



COUNTY OF LAKE
COMMUNITY DEVELOPMENT DEPARTMENT
Planning Division
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California Energy Commission
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November 28, 2012

Robert Weisenmiller, Chairman
California Energy Commission
1516 Ninth Street
Sacramento, California 95814

**Subject: Revised Comments Concerning Amendment to Purchase Agreement
for the Bottle Rock Power Plant and Geothermal Steam Lease**

Mr. Weisenmiller:

As a follow-up to our letter to the California Department of Water Resources (DWR) dated August 28, 2012, the County of Lake would like to withdrawal our opposition to the proposed Amendment to Purchase Agreement for the Bottle Rock Power Plant and Geothermal Steam Lease between DWR and Bottle Rock Power, LLC (BRP). Based on new information that was not available at the time the August 28 letter was written, the County has no comment on this proposed amendment. The County Community Development Department has revised its position on this matter based upon the following facts:

1. The decommissioning plan for the power plant building has been renegotiated with the Coleman Family Trust and will not be required to be demolished.
2. Staff had not considered the scrap value of the equipment and materials at the plant site and understands that it has an estimated value of \$1,150,000 that will be used to offset the costs of decommissioning and closure.
3. There is an additional bond in place with CDOGGR in the amount of \$100,000 that staff was unaware of when the August 28th letter was prepared.

Since the time the complaint was filed with the Energy Commission, BRP has provided evidence illustrating adequate financial assurances are in place to ensure that applicable public agencies with jurisdiction over the project will have sufficient funds to reclaim the Bottle Rock Power site in the event BRP is unable to on their own. Additionally, BRP has provided the Community Development Department with a copy of a budget estimate for the power plant and steam field decommissioning, prepared by Plant Reclamation. A copy of this estimate is enclosed for your information.

The County remains supportive of BRP's operations and hopes that they will be a successful long term operation. Please contact me if you have any questions regarding this matter.

Regards,



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cc: Chris Marxen
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