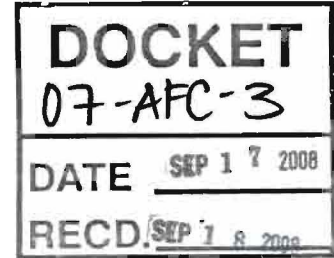




September 17, 2008



Mr. John Kessler
CEC via email

Re: CPV Sentinel Project

Dear Mr. Kessler:

Thank you for allowing us to respond to your preliminary staff recommendations for the above-mentioned project. This project is located within the boundaries of Mission Springs Water District (MSWD), the water purveyor for this area, and MSWD is more than willing and able to serve this project's water needs. We offer our support with regard to resolving the challenging water issues and will continue to be open to helping in any way we can.

We have prepared several drafts, responding in detail to the many issues raised in this permitting process. In fact, we have responded to every concern brought forward and would be willing to discuss these at any time. At this time, we have chosen to send a simple message to the California Energy Commission (CEC) which, in summary, states that we are very willing to serve this project now and into the reasonable future. The only alternative that ensures water for this project and benefits the people in the community which it affects, is to allow MSWD to be the water purveyor for this project.

The water supply plan basically comes down to importation, reuse, and conservation. Importation should be an element of every option with the understanding that the delivery of this water be guaranteed and delivered to a location that balances the pumping of high quality drinking water used for the project. Recharge of any amount, especially close to the area being pumped would be very beneficial.

This brings forward the second issue—reuse. Bringing water to the site from the Horton Waste Water Treatment Plant (HWWTP) is an option that has many benefits. It would prevent the use of very high quality drinking water and result in a use for the effluent from the plant that presently doesn't exist. Furthermore, pumping from our wells 28 and 30, two domestic wells showing positive effects from the recharge ponds, allows for the use of water that would otherwise require expensive treatment. The only cost difference between this option and pumping at the site is the cost of the transmission line. We ask that you consider the alternative of building the transmission line from 28 and 30 rather than the reuse line in Palm Springs. The Palm Springs project does not conserve water and has no benefit to the Mission Creek Sub Basin (MCSB). However, our domestic

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wells 28 and 30 have more than adequate capacity for the project with proven production levels. We can also provide domestic potable water service from another service area which, depending on design, is another possible source of water for the project. Combined with the tertiary flows from the HWWTP, this project would virtually have an uninterrupted and reliable source of water.

The Board of Directors for MSWD has passed a resolution committing the use of our effluent at the Waste Water Treatment Plant for this project, which is another statement of our commitment to provide viable reuse options. Frankly, reuse is an option that has many solutions. Kris Helm, consultant for the project, stated in the meeting on September 3rd that the controllers proposed in their conservation program were beneficial because they would reduce the amount of water returned through the irrigation systems. Irrigation return flows bring poorer quality water back into the aquifer. Use of our effluent for this project rather than discharging it back to the ground water would have the same effect, and we appreciate Mr. Helm's point.

This brings us to the third and final area of concern—conservation. The program proposed by the applicant does not benefit the people of this community nor will it benefit the MCSB. First, the offset program of diverting reuse water to a Palm Springs golf course does not conserve but allows for the use of better quality offset water by the retail agency (not MSWD). Secondly, irrigation controllers will benefit mostly those outside of the MCSB. By DWA's data, water usage per service is 1.87-2.16 AF/Service/Year compared to MSWD usage of 0.78-0.84 AF/Service/Year (which is the goal for most districts) making it more difficult to accomplish conservation in the MCSB.

In conclusion, we are a very well run District and have always been highly regarded by this community. Water purchased from MSWD would have many benefits and could come from our HWWTP or our existing wells, both of which have proven production records. This is frankly the only option that offers any benefit to the people of this community and provides a more dependable water supply to this project.

Again, we are available to answer any questions you have and would ask that you contact us if you need any more information.

Sincerely,



Arden Wallum
General Manager

Cc: Board of Directors