

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov

**PUBLIC NOTICE OF STAFF WORKSHOP**

REGARDING THE COMPLAINT AGAINST
BOTTLE ROCK POWER PLANT (12-CAI-04)

The workshop will be held:

Starting at 9:30 a.m. on Tuesday, December 18, 2012

The workshop will be held at:

**California Energy Commission
First Floor, Hearing Room A
1516 9th Street
Sacramento, CA 95814-5512**

(wheelchair accessible, map attached)

**Remote Access Available by Computer or Phone via WebEx
(Instructions included)**

PURPOSE

This notice is to inform you that the California Energy Commission (Energy Commission) staff will hold a workshop to discuss the various aspects of the Complaint filed against the Bottle Rock Power Plant (Complaint and Investigation Proceeding, Docket #12-CAI-04).

The Energy Commission certified the 55 megawatt Department of Water Resources (DWR) Bottle Rock Power Plant in 1980, located in Lake County, California, for the purpose of providing electricity for the State Water Project. Operations at the Bottle Rock Power Plant began in 1985. By 1990, DWR elected to close the facility due to a lack of steam. On May 30, 2001, the Energy Commission approved the Petition for transfer of ownership of the Bottle Rock Power Plant from DWR to the Bottle Rock Power Corporation. In its Order, the Energy Commission found that "adequate measures appear to have been taken to enable DWR to ensure the proper closure and decommissioning of the Bottle Rock Power Plant subsequent to the transfer of ownership in the event Bottle Rock Power Corporation is unable to do so." The Energy Commission's approval was specifically conditioned on compliance with the purchase agreement, which included sections 2.4 (Security for Decommissioning and Reclamation Liabilities) and 2.5 (Environmental Impairment Insurance). A recent amendment to this agreement has deleted these sections, which is the subject matter of the Complaint filed by David Coleman on October 11, 2012.

The workshop will provide an opportunity for the Parties to work toward resolving the issues pertaining to the Complaint in the area of power plant decommissioning. The workshop will also provide an opportunity for interested agencies, members of the public and other parties to present comments on the Complaint.

California Energy Commission

DOCKETED

12-CAI-4

TN # 68805

DEC. 07 2012

THE COMPLAINT

On October 11, 2012, David Coleman filed a Complaint pursuant to California Code of Regulations, title 20, section 1237 regarding a recent amendment to the original 2001 purchase agreement between the current owner of the facility, Bottle Rock Power LLC, and the previous owner of the facility, DWR.

The complaint alleged that the amendment to the purchase agreement violates the Energy Commission's May 30, 2001 order approving the transfer of ownership of the Bottle Rock Power Plant from DWR to Bottle Rock Power LLC. In that order, the Energy Commission approved the transfer of ownership subject to the specific condition that both DWR and Bottle Rock Power LLC would "strictly adhere to the terms of the 'Purchase Agreement for the Bottle Rock Power Plant.'" That purchase agreement included the requirement that Bottle Rock Power LLC deliver a five million dollar surety bond to DWR to ensure that sufficient funds would be available for the eventual decommissioning of the facility. The purchase agreement also included a requirement that an Environmental Impairment Insurance Policy be in effect at all times.

On August 29, 2012, Bottle Rock Power LLC and DWR finalized an agreement amending the original purchase agreement, which included a settlement agreement with landowners V.V. & J. Coleman, LLC. That agreement deleted the provisions requiring the maintenance of the five million dollar closure bond, and deleted the requirement for an Environmental Impairment Insurance Policy.

COMPLAINT REVIEW AND INVESTIGATION PROCESS

The purpose of the Energy Commission's post-certification complaint process is to investigate and review the complaint and present findings to the Energy Commission. The complaint review process includes an investigation by the designated compliance project manager and appropriate Energy Commission technical staff.

Staff initiated its investigation into the allegations raised in the Complaint. Staff reviewed the amendment to the Purchase Agreement and noted that it had not been approved by the Energy Commission. No Petition to Amend has been filed by Bottle Rock Power, LLC, nor has DWR petitioned the Energy Commission for relief from their obligations under the Energy Commission's May 30, 2001 Order.

On November 29, 2012, this matter was heard by the Energy Commission at the regularly scheduled Business Meeting. On that date, the Energy Commission appointed a committee to take further action regarding the Complaint under Public Resources Code section 25534. Pursuant to Title 20, California Code of Regulations, section 1237(e)(3), the committee appointed to hear this matter will conduct a hearing on a future date to further investigate the matter, and will, at the conclusion of that hearing, issue a written decision on the complaint.

REMOTE ATTENDANCE

You may participate in this Workshop through WebEx, the Energy Commission's online meeting service. You may listen to audio via your computer or telephone. Please be aware that the meeting and onscreen activity may be recorded.

1. Computer Log-On With a Direct Phone Number:
 - Please go to <https://energy.webex.com> and enter: **927 110 037**
 - When prompted, enter your information and **Meeting@930**

After you login, a prompt will appear on-screen for you to provide your phone number. In the Number box, type your area code and phone number and click OK. You will receive a call back on your phone for the audio portion of the meeting.

2. Computer Log-On For Callers with an Extension Phone Number, Etc:
 - Please go to <https://energy.webex.com> and enter: **927 110 037** and **Meeting@930**
 - After you login, a prompt will ask for your phone number. Click "CANCEL."
 - Instead call **1-866-469-3239**. When prompted, enter: **927 110 037** and your unique Attendee ID number which is listed in the top left area of your computer screen after you login.
3. Telephone Only (No Computer Access):
 - Call **1-866-469-3239** and when prompted enter: **927 110 037**
 - International callers select a number from <https://energy.webex.com/energy/globalcallin.php>

If you have difficulty joining the meeting, please call the WebEx Technical Support number at **1-866-229-3239**. To see if your computer is compatible, visit <https://support.webex.com/MyAccountWeb/systemRequirement.do?root=Tools&parent=System> and refer to the WBS 28 section.

NOTE: Access to WebEx meetings is now available from your mobile device. To learn more and access your app, please visit <http://www.webex.com/overview/mobile-meetings.html>.

AVAILABILITY OF STAFF'S REPORT IN RESPONSE TO THE COMPLAINT

Copies of the Complaint and staff's report are available on the Energy Commission's Internet web site at:

<http://www.energy.ca.gov/sitingcases/bottlerock/documents/index.html#cai-04>.

PUBLIC RESOURCES, CONTACT INFORMATION AND ADDITIONAL SOURCES FOR INFORMATION

If you desire information on how to participate in the Energy Commission's review of the Complaint, please contact the Energy Commission's Public Adviser, at (916) 653-5898 or toll free in California at (800) 822-6228, or by email at: publicadviser@energy.ca.gov. To request special accommodations for those persons with disabilities, please contact Lourdes Quiroz at lquiroz@energy.ca.gov or by telephone (916) 654-5146. News media inquiries should be directed to Assistant

Director, Adam Gottlieb, at (916) 654-4989, or by email at:
mediaoffice@energy.state.ca.us.

For additional information, contact Camille Remy Obad, Energy Commission
Compliance Project Manager at (916) 654-3940 or email at [Camille.Remy-
Obad@energy.ca.gov](mailto:Camille.Remy-Obad@energy.ca.gov).

Sincerely,

Date: 12/07/12

ROGER E. JOHNSON, Deputy Director
Siting, Transmission and Environmental
Protection Division

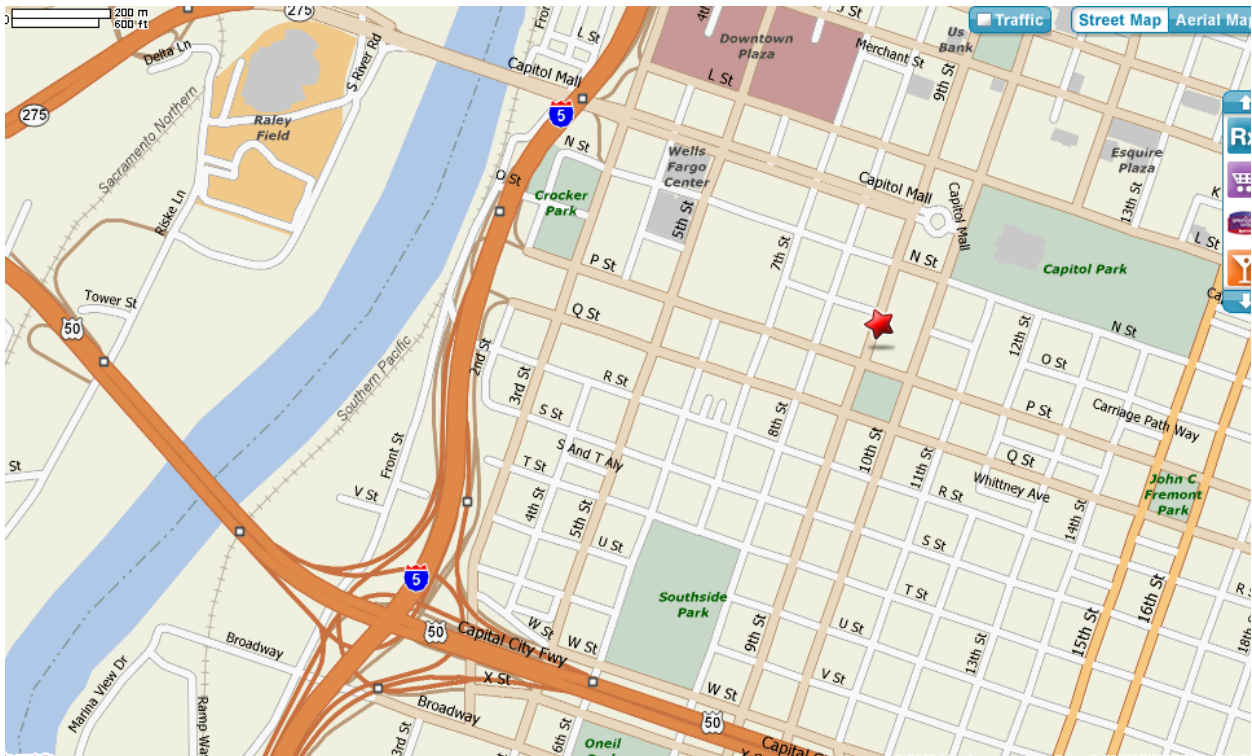
Mailed to list: 771

NOTICE OF PUBLIC WORKSHOP
REGARDING THE COMPLAINT AGAINST
BOTTLE ROCK GEOTHERMAL PLANT (12-CAI-04)

The workshop will be held on:
Tuesday, December 18, 2012
Starting at 9:30 am

California Energy Commission
First Floor, Hearing Room A
1516 9th Street
Sacramento, CA 95814-5512

(Wheelchair Accessible)





**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
COMPLAINT AGAINST AND REQUEST
FOR INVESTIGATION OF
BOTTLE ROCK GEOTHERMAL POWER PLANT***

**Docket No. 12-CAI-04
PROOF OF SERVICE
(EST. 12/7/2012)**

SERVICE LIST:

COMPLAINANT

David Coleman
3733 Canon Avenue
Oakland, CA 94602
redandcurly@yahoo.com

RESPONDENT/PROJECT OWNER

Bottle Rock Power, LLC
Brian Harms
General Manager
7385 High Valley Road
P.O. Box 326
Cobb, CA 95426
bharms@bottlerock.com

PROJECT OWNER'S COUNSEL

John A. McKinsey
Kristen T. Castaños
Stoel Rives, LLP
500 Capitol Mall, Suite 1600
Sacramento, CA 95814
jamckinsey@stoel.com
ktcastanos@stoel.com

PROJECT LANDOWNER

V.V. & J. Coleman LLC
c/o Mark Peterson
Diepenbrock Elkin LLP
500 Capitol Mall, Suite 2200
Sacramento, CA 95814
mpeterson@diepenbrock.com

INTERESTED AGENCIES

California ISO
e-recipient@caiso.com

Department of Water Resources
John Dunnigan
Senior Staff Counsel
1416 Ninth Street, Room 1104
Sacramento, CA 95814
jdunniga@water.ca.gov

Department of Conservation
Division of Oil, Gas, & Geothermal
Resources
Elizabeth Johnson
Geothermal Officer
801 K Street, MS 20-20
Sacramento, CA 95814
ljohnson@consrv.ca.gov

Lake County Community
Development Department
Planning Division
c/o Will Evans
Richard Coel
255 North Forbes Street
Lakeport, CA 95453
will.evans@lakecountyca.gov
richard.coel@lakecountyca.gov

**ENERGY COMMISSION –
PUBLIC ADVISER**

Jennifer Jennings
Public Adviser
publicadviser@energy.ca.gov

COMMISSION DOCKET UNIT

CALIFORNIA ENERGY COMMISSION
– DOCKET UNIT
Attn: Docket No. 12-CAI-04
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.ca.gov

**OTHER ENERGY COMMISSION
PARTICIPANTS (LISTED FOR
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
Chairman and Associate Member

Galen Lemei
Advisor to Presiding Member

Jennifer Nelson
Advisor to Presiding Member

Sekita Grant
Advisor to Associate Member

Eileen Allen
Commissioners' Technical
Advisor for Facility Siting

Paul Kramer
Chief Hearing Adviser

Camille Remy Obad
Compliance Project Manager

Kevin W. Bell
Staff Counsel

DECLARATION OF SERVICE

I, Marci Errecart, declare that on December 7, 2012, I served and filed copies of the attached PUBLIC NOTICE OF STAFF WORKSHOP REGARDING THE COMPLAINT AGAINST BOTTLE ROCK POWER PLANT (12-CAI-04), dated December 7, 2012. 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 all that Apply)

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

- I served the document electronically to all e-mail addresses on the Proof of Service list above;
- I served the document by delivering on this date, either personally, or for mailing with the U.S. Postal Service with first-class postage thereon fully prepaid, to the name and address of the parties identified above, for mailing that same day in the ordinary course of business. The envelope containing the document was sealed and placed for collection and mailing on that date to those addresses marked above as "**hard copy required**" or if not so marked, where no e-mail address is provided.¹
- If I did not electronically serve the document to all e-mail addresses on the Proof of Service list I mailed or personally delivered the document as described above to all of the persons on the Proof of 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: 12/7/12



Marci Errecart

¹ Even though no e-mail addresses are provided for the persons in the category "ENERGY COMMISSION PARTICIPANTS – LISTED FOR CONVENIENCE ONLY," do not send copies to those persons. They will receive copies from the Dockets unit.