



California Energy Commission

DOCKETED
79-AFC-04C

TN # 68986

DEC. 28 2012

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December 28, 2012

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VIA EMAIL

The Honorable Karen Douglas, Presiding Member
The Honorable Robert B. Weisenmiller, Associate Member
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

Re: Bottle Rock Geothermal Power Plant (79-AFC-04C)
Docket No. 12-CAI-04; Coleman Complaint Proceeding

Dear Commissioners:

On behalf of project owner Bottle Rock Power, LLC, please find for docketing in the above-referenced matter two (2) documents that are relevant to Bottle Rock Power Plant ("BRPP") and of interest to the current complaint proceeding.

The first document (Attachment 1) is an agreement between three parties: Settlement Agreement and Release of Claims between State of California by and through the Department of Water Resources, V.V. & J. Coleman, LLC, and Bottle Rock Power, LLC ("Settlement Agreement"). This Settlement Agreement has been disseminated previously, but we provide it here to ensure all parties to the complaint proceeding have a copy.

The second document (Attachment 2) is a redacted version of a revised lease agreement between the land owner, V.V. & J. Coleman, LLC, and Bottle Rock Power, LLC. The revised lease is a confidential document that has not been recorded and the parties to the lease made covenants to each other to maintain the confidentiality of the agreement. The property owner has agreed to making public a redacted version of this revised lease.

These documents provide information relevant to the above-referenced complaint and include the terms the parties agreed to related to decommissioning obligations at BRPP and are being provided to the parties of this proceeding in advance of Bottle Rock Power, LLC's Direct Testimony. However, the documents will be categorized as exhibits to the Direct Testimony that will be docketed and served on or before January 4, 2013.



The Honorable Karen Douglas, Presiding Member
December 28, 2012
Page 2

Should you have any questions regarding these documents, please do not hesitate to contact Kristen Castaños or me directly.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kristen Castaños".

Kristen Castaños for John A. McKinsey

JAM:jmw
Attachments
cc: Proof of Service List

ATTACHMENT 1
SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS
(DATED AUGUST 16, 2012)

SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS

1. This SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS ("Agreement") is made by and among the STATE OF CALIFORNIA by and through the DEPARTMENT OF WATER RESOURCES (the "State" or "DWR"), V. V. & J. COLEMAN, LLC ("Coleman"), and BOTTLE ROCK POWER, LLC ("Bottle Rock").
2. Coleman, DWR, and Bottle Rock are sometimes collectively referred to as the "Parties" and each of the parties is sometimes referred to as a "Party." The Parties hereby agree as follows:

Recitals

3. Coleman is the owner of certain real property in Lake County, State of California, (the "Coleman Property"), described in the attached Exhibit A. Bottle Rock owns and operates the facilities ("Facilities") located on the Coleman Property for which Bottle Rock is the present lessee under the February 25, 1975, GEOTHERMAL LEASE AGREEMENT, as amended ("Lease"). DWR is a former owner of the Facilities and lessee under the said Lease.
4. Pursuant to that certain Purchase Agreement for Bottle Rock Power Plant and Assignment of Geothermal Steam Lease by and between DWR and Bottle Rock (as successor-in-interest to Bottle Rock Power Corporation), dated as of April 5, 2001, as amended ("Purchase Agreement"), DWR sold and Bottle Rock purchased DWR's rights and interests in and to the Facilities and the Lease.
5. Coleman hereby represents that it is the sole owner of the subject Coleman Property.

Release

6. Release of Coleman Claims. This Agreement is entered into voluntarily to settle any actual or potential claims and risks, whether known or unknown, Coleman has or may have against DWR or the State. In exchange for consideration by Bottle Rock this Agreement is accepted as full compromise, settlement and satisfaction of, and as sole consideration for the release and discharge of, all actions, claims and demands against DWR or the State which Coleman has or may have relating to the February 25, 1975, GEOTHERMAL LEASE AGREEMENT, including Section 16, as well

as any other claim or demand, known or unknown, present or in the future, related to the Lease or Facilities or any other documents relating to the property described in Exhibit A.

7. Discharge. Coleman and each of its owners, for themselves and on behalf of their successors, assigns, shareholders, members, parent entities, subsidiary entities, agents, directors, managers, officers and representatives, hereby release, acquit and forever discharge DWR and the State of and from any and all manner of actions, causes of actions, suits, debts, conveyances, agreements, damages, claims, liabilities, costs, expenses, demands, attorneys' fees and obligations of whatever nature, whether at law or in equity, whether based in tort, contract, or any other theory of recovery, known or unknown, anticipated or unanticipated, and however arising or accruing, which Coleman now has or may claim to have against DWR and/or the State, and which shall or may have accrued prior to the date of this Agreement related to the Lease or Facilities or any other documents relating to the property described in Exhibit A.
8. Release of Bottle Rock Section 2.4 Bond Obligations. In consideration of Coleman's release of DWR as set forth in Sections 6 and 7, DWR hereby releases Bottle Rock of its obligations regarding that certain Surety Bond No. 1039706, dated February 15, 2012 ("Surety Bond"), and in conjunction with its execution of this Agreement DWR shall (i) execute that certain release letter attached hereto as Exhibit B ("Release Letter") and (ii) send to LEXON Insurance Company, 256 Jackson Meadows Drive, Suite 201, Hermitage, TN 37076, (A) one (1) executed original of the Release Letter and (B) the original Surety Bond. As of the date hereof, DWR is aware of no claims DWR has or may have against the Surety Bond or otherwise arising under Section 2.4 of the Purchase Agreement.
9. Indemnity. Coleman agrees to indemnify, hold harmless, and defend the other Parties hereto from and against any and all actions, causes of action, liabilities, loss or expense (including attorneys' fees) reasonably incurred in the future by them, or any of them by reason of any inaccuracy in Coleman's representation that it is the owner of the Property on which the Facilities are located and that no other person is entitled to an interest in any claim or interest.
10. Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision(s) shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.
11. Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Neither this Agreement nor any of the rights or obligations hereunder may

be assigned without the prior written consent of the other Parties except that Coleman may assign all of its respective rights and obligations under this Agreement to any successor(s) in interest to the fee title of the Property.

12. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to its conflict of laws provisions.
13. General Release. Each Party hereby waives any and all rights or benefits that it may have under Section 1542 of the California Civil Code, which reads as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.”
14. Jurisdiction and Venue. The Parties hereby consent to the exclusive jurisdiction of the state courts sitting in California in the venue of Sacramento County in any action on a claim arising out of, under or in connection with this Agreement or the transactions contemplated by this Agreement.
15. Entire Agreement. This Agreement along with the exhibits attached hereto and the agreements referenced herein constitute the entire agreement of the parties hereto with reference to the subject matter hereof and supersedes any and all agreements, either oral or written, between the parties hereto with respect to its subject matter. Each Party acknowledges that no representation, inducements, promises, or agreements, orally or otherwise, have been made by any party or anyone acting on behalf of any party, which is not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.
16. Amendment and Waivers. This Agreement may be amended only by a written agreement executed by all Parties. Any amendment effected in accordance with this section will be binding upon all Parties and each of their respective successors and assigns. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. No waiver granted under this Agreement as to any one provision herein shall constitute a subsequent waiver of such provision or of any other provision herein, nor shall it constitute the waiver of any performance other than the actual performance specifically waived.

17. Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any person, other than the Parties and their successors and permitted assigns, any rights or remedies under or by reason of this Agreement.
18. Costs and Attorneys' Fees. In the event that any action, suit or other proceeding is instituted concerning or arising out of this Agreement or any transaction contemplated hereunder, the prevailing Party shall recover all of such party's costs and attorneys' fees incurred in each such action, suit or other proceeding, including any and all appeals or petitions there from.
19. Authority to Enter into Agreements. Each Party hereby represents and warrants to the other Parties that such Party has full power and authority to enter into the Agreement and all other documents and agreements to be executed and delivered in connection herewith, to execute and deliver this Agreement and to perform and observe its terms and provisions. This Agreement is subject to final approval by the California Department of General Services.
20. Authority of Persons Executing Documents. Each Party hereby represents and warrants to the other Parties that this Agreement has been executed and delivered by persons who are duly authorized to execute and deliver the same for and on behalf of such Party.

[Remainder of page intentionally left blank]

THE PARTIES have executed this Agreement by their respective authorized representatives and made effective as of the date last written below.

V. V. & J. COLEMAN, LLC



Robert Francisco,
President and CEO

7/27/12

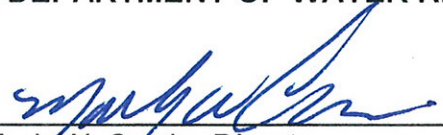
Date

BOTTLE ROCK POWER, LLC

Brian Harms, President

Date

**STATE OF CALIFORNIA by and through the
DEPARTMENT OF WATER RESOURCES**



Mark W. Cowin, Director

8/14/2012

Date


THE PARTIES have executed this Agreement by their respective authorized representatives and made effective as of the date last written below.

V. V. & J. COLEMAN, LLC

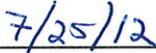
Robert Francisco,
President and CEO

Date

BOTTLE ROCK POWER, LLC



Brian Harms, President



Date

**STATE OF CALIFORNIA by and through the
DEPARTMENT OF WATER RESOURCES**

Mark W. Cowin, Director

Date

Exhibit A

Legal Description of the Coleman Property

Township 11 North, Range 8 West, M.D.M.

Parcel 1:

Section 5: Lots 5, 6, 9 and 10 of said section.

Parcel 2:

Section 6: Lot 10 of said section; EXCEPTING THEREFROM the following:

Beginning at the Southwest corner of Lot 10 and running
North 608.6 feet; thence East 715 feet; thence South 608.6 feet; and thence
westerly 715 feet to the place of beginning.

Parcel 3:

Section 5: N $\frac{1}{2}$ of SW $\frac{1}{4}$ of said section 5.

Section 6: N $\frac{1}{2}$ of SE $\frac{1}{4}$ of said section 6.

Containing a total of 350 acres, more or less.

ATTACHMENT 2
AMENDED AND RESTATED GEOTHERMAL LEASE AND AGREEMENT
(DATED JULY 25, 2012)

AMENDED AND RESTATED GEOTHERMAL LEASE AND AGREEMENT

THIS AMENDED AND RESTATED GEOTHERMAL LEASE AND AGREEMENT (hereinafter the “**Lease**”) is made and entered into as of the 25th day of July, 2012, by and between V. V. & J. Coleman, LLC, a California limited liability company, having its principal office at 6112 Doubloon Court, Elk Grove, CA 95758, hereinafter called the “**Lessor**”, and Bottle Rock Power, LLC, a Delaware limited liability company, having its principal office at 7385 High Valley Road, Cobb, CA 95426, hereinafter called the “**Lessee**”.

WHEREAS, Lessor is the owner of the lands described in Exhibit A attached hereto and made a part hereof, containing three hundred fifty (350) acres, more or less (hereinafter collectively referred to as “**Lands**”) situated in Lake County, State of California;

WHEREAS, Lessee is the successor-in-interest to persons and entities who have developed the Lands for the production of geothermal resources, which resources are used by the Bottle Rock Power Plant (the “**Project**”) to generate electricity;

WHEREAS, Lessor, as successor-in-interest, and Lessee, as successor-in-interest, are parties to that certain Geothermal Lease and Agreement dated February 25, 1975 (as amended, the “**Original Lease**”); and

WHEREAS, Lessor and Lessee desire now to amend and restate the Original Lease, on the terms and conditions set forth herein.

NOW, THEREFORE, witnesseth that:

A. Grant of Lease and Rights.

FOR AND IN CONSIDERATION of the sum of Ten Dollars (\$10.00) paid to the Lessor by the Lessee and other good and valuable considerations, receipt and sufficiency of which is hereby acknowledged by the parties, and in consideration of the covenants and agreements by the Lessee hereinafter contained to be kept and performed by it, Lessor has GRANTED, LEASED, LET AND DEMISED and by these presents does grant, lease, let and demise to Lessee, its successors and assigns upon and subject to the terms hereinafter set forth, the Lands as described, with the sole and exclusive right to the Lessee:

(a) To explore, drill for, produce, extract, take, treat, refine, convert or otherwise process, store upon, and remove from the Lands, and to appropriate and/or sell for its sole account and risk, all minerals, chemical elements and compounds, whether in solid, liquid, or gaseous form, all steam and other forms of thermal energy, and all gases other than those specifically excepted below, emanating from the lands (all of the said minerals, etc., produced from the Lands being hereinafter collectively referred to as “**Substances**”), and to use the Substances to generate electric energy for use or sale at its sole account and risk; and

(b) to do upon any portions of the Lands all things necessary or appropriate in its sole bona fide judgment to exercise fully and efficiently all of the rights granted by the foregoing item (a) under this section (hereinafter referred to collectively as the

“Objectives”), including but not limited to the storing and use of materials, the installation, construction, maintenance, operation, (and repair, removal, and replacement, as the case may be, where the same have been placed on the Lands by the Lessee) of all buildings, power and other plants (including, without limitation, the Project), refineries and other treatment and processing, facilities, structures, machinery, tools, equipment, fixtures, tanks, pipe lines, booster plants, pumping stations, roads, trackage and other means of transportation for both materials and personnel, communication, power and water systems, and other like and unlike facilities including sump and other ponds, of whatever nature deemed appropriate by the Lessee to the accomplishment of the Objectives. The foregoing specific enumeration shall in no way be regarded as a limitation upon or as a reduction of the general rights included within the Objectives.

TOGETHER WITH A RIGHT OF WAY ENTRY into and upon, transit through and across, and egress from the Lands for all men and material engaged in accomplishment of the Objectives, and any like activities by or for the Lessee on property in the vicinity of the lands, and for all products of a like nature as Substances produced by or for Lessee from lands in the vicinity of the lands.

B. Terms and Conditions

1. Lease Term and Rentals.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

2. **Acreage.** For the purpose of calculating all payments hereunder, the Lands shall be considered to comprise 350 acres whether more or less in fact.

3. **Royalties.**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

4. **Payment of Royalties; Reports; Verification.**

[REDACTED]

5. **Payment.**

[REDACTED]

6. **Lessee's Use of Production for Its Operation.**

[REDACTED]

7. **Uneconomic Substances.**

[REDACTED]

8. **Security; Damages Resulting From Lessee's Operations.**

[REDACTED]

9. **Title Warranty.** Lessor hereby grants and agrees to defend title to the Lands except for rights of way and easements of record, and further agrees that Lessee at his option may pay and discharge any delinquent taxes, mortgages, trust deeds or other delinquent liens or encumbrances existing, levied or assessed on or against the said Lands; and, in the event Lessee shall exercise such option Lessee shall be subrogated to the rights of any holder or holders thereof and shall have the right, in addition to other remedies provided by law or equity, to reimburse himself by applying to the discharge of any such mortgage, tax or other lien or encumbrance any and all payments accruing to Lessor hereunder.

10. **Lesser Interest.**

[REDACTED]

11. **Taxes.**

[REDACTED]

12. **Operations.**

(a) Lessee will comply with all laws and regulations applicable to its operations hereunder including but not limited to requirements for workmen's compensation insurance as required by the law of the State of California and all applicable environmental regulations.

[REDACTED]

[REDACTED]

[REDACTED]

13. **Force Majeure.** [REDACTED]

14. **Surrenders.** [INTENTIONALLY OMITTED]

15. **Breach of Agreement by Lessee.** [REDACTED]

16. **Removal of Lessee's Property; Decommissioning; Put Option.**

(a) Lessee may at any time during the term of this Lease remove all or any of the property and fixtures placed by it in or upon the Lands, including the right to draw and remove all casing.

(b) Following (i) termination of this Lease for any cause or (ii) the dissolution or election to dissolve of Lessee, Lessor and Lessee shall enter into a binding agreement for the decommissioning of the Project generally in accordance with the scope attached hereto as Exhibit B. Such decommissioning shall be at Lessee's sole cost and expense; provided, that Lessor may, in its sole discretion, release Lessee from all or any part of Lessee's obligations to perform and/or pay for such decommissioning. Lessee may not assign its obligation to decommission the Project without the prior written consent of Lessor, which consent will be granted in Lessor's sole discretion.

(c) Following termination of this Lease for any cause, Lessor may require Lessee to purchase all of Lessor's right, title and interest in and to the surface of the Lands for the sum of [REDACTED] ("**Put Option**"). Unless agreed otherwise by the parties, in the event of Lessor's exercise of the Put Option, Lessor shall retain all right, title and interest in and to the Substances.

17. **Assignment.**

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

18. **Notices.**

[Redacted]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

19. **Entirety Clause.**

[REDACTED]

20. **Severability.**

21. **Binding Effect.**

22. **Attorneys' Fees.**

23. **Entire Agreement.**

24. **Amendments.**

25. **Governing Law.** This Lease shall be governed by, construed and enforced in accordance with the laws of the State of California, without regard to principles of conflicts of law.

26. **Authorization.**

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date hereinabove first written.

LESSOR:

V. V. & J. Coleman, LLC

By: _____

Name: Robert Francisco

Title: President and CEO

LESSEE:

Bottle Rock Power, LLC

By: Brian Harms

Name: Brian Harms

Title: President

CALIFORNIA ALL-PURPOSE
CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of LAKE

On July 25, 2012 before me, Thanh Huynh, Notary Public, personally appeared

BRIAN HARMS, who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity~~(ies)~~, and that by his/~~her~~/their signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the document.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Thanh Huynh

Signature of Notary Public

(Notary Seal)

ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

Amended and Restated Geothermal Lease and Agreement

(Title or description of the attached document)

Number of Pages 12 Document Date 7/25/12

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

- Individual
- Corporate Officer
- Partner(s)
- Attorney-in-Fact
- Trustee(s)
- Other President

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date hereinabove first written.

LESSOR:

V. V. & J. Coleman, LLC

By: Robert Francisco

Name: Robert Francisco 7-25-2012

Title: President and CEO

LESSEE:

Bottle Rock Power, LLC

By: _____

Name: Brian Harms

Title: President

CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Sacramento

On July 25, 2012 before me, Robin Ballou, Notary Public,
personally appeared Robert Francisco

_____, who proved to me on the basis of satisfactory evidence to be the
person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that
he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~
signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument.

I certify under PENALTY of PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Robin Ballou (Seal)



EXHIBIT A
DESCRIPTION OF THE LANDS

Township 11 North, Range 8 West, M.D.M.

Parcel 1:

Section 5: Lots 5, 6, 9 and 10 of said section.

Parcel 2:

Section 6: Lot 10 of said section; EXCEPTING THEREFROM the following:

Beginning at the Southwest corner of Lot 10 and running
North 608.6 feet; thence East 715 feet; thence South 608.6 feet; and thence
westerly 715 feet to the place of beginning.

Parcel 3:

Section 5: N $\frac{1}{2}$ of SW $\frac{1}{4}$ of said section 5.

Section 6: N $\frac{1}{2}$ of SE $\frac{1}{4}$ of said section 6.

Containing a total of 350 acres, more or less.

EXHIBIT B
DECOMMISSIONING SCOPE

[See attached]

| Item | Sub Item | Detail | Element | Action | Comment |
|------|----------|--------|---|--|--|
| 1 | | | Power Plant Environs | General Restoration of Property to Natural State except Turbine building and Standby Generator building. Parking in front of turbine building and road along fence to standby generator building remain. | All areas to be de-contaminated – including solvents, sulfur products and by products, chemicals, lubricants, heavy metals |
| | 1.1 | | Turbine Building | De-Risk of Turbine Building | Building conveyed to Lessor |
| | | 1.1.1 | Turbine Generator Set | Remove Turbine Generator Set and associated supports structure(s) | Net Salvage Value Retained by Lessor until Restoration complete |
| | | 1.1.2 | Electric Equipment | Remove Electrical Equipment, banks, switches, motors | Net Salvage Value Retained by Lessor until Restoration complete |
| | | 1.1.3 | Electric Wiring | Remove Electric Wiring and conduit associated with power station equipment. Repair or restore if necessary all building electric service – lights, security, electrical power outlets. | Net Salvage Value Retained by Lessor until Restoration complete |
| | | 1.1.4 | Misc. Equipment | Remove all Misc Equipment | |
| | | 1.1.5 | Pipe and pipe structures | Remove all Pipe and pipe support structures | |
| | | 1.1.6 | Office Space | Remove all desks, benches, equipment, Restore or replace all window coverings, floor coverings and wall coverings, and personal hygiene facilities. | Internal office space to be restored to usable condition, decontaminated |
| | | 1.1.7 | Floors – non Office Space | Clean, degrease, resurface if necessary all flooring throughout Building(s) | |
| | | 1.1.8 | Doors, egress points | Restore or replace all moveable doors and install single key entry locks. Plug all exterior egress points (pipe, electric conduit etc. pass through holes) throughout Turbine building with architecturally appropriate material to match building interior or exterior as the case may be | |
| | | 1.1.9 | Other restoration and security actions as necessary | Install fencing closely surrounding turbine building | |
| | | 1.1.10 | Decontaminate and degrease all surfaces | | |
| | | 1.1.11 | Power supply | Install low voltage power supply to Turbine Building and Standby Generator building | |
| | 1.2 | | Cooling Tower and surrounds | Demolish and secure location | |
| | | 1.2.1 | Cooling Tower | Demolition and removal of all above ground facilities, including piping, wiring and equipment | |
| | | 1.2.2 | Cooling Tower Foundation | Fill all subterranean structures with material, and seal with concrete, level with surroundings | |
| | | 1.2.3 | Decontaminate all remaining surfaces, secure ground water seepage | | |
| | 1.3 | | Stretford System | Demolish and secure location, restore to natural state | |
| | | 1.3.1 | Stretford System yard | Demolition and removal of all above ground facilities, | |
| | | 1.3.2 | Associated Buildings | Demolition and removal of all above ground facilities, | |
| | | 1.3.3 | Foundations - | Demolish foundations – remove material or use for Cooling Tower subterranean fill. Restore foundation areas to natural state with top soil and minimal re-vegetation | |
| | | 1.3.4 | Decontaminate all remaining surfaces, secure ground water seepage | | |
| | 1.4 | | Switch Yard | Demolish and Secure Location | |

| | | | | |
|------|-------|--|--|--|
| | 1.4.1 | Electrical Equipment | Remove Electrical Equipment, Transformer banks, switches, Breakers | Net Salvage Value Retained by Lessor until Restoration complete |
| | 1.4.2 | Wire | Pull all wire for salvage | Net Salvage Value Retained by Lessor until Restoration complete |
| | 1.4.3 | Conduit / Bus works | Remove all structures, Remove or seal all conduit | |
| | 1.4.4 | Foundations - Gravel | Demolish foundations – remove material or use for Cooling Tower subterranean fill. Decontaminate soil substructure - oil, PCB's etc. Restore foundation areas to natural state with top soil and minimal re-vegetation | |
| | 1.4.5 | Fencing | Remove all fencing and post foundations, restore to natural state | |
| 1.5 | | Out buildings - not standby Generator Building | Demolish and secure location, restore to natural state | |
| | 1.5.1 | Out buildings | Demolition and removal of all above ground facilities, | |
| | 1.5.2 | Foundations | Demolish foundations – remove material or use for Cooling Tower subterranean fill. Restore foundation areas to natural state with top soil and minimal re-vegetation. All subterranean spaces other than directly under turbine building shall be collapsed and filled. | |
| 1.6 | | Standby generator building | | |
| | 1.6.1 | Building | Repair or Restore building, doors and internal environs suitable for operating Standby Generator | |
| | 1.6.2 | Diesel Generator set | Repair or restore diesel generator set if economical when compared to replacing the unit | |
| 1.7 | | Perimeter Roads and laydown areas | Demolish and secure locations, restore to natural state. Demolition and removal of all above ground facilities, demolish foundations– remove material or use for Cooling Tower subterranean fill. Restore foundation areas to natural state with top soil and minimal re-vegetation. Retain and resurface perimeter road from parking area to Standby Generator building. | |
| 1.8 | | Perimeter fencing | Repair all perimeter fencing and post foundations, stabilize all slopes surrounding perimeter | |
| 1.9 | | Perimeter Lighting | Repair all perimeter lighting and foundations | |
| 1.10 | | Parking areas | Restore main entrance parking areas with new asphalt and striping. Erect barriers to former road or transit routes | |
| 1.11 | | Other Facilities | General Restoration of Property | All areas to be de-contaminated – including solvents, sulfur products and by products, chemicals, lubricants, heavy metals |
| 2 | | Well Pads | General Restoration of Property | All areas to be de-contaminated – including solvents, sulfur products and by products, chemicals, lubricants, heavy metals |
| 2.1 | | Well locations | Each abandoned well site, Remove valve works, and pipe works, Plug all wells, Secure area | |
| 2.2 | | Steam Pipe and condensate lines etc. | Remove all pipe, condensate lines, and communication equipment etc. | |
| 2.3 | | Misc. Structures | Remove all Misc. Structures, including fencing, signs, storage buildings, laydown areas | |
| 2.4 | | Well Pads | Grade, and restore area to natural state by adding topsoil | |

| | | | | | |
|---|-----|-------|--|---|---|
| 3 | | | Steam Pipe and condensate lines etc. | General Restoration of Property | All areas to be de-contaminated – including solvents, sulfur products and by products, chemicals, lubricants, heavy metals |
| | 3.1 | | Steam Pipe | Remove all Pipe, foundations and support structures | |
| | 3.2 | | Condensate lines, communication lines, other | Remove all conduits, foundations and support structures | |
| | 3.3 | | Steam pipe routes | Restore to natural state by grading, or small tool shaping steam pipe routes or other conduit routes. | |
| 4 | | | Operation and Maintenance Buildings | | |
| | 4.1 | | Steam Field Building | Demolition and removal of all above ground facilities, | |
| | | 4.1.1 | Foundations | Demolish foundations – remove material or use for Cooling Tower subterranean fill. Restore foundation areas to natural state with top soil and minimal re-vegetation | |
| | | 4.1.2 | Fencing | Remove all perimeter fencing and post foundations, restore area to natural state | |
| | | 4.1.3 | Laydown Areas | Remove all equipment, pipe, tools, parts and material, Grade, and restore area to natural state by adding top soil and minimal re-vegetation | |
| | 4.2 | | Other Structures | Remove all above ground structures and restore area to natural state | |
| 5 | | | Roads, trails, parking areas, pull outs and any other disturbed land | Except for selected routes to be identified, generally remove all debris, grade and or till / soften road bed, rutts and restore to natural state, add top soil and minimal re-vegetation where necessary. Resurface all retained roads | |
| 6 | | | Water Retention areas | General Restoration of Property. Remove all earthen dams, barriers, ditches and any structures altering the flow of water from a natural path - Except where Oak Trees are threatened by new or anticipated water flows due to prior improvements | |
| 7 | | | Perimeter Fencing, gates | Repair or Restore all perimeter fencing and gates. Secure outside access to all unused or restored roads | |
| 8 | | | All other Disturbed areas not otherwise specifically mentioned above | General Restoration of Property to Natual State except Turbine building and Stand-by Generator building and selected Roads and Trails. | This catch all category describes the general expectation of the decommissioning effort. All areas to be de-contaminated – including solvents, sulfur products and by products, chemicals, lubricants, heavy metals and restored to their natural state, grading / tilling and adding top soil and minimal re-vegetation where necessary. |
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**BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT
COMMISSION OF THE STATE OF CALIFORNIA
1516 NINTH STREET, SACRAMENTO, CA 95814
1-800-822-6228 – WWW.ENERGY.CA.GOV**

**IN THE MATTER OF THE
COMPLAINT AGAINST THE
BOTTLE ROCK GEOTHERMAL POWER PLANT**

**Docket No. 12-CAI-04
PROOF OF SERVICE
(12/21/2012)**

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CONVENIENCE ONLY):**

*After docketing, the Docket Unit will provide a copy to the persons listed below. **Do not** send copies of documents to these persons unless specifically directed to do so.*

- KAREN DOUGLAS
Commissioner and Presiding Member
- ROBERT B. WEISENMILLER
Chair and Associate Member
- Galen Lemei
Adviser to Presiding Member
- Jennifer Nelson
Adviser to Presiding Member
- Sekita Grant
Adviser to Associate Member
- Eileen Allen
Commissioners' Technical
Adviser for Facility Siting
- Paul Kramer
Chief Hearing Adviser
- Camille Remy-Obad
Compliance Project Manager
- Kevin W. Bell
Staff Counsel

*indicates change

DECLARATION OF SERVICE

I, Kimberly J. Hellwig, declare that on December 28, 2012, I served and filed copies of the attached **CORRESPONDENCE AND ATTACHMENTS 1 (SETTLEMENT AGREEMENT) AND 2 (LEASE AGREEMENT)**.

This document is accompanied by the most recent Proof of Service list, which I copied from the web page for this project at: <http://www.energy.ca.gov/sitingcases/bottlerock/documents/index.html#cai-04>.

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

(Check one)

For service to all other parties and filing with the Docket Unit at the Energy Commission:

I e-mailed the document to all e-mail addresses on the Service List above ~~and personally delivered it or deposited it in the US mail with first class postage to those parties noted above as "hard copy required";~~ **OR**

Instead of e-mailing the document, I personally delivered it or deposited it in the US mail with first class postage to all of the persons on the Service List for whom a mailing address is given.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am over the age of 18 years.

Dated: December 28, 2012

//ORIGINAL SIGNED\\

Kimberly J. Hellwig