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October 8, 2013

Via Email and U.S. Mail

Theodore Schade, Air Pollution Control Officer
Great Basin Unified Air Pollution Control District
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Great Basin Unified Air Pollution Control District
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**Re: Supplemental Comments on the Joint Final Environmental
Impact Statement/ Environmental Impact Report for ORNI 50 LLC's
Casa Diablo IV Geothermal Development Project**

Dear Mr. Schade and Ms. Sudomier:

We submit these comments on behalf of **Coalition for Responsible Mammoth Development ("Coalition")**¹ regarding the Joint Final Environmental Impact Statement / Environmental Impact Report ("Final EIS/EIR") for the Casa Diablo IV Geothermal Development Project ("Project"), prepared by the Great Basin Unified Air Pollution Control District ("Air District") and the Bureau of Land Management ("BLM") and any and all pending approvals and permits (collectively "Approvals") for the Project. These comments supplement and incorporate by reference the Coalition's prior comments on the Project.²

¹ **The Coalition is comprised of individuals James Bailey and Perry Brown, and California Unions for Reliable Energy and its members and their families.** The Coalition was formed to advocate for responsible and sustainable development that protects the environment where the coalition members and their families live, work and recreate.

² The Coalition submitted comments to the Air District regarding the Project on January 29, 2013, July 12, 2013 and September 9, 2013.

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After further review of the Final EIS/EIR, among other documents, we conclude that the Air District has not resolved significant deficiencies in its environmental review of and Approvals for the Project, which were raised by multiple parties, including the Coalition, in numerous comment letters to the Air District. If the Air District Board or the Air District Air Pollution Control Officer certifies the Final EIS/EIR, or otherwise approves the Project, prior to resolving the deficiencies outlined in the comments, the Air District will violate the California Environmental Quality Act (“CEQA”) and the Air District’s regulations. The Coalition’s previous comment letters outline many of the Air District’s failures to comply with CEQA with respect to the Project. Additional inadequacies in the Air District’s environmental review of the Project are outlined below. We also concur with and hereby incorporate all comments submitted to the Air District on the EIR and the Approvals for the Project into our comments on the Project.

I. Mono County is the Correct Lead Agency for the Project’s CEQA Review, Not the Air District

Where a private party will carry out a project, the lead agency is the agency with the greatest responsibility for supervising or approving the project as a whole.³ The CEQA Guidelines explain that a lead agency “will normally be the agency with general governmental powers, such as a city or county, rather than an agency with a single or limited purpose such as an air pollution control district or a district which will provide a public service or public utility to the project.”⁴

Here, the proper lead agency is Mono County, not the Air District. According to the Final EIS/EIR, “[t]he [Air District] is responsible for reviewing applications and issuing air permits within the basin. The [Air District’s] decision will be whether to approve, approve with conditions, or deny an air permit for the CD-IV Project.”⁵ In other words, the Air District’s *single purpose* in the Project is issuing an air permit. The Air District has no enforcement authority over any biological resources or water resources, among other resources, that will be impacted by the Project. Thus, pursuant to the CEQA Guidelines, the Air District, with its “single or limited purpose,” is not the appropriate lead agency for the Project.

³ 14 C.C.R. § 15051(b).

⁴ *Id.*

⁵ Final EIS/EIR, p. ES-2.
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Rather, Mono County is the appropriate lead agency for the Project. Mono County has permitting authority for the Project's use permit. In addition, Mono County has jurisdiction or enforcement authority over numerous resources, such as biological resources and water resources, impacted by the Project. Further, Mono County has significant experience in analyzing and mitigating environmental impacts pursuant to CEQA. Pursuant to the CEQA Guidelines, Mono County, with its general jurisdiction over the Project, is the proper lead agency.

II. The Air District Failed to Adequately Disclose, Analyze and Mitigate the Project's Significant Impacts on Groundwater and Surface Water Quality

Comments submitted by several parties, including the Mammoth Community Water District and the law firm of Lozeau Drury and expert hydrogeologist Heidi Rhymes, PG, among others, provided substantial evidence that the Project will cause significant impacts to groundwater and surface water quality from the geothermal injection process, accidental release of hazardous materials, man-made circumstances, natural disasters and stormwater runoff.

The Air District failed to adequately analyze or mitigate these significant impacts. Instead, the Air District argued that due to the distance between the water and geothermal wells, and based on "proprietary" modeling, the Project will not significantly impact groundwater. The Air District also concluded that the Project would not significantly impact surface water. The Final EIS/EIR does not contain substantial evidence to support the Air District's conclusions.

III. The Air District Failed to Adequately Disclose, Analyze and Mitigate the Project's Significant Impacts from Project-Induced Seismicity

Comments submitted by the Mammoth Community Water District and the law firm of Lozeau Drury and expert hydrogeologist Heidi Rhymes, PG, among others, provided substantial evidence that the Project will cause significant impacts from Project-induced seismicity.

The Air District failed to adequately analyze or mitigate the Project's significant impacts from the potential to generate higher-magnitude earthquakes and an increased likelihood of earthquakes. The Air District dismissed the many comments and substantial evidence submitted regarding these significant impacts and concluded that the Project will not cause significant impacts from Project-

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induced seismicity. The Final EIS/EIR does not contain substantial evidence to support its conclusion.

IV. The Air District Failed to Adequately Disclose Analyze and Mitigate the Project's Significant Air Quality Impacts

Comments submitted by the law firm of Lozeau Drury and air quality expert Phyllis Fox, Ph.D. provided substantial evidence that the Air District failed to disclose the Project's actual volatile organic compounds ("VOC") emissions and the mitigation measures required by the Final EIS/EIR and the Authority to Construct permit fail to adequately mitigate the Project's significant impacts from VOC emissions.

Specifically, substantial evidence shows the Air District underestimated VOC emissions from fugitive components, purge system emissions and operational losses. Substantial evidence also shows the Air District failed to require the Project to implement feasible Best Available Control Technology. The Final EIS/EIR does not contain substantial evidence that its proposed mitigation measures would reduce the Project's impacts from VOC emissions to a less-than-significant level. Thus, the Project's air quality impacts remain significant and unmitigated.

V. Conclusion

Comments submitted by various agencies and members of the public raised substantial inadequacies of the Final EIS/EIR under CEQA. The Coalition concurs with those comments and hereby incorporates them in these comments on the Final EIS/EIR and Approvals for the Project. The Air District has failed to address these numerous deficiencies. The Air District cannot approve the Project until a revised Draft EIS/EIR that properly addresses these deficiencies is prepared, circulated for public review and approved by the proper lead agency, Mono County.

Sincerely,



Rachael E. Koss

REK:clv