June 1, 2009

Eileen Allen
California Energy Commission
1516 Ninth St, MS-29
Sacramento, CA 95814-5512

RE: Bottle Rock Power Binkley leasehold expansion project

Dear Ms. Allen,

The County of Lake Community Development Department has reviewed the proposed Bottle Rock Power (BRP) expansion use permit application (UP 09-01) to develop an additional steamfield composed of two (2) drill pads, up to 24 geothermal wells, and associated steam pipelines, reinjection lines, and access roads. The Department is aware that, as part of this expansion, BRP will be required to modify their power plant certification with the California Energy Commission (CEC) as they are currently permitted only up to 20 megawatts, even though the plant was designed for 55 megawatts.

BRP has met with County and Air District staff to explore the possibility of combining the environmental review process under the CEC’s approved regulatory program. It is the Community Development Department’s understanding that the CEC has agreed to serve as lead agency in this capacity to review the power plant and steamfield development. It is also our understanding the Bureau of Land Management (BLM) has agreed to a joint CEQA/NEPA document.

In reviewing the proposed project, the Community Development Department finds that nearly all of the physical development proposed for this project will involve the steamfield development, which is proposed to be located approximately one (1) mile from the existing power plant. Further, the power plant was originally constructed for 55 megawatt capacity, so the recertification with the CEC will likely not involve substantial physical alterations to the plant facilities.

Due to the fact that the expansion will primarily involve physical alterations within the jurisdiction of the County, the highly controversial nature of this project, and the outstanding compliance issues existing on the proposed expansion site, that could complicate the environmental review process, the County is not willing to relinquish lead agency status under CEQA to prepare an EIR for the use permit and rezone for the project. Additionally, the County is concerned with setting precedence with regard to steamfield expansion applications, since the County has traditionally maintained lead agency status for the review and processing of these applications. There is additional concern that it may be difficult for the Lake County Planning...
BRP Steamfield Expansion

Commission to approve a use permit for the steamfield expansion without a detailed EIR that focuses primarily on the environmental issues of the steamfield development.

In the interest of creating as streamlined and cost effective a process as possible, the County, as lead agency, proposes to work closely with the CEC and BLM to prepare a comprehensive joint EIR/EA that will address all agencies interests and concerns. It would seem that a meeting among the primary agencies involved, along with the applicant, might best allow us to develop a detailed outline of the process and insure that the document will be fully inclusive of each agencies needs, and processed in a timely manner.

Feel free to contact me with any questions or concerns at (707) 263-2221. Community Development Department staff will be contacting you in the near future to set up a meeting to further discuss this project.

Sincerely,

Richard Coel
Community Development Director

C: Rich Estabrook, BLM, Ukiah Field Office, 2550 N. State St, Ukiah, CA 95482
Doug Gearhart, LCAQMD
Guy Childs, CVRWQCB, 11020 Sun Center Dr, #200, Rancho Cordova, CA 95670
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Brian Harms, Bottle Rock Power, PO Box 326, Cobb, CA 95426
Friends of Cobb Mountain, 255 Ursuline Rd, Santa Rosa, CA 95403
High Valley Road Preservation Committee, PO Box 332, Cobb, CA 95426