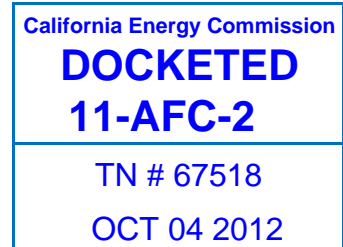


October 3, 2012



FROM: Nicholas T. Gabler
9184 Edgeworth Place
Las Vegas Nevada 89123

ATTENTION: Mike Monasmith
Project Manager
California Energy Commission
1516 Ninth Street-MS 2000
Sacramento , CA 95814

RE: Inyo County's September 19, 2012 Comments to Hidden Hills SEGs
Applicants Motion in Limine. (TN#67222)

Dear Sirs,

My name is Nicholas T. Gabler and I am a licensed California Corporate Real-Estate Broker. I represent a company that, among others, promotes investment opportunities in Inyo County (Charleston View), including properties currently under option to BrightSource for the proposed Hidden Hills SEGs. Since 2004 we have worked with hundreds of property owners who have made the decision to invest in the Charleston View Area.

Most of these property owners have short, medium and long term plans to erect homes, operate profitable organic mini farms, build and operate small businesses that provide services to residents, passerby's and the tourist that will frequent new and exciting projects like the St. Therese Mission. With respect to other properties, one property owner plans to build and operate an upscale RV park adjacent to the Mission. Others are exploring the possibility of constructing and operating a service station and convenience store. One group is currently interested in larger tracts of adjacent lots to build and operate LEED certified small scale Green Farms that will double as bed and breakfast resorts for the influx of religious and Eco-Tourist expected to attend regular celebrations scheduled at the St. Therese Mission.

The existing Hidden Hills site with its 20 and 40 acre lots would be perfect for this kind of development. Further, we have evaluated the Ivanpah Project and we have come to the conclusion that the applicant, BrightSource Energy, has sufficiently proven they are willing to make substantial investments to properly mitigate species and habitat loss. On the flip side, you can rest assured that in the absence of Hidden Hills SEGs, all of our precious desert tortoise, burrowing owls and kit foxes will be on their own as each 20 or 40 acre parcel is turned into a small ranch complete with fruits, vegetables, poultry and livestock.

Over the past ten years or so interest in the area has boomed. In one month in 2004 our company sold over (30) thirty 2.5 acre lots. Early in 2005 our initial inventory of 120 lots was sold out and we had to create a waiting list or lottery for new investors. During a short period between 2005 and 2007 prices for 2.5 acre lots increased by almost 100%. As expected, the county's assessed zonal value for Charleston View properties has also increased to reflect the increase in the value.

Let me be clear: we express no opinion on the Motion in Limine. We are, however, interested to make sure all of the stakeholders understand the truth about the “Facts on the Ground” as described in Inyo County's September 19, 2012 letter to the CEC.

To begin, there are many property owners in the Charleston View area that understand that the right kind of development will certainly add value to their properties. The success of these investments is a major concern. At the most basic level, we are concerned that a few, vocal opponents, many who do not live or own property in the Charleston View area, are not representative of the views of the property owners we know and work with regularly.

Within our circle or family of stakeholders who currently owns over seven hundred (700) 2.5 acre lots in the area, we sincerely believe that Hidden Hills SEGS is the right kind of development. We feel that Hidden Hills will bring much needed economic growth while simultaneously being our best bet to preserve our clean air, our star scape and our precious water supply. Given a maximum water use of 140 acre feet annually, Hidden Hills SEGS is an alternative that guarantees water security for the entire community.

In the real estate business perception plays an important role in establishing and maintaining value. As investors and taxpayers with real real investments in the community, we are troubled by the September 19, 2012 letter request (N#67222) of Deputy Inyo County Counsel, Dana M. Crom.

Again, we express no legal opinion on any of the cited legal issues. However, we are extremely concerned and disappointed that Inyo County's statement of the “Facts on The Ground” grossly misrepresent the current reality on the ground and completely ignores the substantial progress already benefiting the area.

Significantly, the letter leaves the false impression that the property owners do not have the right to use their property by complying with the non-discretionary, ministerial permitting process. This is simply wrong. Ms. Crom's letter has one important fact right: the permits required for development are “ministerial.” Yes, there are “fixed or objective measures” that must be followed to secure ministerial permits, but that is precisely the point: follow the fixed and non-discretionary standards and a permit must be issued. That's what makes the permit “ministerial”.

Ms. Crom's letter also describes that ministerial process, suggesting that there can be obstacles for permits to be issued. Again, these are ministerial, non-discretionary permits. It is true that a well permit must be issued to drill a well. It is also true that the well head must be protected to the standards required by Inyo's Environmental Health Department. It is equally true that if these precise, ministerial steps are followed, a well permit must be issued. It's non-discretionary.

It is also true that as far as we know, no properly drilled well with appropriate wellhead protection has ever been denied to any resident in the Charleston View Area. Surely the County does not intend to change their well drilling and permitting requirements that have worked so well for all responsible parties. That ministerial process is working fine.

To our knowledge, no one has ever drilled a well in our community and failed to find enough water to pass an EIR. Static water levels differ from section to section thus resident farmers will simply drill down to a depth that delivers enough water to make the well viable.

In terms of facts on the ground, the observation that there are no pending request for discretionary approval on the HHSEGS sites is not surprising-- at all. These lands have been optioned by the applicant, and no property owner would proceed with development activities during the option period. Prior to the optioning of the property, there were several developers actively discussing master plan developments as well as green farms on several of the properties optioned. The county was appraised and even participated in some discussions with some of these investors.

Again with regards to perception being reality, I want to correct one misperception. Recent comments by one of the project opponents , Cindy MacDonald , incorrectly implies that work on these development proposals was suspended because of a lack of available water. This is simply incorrect. Ms. MacDonald was never part of any discussions and has absolutely no first hand knowledge of any aspect of these proposed developments. Her comments are simply incorrect.

Ms. Crom's letter also argues that *"Including the project site fewer than 6 permits have been issued for the Charleston View area during the past 10 years including the project site."* However, she fails to mention that 6 new permits have been issued , residential structures and the local population have almost doubled.¹ Therefore, her argument regarding the number of permits does not prove that the area is not growing and developing . Rather it seems to prove either (a) that new structures are being properly allowed to be built without formal EIR proceedings required or (b) that new structures are not being properly permitted, thus reinforcing the perception that, prior to the submission of the Hidden Hills application, the county was neither overly concerned or hardly knowledgeable about any facts on the ground out in Charleston View. Moreover, Ms. Crom's letter fails to even mention the ST. Therese Mission, a multimillion dollar LEED Platinum investment that would be the pride of any community anywhere in the world. The St. Therese Mission has already been permitted and is under construction.

Ms. Crom also argues that *"The Site is located in an area with very limited services."* This comment suggest that she has never been to Charleston View or that she is unaware that Charleston View is similar to most portions of Inyo County. Electricity runs along the south and northeast boundary of the property, making it an extremely attractive location for developers who generally have to shoulder the cost of bringing in power infrastructure from long distances. There are already several precedents within the community where lot owners are successfully operating residences, water wells and green indoor , outdoor organic mini farms using off grid solar power. As the cost of solar goes down, the cost of electricity for these services also goes down. When completed next year , the Saint Therese Mission will offer food and convenience services in their restaurant and gift shop. Further, rural farmers are accustomed to living moderate distances from other services and are not discouraged by having to drive 20 minutes to Pahrump Town to Walmart or to gas up.

Ms. Crom's letter states that the *"Site is within a short commute to area's with large housing stock(Pahrump, Las Vegas, Nevada)"* On one hand she argues that Charleston View /Hidden Hills area is too far from the services offered a few miles down the road in Pahrump. Then, on the other hand, she argues that Charleston View is actually too close to the residential opportunities down the road and wouldn't be competitive . That's really contradictory! But it is also of great concern to those trying to bring jobs and economic opportunities to the area that an Inyo County Official would assert in writing that prospective new homeowners should go to Pahrump or Las Vegas and not consider Inyo County.

¹ I have attached a summary of current population data for file (annex 1)

The truth is that there are few if any 20, 40 and 2.5 acre lots with the same zoning entitlements as the Hidden Hills area in Pahrump Town or Las Vegas. These lots are perfectly positioned to take advantage of the very attractive High End Casino, organic produce niche market. The St. Therese Mission is constructing a nursery to grow its own produce. They plan to have weekend farmers markets where locals present their organic produce to the public

In summary, Ms. Crom's letter states "Current economic predictors suggest residential development of the project is unlikely in the near future. Moreover, the overdraft status of ground water basis may create further barriers to full development of the lots located on the project".

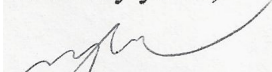
What current economic predictor is she referring to ? Clearly, she has not been keeping track of the Las Vegas and Pahrump economies which are starting to move in the right direction. After years of stagnation housing prices are starting to go up. Home inventory has shrank. Builders are finally building new projects. KB homes Inspirada now has a lottery for buyers. Significantly, the Hidden Hills site is the only large tract of developable land within 37 miles of Southwest Las Vegas. It is so disappointing that an Inyo County official would so glibly denigrate the economic future of any portion of Inyo County.

This notion that in the absence of the Hidden Hills SEGS, this private 3,500 acre project site will remain untouched or undeveloped for the next 40 years is simply false and unreasonable. This notion that the County can leverage the approval process to restrict an individual land owner's legal rights to extract water from his or her land is equally false and unreasonable.

Finally, we know our business, we understand the quantity of our resources and we understand the value and necessity of managing these resources better than anyone else outside of our community. We also know that if this "No Project" study is conducted in an honest and comprehensive way, it will conclude that if only 20% to 25% of the 170 lots (28 to 43 lots) are occupied and farmed on a very small scale just like existing farms in the area, water consumption will be greater than the Hidden Hills SEGS. Here's the real question we ought to be asking. How likely is it that 20% of the 170 lots will be occupied over the next 10 years? We believe its 100%.

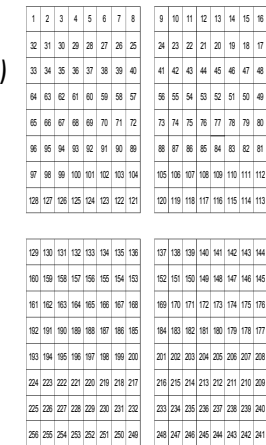
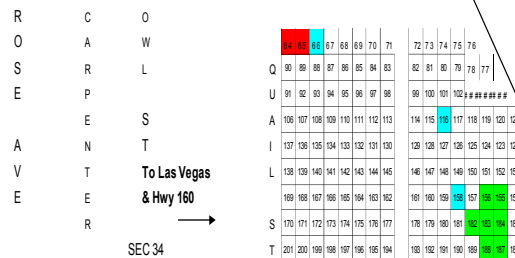
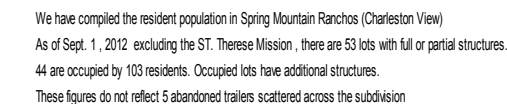
Thank you for your consideration.

Sincerely yours,



Nicholas T. Gabler

California License: 01788774



Sec. 3