

Planning commission certifies final EIR for Bottle Rock Power expansion

Elizabeth Larson, Lake County News, 12-23-10

LAKEPORT – At the end of a daylong meeting Wednesday, the Lake County Planning Commission certified the final environmental impact report for the proposed expansion of Bottle Rock Power LLC's geothermal project on Cobb Mountain.

In a hearing with hours of testimony that was sometimes confusing, off topic and contentious, the commission found that the final EIR – which neighbors of the project faulted for myriad shortcomings and mistakes – was sufficient for the project.

The project is located within the Binkley and Francisco Leaseholds at 6743, 6825, 7358, 7385 and 7500 High Valley Road, Cobb.

The plant, operated during the 1980s by the California Department of Water Resources, was closed for many years until it was reopened in 2007 under the ownership of US Renewables Group and Carlyle/Riverstone Renewable Energy Infrastructure Fund I, as Lake County News has reported.

The commission, with District 2 Commissioner Bob Malley absent, heard five and a half hours' worth of testimony – both from neighbors and Bottle Rock Power officials – before rendering the decision on the final EIR. It then heard another hour of comments on the project's use permit, which is proposed for expansion.

Community Development Director Rick Coel explained that Bottle Rock Power is seeking to add up to 22 wells over the life of the project, although it's more likely to add between six and nine.

That expansion also would include the rezone of 60 acres to allow for two new 3.5-acre geothermal well pads, an access road and 1.3 miles of new pipeline to connect to the existing pipeline. The company also said it will build a new bridge as part of the expansion.

But as 5 p.m. arrived, the exhausting discussion led both the commission and residents affected by the plant to agree to come back to continue the consideration beginning at 10:15 a.m. Jan. 13.

That meeting will delve more into Bottle Rock Power LLC's request for a new use permit and proposed modifications to its current use permit, as well as its traffic and road maintenance plan.

While community members made clear their reservations over the project, local leaders communicated their support for the project to the commission.

On Thursday a memo to the commission from County Administrative Officer Kelly Cox urged them to approve it, noting, “It is imperative to the well-being of all residents of Lake County that our County government take decisive actions to facilitate the creation of new jobs and encourage private sector investments that will result in both short-term and long-term economic benefits.”

Cox said the geothermal industry has been one of the county's “few consistently successful economic engines”

over the past three decades, and has become a major contributor to the county's tax base. Based on his work with the industry, he said he's become a strong proponent.

Quoting the EIR, Cox said the plant's cost for full buildout would be \$80 million to \$90 million. It would take between 320 and 360 new homes, each valued at around \$250,000, to add as much value to the county's tax rolls, and those homes – unlike the plant – would result in increased public service and infrastructure demand.

Commissioner Cliff Swetnam reported to his fellow commissions that earlier in the day before the meeting started he had received a call from Lake County Farm Bureau Executive Director Chuck March and an e-mail from Lake County Chamber Executive Director Melissa Fulton, both urging the final EIR's approval based on their belief in its positive economic impacts.

Company, neighbors discuss project

Coel and consultants from AECOM, the company in charge of preparing the EIR, gave a presentation on the document, touching on mitigations for the 34 identified significant impacts – such as traffic, geology and biological resources – as well as 21 comment letters they received.

Bottle Rock Power General Manager Brian Harms and his staff explained their project and the effort to get it to this point. “It's been a very intense effort involving many different areas of regulatory jurisdiction and technical capabilities,” Harms said.

There's more work to do, he said, and they need to secure financing, which hangs on the permitting to expand onto the Binkley lease.

He said the plant has a 55-megawatt capacity, but currently only is producing 11 megawatts.

During the public hearing, neighbors asked for more time to be able to go through the 432-page EIR, which several of them said they had only had for about a week. Coel pointed out that the document had been available since Dec. 9.

Randy Fung, one of the group of neighbors who he said has been working on addressing Bottle Rock Power's operations over the last two years, told the commission, “The issues on this project are very complex,” and they were touching just the tip of the iceberg.

Fung added that concerned neighbors have taken part in seven town hall meetings, and he questioned the discussion on the project coming up so close to the holidays.

Another landowner near the project, Kelly Fletcher, complained of rotten egg smells coming from the plant, and said his home is sitting unoccupied and for sale because he's concerned about the health impacts on his children.

He also stated that traffic on High Valley Road related to the plant is dangerous and not well regulated.

Cheri Holden, chair of the Sierra Club Lake Group, commended community members who live near the plant for their diligence in monitoring the project. “They have been activists in protecting their community and their families.”

Holden also commended Bottle Rock Power for working on some of the historical mistakes made under past managers, and being willing to keep the dialogue open with neighbors.

She said the Sierra Club's general position on the matter is to applaud alternative energy, but projects must be weighed on risk and value.

“The Sierra Club still does have a question about that real opportunity for 55 megawatts,” she said, suggesting continued diligence and monitoring were needed at all levels.

Coel told the commission that the county has a geothermal coordinator and is recruiting for an additional resource planner to monitor geothermal projects.

If Bottle Rock Power's project was approved, the company would be entering into a mitigation and monitoring agreement with Coel's department, which would mean the company would have to pay the costs for staff to conduct monitoring.

“It's a big construction project, so we're going to need to be up there,” he said.

Coel said he understood why residents weren't happy in the past. “We weren't happy either,” he said, but the issues have been cleaned up.

Property owner Hamilton Hess raised concerns over rare plant species in the area's serpentine soil, and referenced a letter from the California Native Plant Society to the county.

The proposed mitigations in the EIR include a pre-construction survey and modifications of the project footprint to avoid disturbing the plants.

Ron Fidge, who has lived in Cobb's High Valley since 1972 and said he overlooks the project, spent about an hour and a half before the commission criticizing the document and airing other complaints about the operation.

He also spent considerable time arguing with staff interpretations of impacts and code language, and threatened litigation over a road easement that Deputy County Counsel Bob Bridges said the commission had no authority to enforce anyway.

Commission Chair Clelia Baur tried to keep Fidge on the EIR certification discussion, telling him at one point, “You have a lot on your mind” and adding that he was hard to follow.

Fidge responded by telling them that the plant had made his home “a hell hole.”

He then told the commission that they had better be prepared to extend the hearing another day.

At that point, Commissioner Cliff Swetnam leaned forward in his chair and told Fidge, “You need to quit threatening this commission,” which elicited an apology from Fidge.

Swetnam said they were there to make a decision, not engage in civil law disputes. To make their decision, they needed factual information, he added.

Fidge said he has a federal lawsuit against the county over not enforcing his rights through a gate on the land. “We get violated every time we turn around.”

A frustrated Coel told the commission that his department has put an incredible amount of staff time into

monitoring the site and investigating false complaints.

“I am telling you as the community development director, someone who has worked in this department for 20 years, things are under control up there,” and that the plant is in compliance with its use permit, Coel said.

He said there are definite issues he wants the commission's guidance on regarding the current use permit and traffic control to make sure the whole system operates better.

Commission makes decision

Commissioner Gil Schoux, in whose district the plant is located, held up the 56 pages of mitigations on the project. He said he was confident in staff's work on the project and would vote in favor of certifying the EIR.

Swetnam said there were a lot of people emotionally connected to the project's issues. But he said the commission needed facts. “We've had very little hard evidence today.”

He said the commission can't speculate on what will happen in the plant's future, and they'll probably never know if the plant can reach 55 megawatts. Still, he said, “We need the power,” and if they can mitigate the problems, it doesn't matter if the plant only ever reaches 30 megawatt production.

He added, “I can't mitigate speculation, I can't mitigate conjecture,” noting that the energy produced and the jobs both are benefits for the county.

Baur said she understood that people were hoping that the plant wouldn't reopen after being closed for so many years, but she agreed that the project was important for the county.

Schoux moved to certify the final EIR, with Swetnam seconding. The commission approved the motion 4-0.

Following a break and just under another hour of input, the commission decided to continue the use permit discussion until Jan. 13