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NOTICE OF RECEIPT

APPLICATIONS FOR CERTIFICATION

MORTON BAY GEOTHERMAL PROJECT (23-AFC-01) ELMORE NORTH GEOTHERMAL PROJECT (23-AFC-02) BLACK ROCK GEOTHERMAL PROJECT (23-AFC-03)

On April 18, 2023, BHE Renewables, LLC (BHER) (applicant), filed three Applications for Certification (AFCs) with the California Energy Commission (CEC) to construct and operate the Morton Bay Geothermal Project (MBGP), the Elmore North Geothermal Project (ENGP), and the Black Rock Geothermal Project (BRGP) in unincorporated Imperial County at the Salton Sea Known Geothermal Resource Area. The town of Niland lies to the northeast of all three projects, roughly four miles from MBGP, six miles from ENGP, and eight miles from BRGP. The town of Calipatria lies to the southeast of the projects, approximately six miles from all three projects.

The proposed MBGP electricity generating facility would be on a 63-acre portion of a 160-acre parcel (Assessor's Parcel Number 020-100-007). The parcel is bounded by McDonald Road to the north, Davis Road to the east, Schrimpf Road to the south, and the Salton Sea to the immediate west. The MBGP would provide electricity via a new 3.2-mile transmission line (Preferred Route) to deliver power to a new Imperial Irrigation District (IID) switching station to be constructed near the intersection of Garst Road and West Sinclair Road. The facility would have a maximum continuous rating of roughly 157 megawatts (MW) gross output, with an expected net output of roughly 140 MW.

The proposed ENGP electricity generating facility would be on a 63-acre portion of a 160-acre parcel (Assessor's Parcel Number 020-100-038). The parcel is bounded by an unnamed dirt road to the north, Cox Road to the west, Garst Road to the east, and West Sinclair Road to the south. The ENGP would provide electricity via a new 0.5-mile transmission line to deliver power to the new Imperial Irrigation District switching station to be built adjacent to the ENGP site. The facility would have a maximum continuous rating of roughly 157 MW gross output, with an expected net output of roughly 140 MW.

The proposed BRGP electricity generating facility would be on a 55-acre portion of a 160-acre parcel (Assessor's Parcel Number 020-110-008). The parcel is bounded by McKendry Road to the north, Severe Road to the west, and Boyle Road to the east. The BRGP would provide electricity via a new 2.2-mile

transmission line to deliver power to the new Imperial Irrigation District switching station to be built adjacent to the ENGP site. The facility would have a maximum continuous rating of roughly 87 MW gross output, with an expected net output of roughly 77 MW.

All three projects would be on or intersect lands with agriculture and rural zoning designations, supporting the development of geothermal power production facilities. If approved, the projects would require approximately 29 months to construct.

Project Descriptions

Project elements common to each of the three proposed projects, MBGP, ENGP, and BRGP, include, as follows:

- One steam turbine generator system consisting of a condensing turbine generator set with three steam entry pressures
- Geothermal fluid processing systems, including steam separation vessels, pipelines and tanks
- Class II surface impoundment (brine pond) sized to receive aerated process fluid, geothermal fluid from unplanned overflow events, and geothermal fluid from the partial draining of clarifiers during maintenance events
- A solids handling system to separate nonhazardous solids from the geothermal power process to be disposed of offsite at the applicant-owned and operated monofill facility
- Power distribution center (or control building) housing switch gear and other electrical gear to be operated by onsite personnel
- A service water pond to provide supplemental service water during high ambient periods
- Potable water would be supplied through a reverse osmosis system or an equivalent system or delivered through a commercial water service
- The three proposed projects would include up to nine laydown and/or parking areas located throughout the area, two construction camps, and up to four borrow pits, for a total of 15 sites. It should be noted that construction laydown areas and parking areas are adjacent to each project site while the borrow pits and construction camps are in close proximity to all three project sites, intended to be utilized as common facilities

Additional project components unique to MBGP include, as follows:

• Two seven-cell cooling towers

- Twenty wells and 12 well pads, including:
 - Nine production wells on six new well pads adjacent to the proposed plant. Production pipelines would connect these wells to the plant site
 - Eleven injection wells on five well pads south of the proposed plant. Injection pipelines would connect these wells to the plant site. An additional injection well pad would be included for potential future expansion, for a total of six well pads
- Process water supply provided by IID canal water with a delivery point at N Lateral Gate N-36. Water would be transferred to the proposed site from the N Lateral on West Schrimpf Road just south of the project site. The MBGP would also have a secondary water route from the proposed site to O Lateral Gate 32 on McDonald Road, which is located immediately north of the project site

In addition to the common elements described above, additional project components unique to the proposed ENGP include, as follows:

- Two seven-cell cooling towers
- Twenty-one wells and 13 associated well pads, including:
 - Nine production wells on five new well pads adjacent and north of the plant. Production pipelines would connect the production wells to the plant site. One additional production well pad is identified for resource support
 - Twelve injection wells on six well pads south of the plant. Injection pipelines would connect the injection wells to the plant site. One additional injection well pad is identified for resource support
- Process water supply from IID canal water with a delivery point at the IID canal Vail 3, Gate 321B as the primary connection. A secondary water supply connection would be by pipeline from the project site east along Estelle Road, to Vail Lateral 2A, Gate 271, which is located adjacent to Hatfield Road

Project components unique to the proposed BRGP include, as follows:

- One seven-cell cooling tower
- Twelve wells and seven associated well pads
 - Five production wells on three well pads adjacent to the BRGP; three production pipelines would connect production wells to the BRGP
 - Seven injection wells on four well pads south of the BRGP; three aboveground injection pipelines would exit the southern border of the BRGP and follow existing roads to the injection wells

 Process water supply would come from IID via the Vail 4A Lateral Gate 459 or 460 immediately east of the Project as well as an approximately 0.5-mile-long secondary connection via Vail 4 Lateral Gate 417 or 418 adjacent to Gentry Road to the east of the BRGP

A copy of each of the AFCs as well as other project information, can be found on the CEC's individual project webpages as follows:

https://www.energy.ca.gov/powerplant/steam-turbine/morton-bay-geothermal-project-mbgp.

https://www.energy.ca.gov/powerplant/steam-turbine/elmore-north-geothermal-project-engp

https://www.energy.ca.gov/powerplant/steam-turbine/black-rock-geothermal-project-brgp.

CEC Jurisdiction and AFC Process

The CEC has exclusive authority to certify, or license, all thermal power plants of 50 MW and greater and related facilities proposed for construction and operation in California. The related facilities include any equipment, structure or accessory dedicated to and essential to the operation of the thermal power plant such as electric transmission lines and water pipelines. However, by statute, geothermal wells and associated pipelines, except those running from the production well to the facility and from the facility to the injection well, are not related facilities and remain under the authority of the California Geologic Energy Management Division (CalGEM) of the Department of Conservation and Imperial County. The issuance of certificates (one for each project) by the CEC is in lieu of any local or state permit (except for the CalGEM permit and Imperial County conditional use permit for the wells and associated pipelines between the wells) and federal permit to the extent permitted by federal law. The CEC's facility licensing process carefully examines the public health and safety, environmental impacts, and engineering aspects of proposed power plants and all related facilities. The CEC's licensing process has been certified by the Secretary of the Natural Resources Agency as a "certified program" under the California Environmental Quality Act (CEQA) Public Resources Code, section 21000 et. seq; California Code of Regulations, title 14, section 15251(j)). As a certified program, the CEC produces several environmental and decision documents rather than an Environmental Impact Report. The CEC's environmental documents will analyze the "whole of the action", including the geothermal wells and pipelines.

The first step in the AFC process for geothermal projects is for the CEC to determine whether the application reasonably demonstrates the site is capable of providing geothermal resources (hot fluid) at commercial levels (California Code

of Regulations, title 20, section 1809). The second step is for the CEC to determine if the application contains all the information required by California Code of Regulations, title 20, division 2, chapter 5, article 6, Appendix B. The CEC staff completed its initial evaluation of the AFCs and the CEC adopted staff's recommendation at the CEC's May 31, 2023, Business Meeting finding that: 1) the AFCs demonstrated commercial-level quantities of geothermal resources, and 2) the AFCs are incomplete and should not be accepted until the applicant provides supplemental information to address the list of data deficiencies identified in the executive director's recommendations (dated May 8, 2023), as follows:

- (TN 250066), https://efiling.energy.ca.gov/GetDocument.aspx?tn=250066&DocumentConte ntId=84784).
- (TN 250067), https://efiling.energy.ca.gov/GetDocument.aspx?tn=250067&DocumentConte ntId=84785.
- (TN 250071, https://efiling.energy.ca.gov/GetDocument.aspx?tn=250071&DocumentConte ntId=84789.

Public Resources Code section 25540.2(a) provides that if an applicant can reasonably demonstrate a site capable of providing commercial quantities of geothermal resources, then the CEC shall issue a final decision on the application within 12 months of accepting the AFC, or later as mutually agreed to by the CEC and the applicant.

The applicant filed supplemental information to address the data deficiencies between May 30 and June 23, 2023. The CEC staff filed the Executive Director's recommendations on July 12, 2023, that the application data requirements for all three projects have now been satisfied. The CEC adopted the recommendations at its July 26, 2023, Business Meeting, accepting the application for purposes of starting the 12-month clock to reach a decision on the AFCs. Staff has now begun the discovery phase of the proceedings, during which a detailed examination of the applications will occur.

The CEC staff will prepare and publish a Preliminary Staff Assessment (PSA) and a Final Staff Assessment (FSA) for each project. After allowing for a public comment period of at least 45 days on the PSAs and holding public workshop(s), the CEC staff will prepare and publish the FSAs, which will serve as the CEC staff's formal testimony in evidentiary hearings to be held by the committees of two commissioners¹. The committees will consider the testimony presented by the CEC staff, applicant, and any formal intervenors, as well as comments from interested agencies, California Native American tribes, and the public, prior to publishing their proposed decisions. The CEC will consider the committees' proposed decisions and issue the final decisions at a business meeting. The CEC will issue notices for workshops and hearings at least 10 days prior to each workshop and hearing.

As part of the review process, the CEC staff works closely with local, state, and federal agencies to ensure that all laws, ordinances, regulations, and standards applicable to the proposed project are considered in the CEC's final decision.

Public Participation

The CEC welcomes public participation in the AFC review process. To stay informed about these projects and receive notice of upcoming meetings and workshops, please subscribe to each project's subscription list. The subscription list is an automated CEC system that sends out email notifications when documents and notices are posted to a project's docket. To subscribe, go to the CEC's webpage for each of the projects, at:

- https://www.energy.ca.gov/powerplant/steam-turbine/morton-baygeothermal-project-mbgp;
- https://www.energy.ca.gov/powerplant/steam-turbine/elmore-northgeothermal-project-engp
- https://www.energy.ca.gov/powerplant/steam-turbine/black-rockgeothermal-project-brgp.

Scroll down the right side of the webpage to the box labeled "Subscribe," and provide the requested contact information.

Any person may comment on the AFC applications. The CEC encourages the use of its electronic commenting system. To use the CEC's electronic commenting feature, go to the CEC's webpages for the projects, as cited above; click on the "Submit e-Comment" link on the right side of the webpage; and follow the instructions in the online form. Be sure to include the project name in your comments.

¹ At the CEC's May 31, 2023, Business Meeting, the CEC assigned committees to oversee the AFC proceedings as follows: MBGP – Commissioner Noemi Gallardo (Presiding) and Commissioner Andrew McAllister (Associate); ENGP – Commissioner Gallardo (Presiding) and Commissioner McAllister (Associate); and BRGP – Commissioner Gallardo (Presiding) and Chair David Hochschild (Associate).

Written and oral comments, attachments, and associated contact information (for example, address, phone number, email address) become part of the viewable public record. This information may also become available via any internet search engine.

Written comments may also be mailed to:

California Energy Commission Docket Unit, MS-4 Docket No. **23-AFC-01; 23-AFC-02; 23-AFC-03** 715 P Street Sacramento, CA 95814-6400

For questions about this notice or the project, please contact Eric Veerkamp, Project Manager, at (916) 661-8458, or by email at Eric.Veerkamp@energy.ca.gov.

The CEC Office of the Public Advisor, Energy Equity, and Tribal Affairs is available to provide information on, and assistance with, public participation in CEC proceedings. The Public Advisor's Office can be reached at (916) 957-7910 or by email at <u>publicadvisor@energy.ca.gov</u>.

News media inquiries should be directed to the CEC Media Office at (916) 654-4989, or by email at <u>mediaoffice@energy.ca.gov</u>.