

DOCKET

09-AFC-3

DATE	JAN 07 2011
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State of California
State Energy Resources Conservation and Development Commission

In the Matter of:) Docket # 09-AFC-03
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Mariposa Energy Project)
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) Rajesh Dighe- Mariposa Energy Project
) Opening Testimony
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Date: Jan 07-2011
From: Rajesh Dighe

Mountain House Community and History?

Mountain House Community is just 2.5 miles East of the proposed Mariposa Energy Project site. In 1994 the master plan for Mountain House was approved which consists of 12 distinct neighborhoods housing 44,000 residents. The community will possess a Town Center, designed to be a commerce hub for the community. Offices, retail shops will be planned. It is anticipated that it will take 20 years to complete the Master plan.

Each neighborhood is expected to have its own elementary school and park. So there will 12 Elementary schools planned as per the current master plan.

Today, Mountain House has three elementary schools (Wicklund Elementary, Bethany Elementary, Questa Elementary school) and about 3000 to 3500 homes.

http://www.ci.mountainhouse.ca.us/master-plan.asp?section=about_mountain_house

Mountain House Epicenter of Foreclosure

Mountain House has been the epicenter of recent foreclosure and is still recovering. In November 2008, Mountain House was declared the most underwater community in America. Below is quote from New York Times, Nov 2008 article:

Because of plunging home values, almost 90 percent of homeowners here owe more on their mortgages than their houses are worth, according to figures released Monday. That is the highest percentage in the country. The average homeowner in Mountain House is "underwater," as it is known, by \$122,000.

http://www.nytimes.com/2008/11/11/business/11home.html?_r=1

Even CALPERS (California Public Employees Retirement System) investment is losing ground in Mountain House. Below is a snippet from Tracy Press Report, Apr 2010

The report said the company has put about \$1.1 billion into the Mountain House investment since 2005 and estimated the land was worth about \$197 million in 2009.

http://www.tracypress.com/view/full_story/7107892/article-CalPERS-losing-ground-in-Mountain-House

**MHCSD (Mountain House Community Services District) has no revenue coming in from Businesses
MHCSD big chunk of revenue comes from Mountain House Resident's Property Taxes**

Mountain House Community is still recovering from foreclosure and economic downturn. Trimark developer owns most of the commercial undeveloped land in Mountain House. It's a big challenge for this developer who is struggling to grow businesses in Mountain House. For the record, apart from a very small store there are absolutely no businesses here in Mountain House.

This is a critical point causing near zero business tax revenue to MHCSD. Entire burden of MHCSD operation costs is handled via Mountain House resident taxation.

Mountain House residents hence end up paying high water bills (because of developer loan pledge components), high property taxes (about 2% of property value) of which 1% goes into special tax

MHCSD budget is difficult to balance because of current economy and high foreclosure rates (foreclosures cause reduction in MHCSD property tax revenue) and lack of business growth.

Hundreds of Mountain House homes are currently closed and facing foreclosures and many more in the pipeline. MHCSD Board together with resident volunteers is trying best to keep the community together during this tough financial time.

<http://www.ci.mountainhouse.ca.us/admin/upload/MHCSD%20Annual%20Audit%202009.pdf>

Green Mountain House Community

Mountain House residents love their home and enjoy their community at the foot hills of the Altamont. The wind mills in their backyards and their inclination towards installing solar panels on roof tops and their continual lookout for greener solutions in their community's infrastructure development like water treatment plants etc. clearly shows their forward thinking and support for cleaner and greener California. The residents are doing their part of responsibility in helping meet California's Solar and Green initiatives.

<http://www.arb.ca.gov/cc/ab32/ab32.htm>

The proposed Power Mariposa Power Plant is just 2.5 miles west of this Green Mountain House. Residents here are very concerned because of Mariposa Power Plant's GHG (greenhouse gas) thrown in their atmosphere so close to their elementary schools and future senior citizen community (Shea Homes- Trilogy Senior Living) which is the community's growth plan.

Mountain House Community and New Home Buyers

New home buyers will definitely get alienated because of the Mariposa Power Plant. Berkeley study shows about 3 to 7% decline in home values and rent because of close proximity to Power plants.

Details already docketed.

http://www.energy.ca.gov/sitingcases/mariposa/documents/others/2010-10-12_Effect_of_Power_Plants_on_Local_Housing_Values_Rents_TN-58732.pdf

Quick Mathematics:

Let's say:

Number of Homes in Mountain House=3000
Avg Price of Mountain House home=\$300,000
Avg Decrease in Home Price=5%

Then we have about \$15,000 value lost per home because of power plant.
For 3000 homes, Mountain House community would lose about \$45,000,000
(\$45 million loss in residential property value)

We have not even considered loss in undeveloped commercial property in our calculations which could be 100's of millions of dollar loss for Mountain House.

As mentioned earlier, MHCS D does not have a balanced budget. The community is struggling in its finance. This loss is a big deal for the Mountain House community. It is interesting to even think on how Mariposa Energy LLC will mitigate this issue.

Mountain House residents who are plagued with foreclosures are worried about this home value loss which will be triggered by Mariposa Power Plant.

San Ramon Mayor Abram Wilson Statement

Mayor Abram Wilson has also shown concern in having Power Plant so close to Mountain House community. Below is a quote from his letter to CEC

The residents of Mountain House are currently struggling with falling property values and one of Northern California's highest foreclosure rates. Prior to the foreclosure crisis, Mountain House was a blossoming town with a plan for twelve schools and a vibrant commercial corridor. Further negative pressure to property values with nearby smoke stacks and pollution would add another serious detriment to recovery

Furthermore, the specific location of the project on the border of Alameda' and San Joaquin Counties negates any tax benefit for Mountain House to offset the negative impact of such a close proximity plant. I understand the need for improvements to California's energy production capabilities and do not oppose the eventual approval of this project. I simply request that the commission denies approval until a location be found that does not jeopardize the vitality of one of our communities.

[http://www.energy.ca.gov/sitingcases/mariposa/documents/others/2010-10-26 Letter from Abram Wilson Opposing Proposed location of MEP TN-58876.pdf](http://www.energy.ca.gov/sitingcases/mariposa/documents/others/2010-10-26%20Letter%20from%20Abram%20Wilson%20Opposing%20Proposed%20location%20of%20MEP%20TN-58876.pdf)

San Joaquin County misses Air Pollution Control deadline

Mountain House comes under San Joaquin County. Today this county is facing tough challenges in controlling its pollution. Below is a quote from Nov 15 New10 article

Twenty years ago, the U.S. Environmental Protection Agency set firm ozone standard deadlines for cities and regions across the nation. The Clean Air Act of 1990 gave San Joaquin Valley until Nov. 15, 2010 to clean up its air but the area failed.

Last month, the San Joaquin Valley Air Pollution Control District voted to add an additional \$10 fee to car registrations to both penalize the automobile drivers who contribute to air pollution, and use the funds to develop better pollution control, such as buying green school buses and cleaner farm equipment.

<http://www.news10.net/news/local/story.aspx?storyid=106271>

Mariposa Energy needs to show the will to use advanced technologies to reduce GHG and not just use mitigation to buy air pollution credit here in San Joaquin County.

Any additional power plant pollution over San Joaquin will be detrimental for the county's Air Quality.

Mountain House residents signed petition to oppose Mariposa Power Plant

Mountain House residents have opposed this power plant because of the above said reasons. Hundreds of Mountain House residents who are already suffering because of

underwater mortgages and struggling to make their daily financial ends meet are getting stressed because now their kids are going to be sensory receptors to MEP air pollution.

All these residents have already petitioned their opposition to Mariposa Power Plant in large numbers.

I, Rajesh Dighe (MEP 09-AFC-03 application intervener and Mountain House resident) have talked to thousands of Mountain House residents. Here are some of the quotes from Mountain House residents which will show their concerns around Mariposa Power Plant.

“How can CEC approve power plant so close to young growing community?”

“I will have to leave my home and walk away if the Power Plant gets approved”

“This will further cripple Mountain House economically and financially”

“Mountain House will not get a chance because of Mariposa to come out of its current foreclosure crisis”

“Mariposa Power Plant will add more mental stress to already troubled home buyers”

“Power Plant so close to the Schools should not be allowed”

“In this age of Solar and Green initiatives building smoke stack power plants close to Mountain House is interesting”

“We here in Mountain House support Green but Mariposa will offset our true green efforts by throwing more pollution on top of us. Not fair”

“We hope CEC will investigate this power plant applicant carefully”

“Power plants are good but close to residential green community is unjust”

“Throwing in a gas-fired power plant to support intermittent renewable power generation (Wind and Solar) is a good idea but not so close to Mountain House please. Did they study alternate locations?”

“What kind of advanced technologies will Mariposa use to prevent pollution?”

Alternatives

- a. Carbon Capture of Mariposa emission. Applicant has failed to do detail costing for installing this system and estimating to what level it could reduce Air Quality

emissions. Getting to near zero emissions will help improve Air Quality here in California.

- b. Combined cycle engine to reduce GHG emissions in this plant can potentially be implemented to reduce yearly GHG emission by half.
- c. Applicant suggests 2 alternative sites which are also about 2.x miles close to Mountain House. Applicant has not given convincing reasons to Mountain House residents on why an alternate site further away from residential communities was not considered during alternative site research. Mountain House elected Board of Director and Intervener Mr. Jass Singh even talked about how “State of California” should start mandating power plant applicants and have proposed sites away from residential communities. Mayor Abram Wilson of San Ramon also feels strongly around not having Mariposa Power Plant close to Mountain House Community

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Below is reference to docket article from the Mayor who has opposed this power plant.

http://www.energy.ca.gov/sitingcases/mariposa/documents/others/2010-10-26_Letter_from_Abram_Wilson_Opposing_Proposed_location_of_MEP_TN-58876.pdf

- d. Peaker Power plants with no Carbon capture technology goes against AB 32 California Solar Initiative.
- e. Mountain House Community is aggressive and forward looking technologically and advocates Solar Panel installations inside the community. Mariposa applicant has not studied Solar Panel technologies and not analyzed alternatives using Solar Panels over homes and offices in San Joaquin County to reduce Peak Power usage in summer. As many homes and offices start installing Solar Panels, California Counties will start seeing lesser needs for Mariposa like Peaker Power Plants.

Note : The amount of power generated by sq ft of Solar Panels will keep on improving as Solar technology advances.

- f. It is not far when Solar Panels will potentially replace “GHG emitting Peaker Power Plants” as Solar and Energy Storage research keeps improving in the coming decade.

Summary:

Below table clearly summarizes why Mariposa Energy Project does not satisfy today’s green standards and goes against the development and vision of Mountain House Community.

No	Issue	Description
1	Sensory Receptors not correctly analyzed by applicant	Mountain House master plan has total 12 elementary schools , 1 high school and atleast one senior living community planned as a part of 40,000 residential homes in coming decades. Effects to all these sensory receptors as California starts becoming stricter to GHG emissions are not analyzed correctly.
2	Mountain House epicenter of foreclosure	<p>This sensitive community is under tremendous stress of foreclosure recovery. See CBS video: http://sanfrancisco.cbslocal.com/category/watch-listen/video-on-demand/?autoStart=true&topVideoCatNo=default&clipId=5447358&flvUri&partnerclipid</p> <p>Mariposa will further increase stress on Mountain House residents who pay highest tax amongst the neighboring cities (2%) and very high water bills because of pledge components going to initial developer – Trimark LLC.</p>
3	GHG emissions over MH homes which have Solar panels on roofs and Altamont wind mills in the backyard	Mariposa will alienate new home buyers. State of California AB32 teaches greener adoptions to residents. The power plant site being just 2.5 miles close to Mountain House will confuse California home buyers who like Mountain House’s location with Altamont wind mills in the backyard.
4	Mariposa and its effects on MHCS D budget	<p>Mountain House does not have any business tax revenue. Entire MHCS D operations are managed from Mountain House resident’s property taxes.</p> <p>MHCS D Budget available online http://www.ci.mountainhouse.ca.us/public-documents.asp?section=about_mhcsd</p> <p>Reduction in home prices and lesser home sales because of Mariposa will devastate MHCS D annual budget. MHCS D is currently struggling to balance its budget.</p>
5	Mountain House’s fresh and healthy environment will be lost because of Mariposa power plant site in its backyard	<p>The closest city to Mountain House is Tracy. Tracy city has retail, small businesses and other typical city infrastructure and revenue models.</p> <p>Interesting question comes in mind:</p> <p>Why do people show tendency to buy homes in Mountain House over Tracy?</p> <p>Here is the surprise:</p> <ol style="list-style-type: none"> 1) Excellent Elementary Schools- Ranked highest in Lammersville Unified School District ratings and slowly coming to ratings of San Ramon, Pleasanton, Palo Alto, Cupertino and even Fremont Mission. 2) Majority of the current Mountain House home buyers come from

		<p>San Francisco Bay area who work in highly skilled chip, Software Technology and advanced computing industries. They respect AB32 bill and have the heart and passion to stick with this AB32 bill by installing Solar Panels to help State of California reduce GHG emissions.</p> <p>3) Now if Mariposa Power Plant comes in Mountain House backyard, the majority of these home buyers will have no inclination to invest in home in Mountain House and pay extra tax and water bills and additionally have the Mariposa smog on their head.</p> <p>These new home buyers will be totally confused since nice clean weather which distinguishes Mountain House from Tracy would have been nullified.</p>
6	Zero emissions with no mitigation	<p>Putting tons of pollutants over Mountain House and then claiming emission mitigation is interesting. This seems a wrong concept in today's advanced world and it goes against California AB32 bill.</p> <p>My suggestion to CEC is to start thinking around mandating Power Plant applicants to use advanced Carbon Capture technologies to achieve zero emission. This will further motivate California residents in exercising their part of responsibility by installing Solar panels on roof tops.</p> <p>Mariposa has been supposedly mitigating with BAAQMD and SJ Air Quality for power plant emissions.</p>
7	Solar Panel over roofs becoming future Peaker Power Plants	<p>This idea has been around and does not need introduction.</p> <p>If required, residents of Mountain House Community will be willing to show “State of California and San Joaquin County” their courage and acceptance to AB32 bill by deploying efficient Solar Panels over their roof tops and even sell the extra Solar power to Alameda County- PG&E electric grid via Modesto Irrigation District (MID) Electric grid.</p> <p>Note: Mountain House Community gets electricity from MID grid</p> <p>As more and more San Joaquin county roof tops are installed with efficient Solar Panels dependencies on Peaker Power Plants should start vanishing in coming decades.</p> <p>Money going into construction of Mariposa like natural gas fired power plants needs to be diverted towards installing Solar Panels on San Joaquin roof tops.</p>

DO WE REALLY NEED MARIPOSA POWER PLANT HERE IN STATE OF CALIFORNIA?

Thanking you
Sincerely

Rajesh Dighe

Declaration of Rajesh Dighe

Re: Testimony on Mariposa Energy Project

I, Rajesh Dighe, declare as follows:

I prepared the attached testimony. I have been a resident and active member of the Mountain House Community for 4-1/2 years. It is my opinion that the attached testimony is true and correct. I am personally familiar with the facts and conclusions set forth within the attached testimony. If I was called as a witness, I could testify competently thereto.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct to the best of my knowledge.

Dated: Jan 07-2011



At: Mountain House, California

Rajesh Dighe

STATE OF CALIFORNIA

State Energy Resources

Conservation and Development Commission

In the Matter of: [DOCKET NUMBER 09-AFC-03]

[MARIPOSA ENERGY PROJECT] DECLARATION OF SERVICE

I, [Rajesh Dighe](#) declare that on Jan-07-2011, I served and filed copies of this document dated Jan-07-2011. The original document, filed with the Docket Unit, is accompanied by a copy of the most recent *Proof of Service* list (most recent version is located on the proceeding's web page at: <http://www.energy.ca.gov/sitingcases/mariposa/index.html>)

The document has been sent to both the other parties in this proceeding (as shown on the *Proof of Service* list) and to the Commission's Docket Unit, in the following manner:

For service to the applicant and all other parties:

sent electronically to all email addresses on the Proof of Service list;

by personal delivery or by depositing in the United States mail at [Sacramento, California](#) with first-class postage thereon fully prepaid and addressed as provided on the *Proof of Service* list above to those addresses **NOT** marked "email preferred."

AND

For filing with the Energy Commission:

sending an original paper copy and one electronic copy, mailed and emailed respectively, to the address below (preferred method);

OR

depositing in the mail an original and 12 paper copies, as follows:

CALIFORNIA ENERGY COMMISSION

Attn: Docket No. [\[09-AFC-03\]](#)

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docket@energy.state.ca.us

I declare under penalty of perjury that the foregoing is true and correct.

Rajesh Dighe

Jan-07-2011

