

<b>DOCKETED</b>	
<b>Docket Number:</b>	86-AFC-01C
<b>Project Title:</b>	Compliance - Application for Certification for the (ACE) Argus Cogeneration Expansion AFC
<b>TN #:</b>	224028
<b>Document Title:</b>	Searles Valley Minerals' Letter Regarding Argus Cogeneration Expansion
<b>Description:</b>	N/A
<b>Filer:</b>	Patty Paul
<b>Organization:</b>	Searles Valley Minerals
<b>Submitter Role:</b>	Public
<b>Submission Date:</b>	7/2/2018 8:36:14 AM
<b>Docketed Date:</b>	6/28/2018



## Searles Valley Minerals

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June 22, 2018

California Energy Commission  
Dockets Unit, MS-4  
Docket No. 86-AFC-1C  
1516 Ninth Street  
Sacramento, CA 95814-5512

Sent registered mail, return receipt requested

Re: Argus Cogeneration Expansion

Dear Sir or Madam:

We refer to a petition filed on June 19, 2018 by ACE Cogeneration Company, LP, the owner of the Argus Cogeneration Expansion ("ACE") project, to remove all remaining open conditions related to the decommissioning of the ACE project and to terminate the jurisdiction of the California Energy Commission over the ACE project.

Searles Valley Minerals Inc. ("SVM") owns the adjacent property and it operates plants next to the ACE project. SVM also owns the real property on which the ACE project (excluding the ACE ash landfill property) sits and leases that property to ACE Cogeneration Company pursuant to a Ground Lease dated April 22, 1988. The Ground Lease terminates on December 31, 2045.

The ACE Project Petition for Termination recites that SV Industrial Services, the new owner of ACE Cogeneration Company, wants to demolish certain structures (boiler, air bag structure and stack) and retain the turbine/generator building for industrial reuse. It further states that this "will allow reuse of a disturbed industrial site and facilities providing jobs and economic development benefits to Trona and San Bernardino County."

SVM does want to correct what may be or could be a misunderstanding about the future use of the ACE project site leased from SVM. The Ground Lease specifically limits the use of the leased property to the construction, operation, and maintenance of a **power generating facility**. The Ground Lease does not permit the use of the leased property for any other industrial use.

Very truly yours,

Searles Valley Minerals Inc.

  
By: Roland Buchs

Title: Director, Strategic Investment