water treated and injected, and all SWP banked through percolation by MWA in the preceding quarter. Within thirty (30) days of receipt of the approved annual storage agreement, pursuant to **SOIL&WATER-2**, the project owner shall submit to the CPM and to the CDFW an annual written estimate of the anticipated amount of SWP water that will be banked and the anticipated amount of groundwater that will be pumped in the coming year.

### SOIL&WATER-6 Banked Water Available for Project Use

- a. The amount of banked groundwater available to the project after the first twelve (12) months of commercial operation is: (1) the amount of SWP water percolated in accordance with **SOIL&WATER-4(b**); and (2) the amount of SWP water injected in accordance with **SOIL&WATER-4(a)**, minus the amount of groundwater pumped by the project owner, minus the amount of dissipated groundwater, minus one thousand (1,000) acre feet, and minus any amount described in **SOIL&WATER-5(b)**.
- b. During the three (3) years prior to project closure, the project owner may withdraw the balance of banked groundwater determined to be available to the project, except for one thousand (1,000) acre-feet, pursuant to SOIL&WATER-5. The project owner is not

required to replace this final withdrawal of groundwater. However, during the three (3) years prior to project closure, at no time may the balance of banked groundwater decline below one thousand (1,000) acre-feet. Furthermore, there must be a remaining balance of one thousand (1,000) acre-feet banked in the groundwater system at closure, as determined to be available to the project pursuant to SOIL&WATER-5. This balance of one thousand (1,000) acre-feet must remain in the groundwater system, and the project owner, by contract or other conveyance, may not transfer the rights to this balance.

d. The project shall not operate for longer than thirty (30) years unless the Commission has approved an amendment to its license that specifically evaluates the water resources impacts of continued operation and imposes any mitigation necessary to ameliorate any identified impacts. [Note: the Parties agree that the Committee shall decide whether to retain, amend or delete this condition 6.d. based on the parties' legal briefs and argument if a hearing is held on this issue.]

**VERIFICATION:** The project owner shall use the same verification as for **SOIL&WATER-5**; however, in addition, any facility closure plan submitted during that last three (3) years of commercial operation shall address the disposition of any remaining water available to the project, as well as the disposition of the water treatment facility.

**SOIL&WATER-7** The project owner shall retain ownership and operational control of the water treatment facility.

**VERIFICATION:** Should the project owner choose to transfer ownership or operational control of the water treatment facility, it must apply for an amendment to the Energy Commission Decision, and include an evaluation of any environmental effects associated with the transfer of ownership or operational control to another entity.

SOIL&WATER-8 [Deleted]

SOIL&WATER-9 [Deleted]

### SOIL&WATER-10 [Deleted]

**SOIL&WATER-11** The project owner shall submit an approved Waste Discharge Requirement prior to the start of any groundwater injection banking unless the Lahontan Regional Water Quality Control Board (RWQCB) decides to waive the need to issue a waste discharge requirement or waive the need for the project owner to file a Report of Waste Discharge.

**VERIFICATION:** If the RWQCB decides to waive the need to file a Report of Waste Discharge or the need for a waste discharge requirement, the project owner shall submit a copy of the letter from the RWQCB to the CPM. If a waste discharge requirement is required by the RWQCB, the project owner shall provide a copy of the approved permit to the CPM.

**SOIL&WATER-12** The project owner shall prepare and submit to the CPM and, if applicable, to the Lahontan RWQCB for review and approval, a water treatment and monitoring plan that specifies the type and characteristics of the treatment processes and identify any waste streams and their disposal methods. The plan shall provide water quality values for all constituents

monitored under requirements specified under California Code of Regulations, Title 22 Drinking Water Requirements, from all production wells within two (2) miles of the injection wellfield for the last five (5) years.

The plan shall also provide SWP water quality sampling results from Rock Springs, Silverwood Lake, or other portions of the East Branch of the California Aqueduct in this area for the last five (5) years. Also identified in the plan will be the proposed treatment level for each constituent based upon a statistical analysis of the collected water information. The statistical approach used for water quality analysis shall be approved prior to report submittal by the CPM and, if applicable, the RWQCB. Treatment of SWP water prior to injection shall be to levels approaching background water quality levels of the receiving aquifer or shall meet drinking water standards, whichever is more protective. The plan will also identify contingency measures to be implemented in case of treatment plant upset.

The plan submitted for approval shall include the proposed monitoring and reporting requirements identified in the Report of Waste Discharge (Bookman-Edmonston 1998d) with any modifications required by the RWQCB.

**VERIFICATION:** Ninety (90) days prior to injection of SWP water within the Regional Aquifer, the project owner shall submit to the Lahontan RWQCB and the CPM a proposed statistical approach to analyzing water quality monitoring data and determining water treatment levels. The project owner shall submit the SWP water treatment and monitoring plan to the CPM and, if appropriate, to the Lahontan RWQCB for review and approval. The CPM's review shall be conducted in consultation with the MWA, the VWD, and the City of Victorville. The plan submitted for review and approval shall reflect any requirements imposed by the RWQCB through a Waste Discharge Requirement.

### SOIL&WATER-13

The project owner shall implement the approved water treatment and monitoring plan. All injected SWP water shall be treated to meet local groundwater conditions as identified in Condition **SOIL&WATER-12**. Treatment levels may be revised by the CPM and, if applicable, by the RWQCB, based upon changes in local groundwater quality identified in the monitoring program not attributable to the groundwater banking program. Monitoring results shall be submitted annually to the CPM and, if applicable, to the RWQCB.

**VERIFICATION:** The project owner shall annually submit monitoring results as specified in the approved plan to the CPM. The project owner shall identify any proposed changes to SWP water treatment levels for review and approval by the CPM and, if appropriate, the Lahontan RWQCB. The project owner shall notify the RWQCB, the VWD, and the CPM of the injection of any inadequately treated SWP water into the aquifer due to an upset in the treatment process or for other reasons. Monitoring results shall be submitted to the CPM

**SOIL&WATER-14** The project owner shall provide access to the United States Air Force for all efforts to characterize and remediate all soil and groundwater contamination at the power plant site.

**VERIFICATION:** The project owner shall submit, in writing, a copy within two (2) weeks of receipt of any request from the Air Force for site access to characterize or remediate contaminated soil and/or groundwater to the CEC CPM.

### SOIL&WATER-15 [Deleted]

### SOIL&WATER-16 [Deleted]

**SOIL&WATER-17** The project owner shall enter into an Aquifer Storage and Recovery Agreement with the Victor Valley Water District or its successor Victorville Water District (VWD). This agreement shall contain the following conditions:

1) It shall prohibit VWD from producing or allowing others to produce water from project wells, except that VWD may produce water from project wells: (i) for use by the HDPP project pursuant to **SOIL&WATER-1**; and (ii) for purposes other than use by the HDPP project pursuant to **SOIL&WATER-1** provided that such production, in combination with production from the VWD wells identified in "c" below does not exceed the amount identified as "the baseline", as defined in a below.

a. The contract shall define the baseline as the average aggregated annual production of the wells identified in "c" during the immediately preceding five (5) years. The contract shall state that any water produced by VWD pursuant to (ii) above shall be included in subsequent calculations of the baseline only if that production does not exceed the baseline for the calendar year in which the production occurs, as required by this Condition.

b. The contract shall require VWD to establish the first baseline using the five (5) calendar years preceding the operation of the project wells, and shall re-calculate the baseline on a calendar year basis by January 15 of each year.

c. The contract shall state that "wells identified in "c" means VWD wells that are located in a corridor two (2) to two and one half (2 1/2) miles wide adjacent to and west of the river's western bank including all wells within the following land sections:

- Within Township 6 North, Range 4 West, sections 31, 32, 33, and 34.
- Within Township 5 North, Range 4 West, sections 4, 5, the east 1/2 of 8, 9, 10, 15, 16, the east 1/2 of 21, 22, 23, 25, 26, 27, the east 1/2 of 28, the east 1/2 of 33, 34, 35, and 36.

2) It shall state that the project owner shall provide to the CEC CPM and CDFW on a quarterly basis a monthly accounting of: 1) all water pumped from project wells that is supplied to the project owner; and 2) water pumped from project wells that is supplied to VWD.

3) It shall state that VWD shall provide to the CPM and CDFW a baseline calculation no later than January 15 of each year.

4) The contract may include terms that require VWD to compensate HDPP for any costs associated with subtractions from the amount of banked groundwater available to HDPP under the terms of **SOIL&WATER-5**.

**VERIFICATION:** The project owner shall provide to the CPM and CDFW a copy of a signed Aquifer Storage and Recovery Agreement with the terms described above prior to commencing construction of the project. Any amendments to this agreement shall be approved by the CPM thirty (30) days prior to the effective date of the amendment.

**SOIL&WATER-18** The project owner shall ensure that flow meters are installed on project wells such that the total amount of water injected and produced on a monthly basis can be determined. In addition, the project owner shall ensure that separate flow meters are installed on: 1) that portion of the water delivery system that is dedicated to providing water to the project owner; and 2) on that portion of the water delivery system that will be used to provide water to  $\forall\forall\forallWD$  pursuant to **SOIL&WATER-17**.

**VERIFICATION:** The project owner shall provide to the CPM and CDFW on a quarterly basis a monthly accounting of: 1) all groundwater injected into project wells; 2) water pumped from project wells that is supplied to the project owner; and 3) water pumped from project wells that is supplied to VWD.

### SOIL&WATER-19 [Deleted]

**SOIL&WATER-20:** The project owner shall provide the CPM two copies of the executed Recycled Water Purchase Agreement (agreement) with the Victorville Water District (VWD) and/or City of Victorville (City) for the long-term supply (20-25 years) and delivery of tertiary treated recycled water to the HDPP. The HDPP shall not connect to the City's recycled water pipeline without the final agreement in place. The project owner shall comply with the requirements of Title 22 and Title 17 of the California Code of Regulations and section 13523 of the California Water Code.

**VERIFICATION:** At least 30 days prior to the connection to the City's recycled water pipeline, the project owner shall submit two copies of the executed agreement for the long-term supply and delivery of tertiary treated recycled water to the HDPP. The agreement shall specify a maximum delivery rate of 4000 gpm and shall specify all terms and costs for the delivery of recycled water to the HDPP.

At least 30 days prior to connection to the City's recycled water pipeline, the project owner shall submit to the CPM a copy of the Engineering Report and Cross Connection inspection and approval report from the California Department of Public Health and all water reuse requirements issued by the Lahontan Regional Water Quality Control Board.

**SOIL&WATER-21:** Prior to the use of recycled water during the operation of the HDPP, the project owner shall install and maintain metering devices as part of the water supply and distribution system to monitor and record in gallons per day the volume of recycled water used by the HDPP. The metering devices shall be operational for the life of the project, and an annual summary of daily water use shall be submitted to the CPM in the annual compliance report.

**VERIFICATION:** At least 10 days prior to use of recycled water for HDPP operation, the project owner shall submit to the CPM evidence that metering devices have been installed and are operational on the recycled water line serving the project. The project owner shall provide a report on the servicing, testing, and calibration of the metering devices in the annual compliance report.

SOIL&WATER-22 [Deleted]