



March 23, 2016

Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814



Submitted by email to: commentletters@waterboards.ca.gov

RE: Proposition 1 Groundwater Grant Program Funding Guidelines

Dear Ms. Townsend,

The Mammoth Community Water District (MCWD) appreciates the opportunity to comment on and share our support for the State Water Resources Control Board's Proposition 1 Groundwater Grant Program Funding Guidelines. Sustainable groundwater management is more important than ever as California copes with a historic drought and the realities of climate change.

As a public agency, it's our job to secure safe, affordable water for our customers. Due to ongoing drought conditions, MCWD is almost entirely dependent on groundwater supplies to fulfill the water supply needs of our community. Currently, five of our nine groundwater wells are operating at reduced production levels as the aquifer has been drawn down.

Compounding this difficult situation, our groundwater supplies may also be negatively impacted by a geothermal expansion project proposed by Ormat Technologies Inc. (Ormat). The project, Casa Diablo IV, is located near the Town of Mammoth Lakes. Early analysis has revealed some wells record hotter temperatures the closer they are to Ormat's geothermal production wells, and one MCWD production well includes trace geothermal water quality elements. In addition, the U.S. Geological Survey has reported an expansion in tree death areas, hot soil temperatures, and fluctuations in carbon dioxide and hydrogen sulfide emissions in the areas near Ormat's geothermal production wells.

The USGS states that rising soil temperatures and hydrogen sulfide concentrations in the area can be attributed to geothermal production. Fractured rock may be allowing heat and geothermal reservoir steam to travel from the deep geothermal zones to the surface. MCWD is concerned that this type of connection between the geothermal zone and the shallow groundwater basin zones could result in reducing and/or degrading our critical groundwater supplies when the geothermal plant doubles its production capacity.

MCWD has consistently voiced its concerns regarding the proposed plant expansion and the potential impacts to local water supplies and environmental resources – specifically regarding groundwater contamination due to Ormat’s operations. U.S. Senator Dianne Feinstein, Congressmen John Garamendi and Paul Cook, the Mammoth Lakes Town Council, and members of the Mono County Board of Supervisors have also raised questions regarding the proposed project. We have urged careful review and consideration of an adequate monitoring and mitigation plan and the installation of two deep water monitoring wells. Yet, despite strong opposition, the Bureau of Land Management approved the Environmental Impact Statement for Ormat’s expansion project.

After years of intense negotiation, MCWD was recently successful in obtaining a commitment from Ormat to fund the installation of one deep water monitoring well to mitigate for groundwater impacts. However, the District continues to maintain that at least two wells are needed in order to adequately examine and monitor groundwater impacts. As a result, MCWD is seeking funding to design and construct one additional deep water monitoring well paired with a shallow and medium depth nested well. Information obtained from the monitoring well pair will help the District determine the geothermal production wellfield’s area of influence and monitor aquifer pressure changes near MCWD’s groundwater production wells. Data obtained from the monitoring well pair will be used to address the potential effects on MCWD’s groundwater quality and/or decline as well as the environment.

Our region’s water supply is intrinsically tied to the health of our groundwater basin, and our concerns are warranted. Studies in the Mammoth Lakes groundwater basin have produced data suggesting that geothermal reservoirs could be connected to local water supply aquifers and the ground surface. Without a deep water monitoring well pair in place, we will be unable to detect and potentially avoid degradation or loss of our primary water supply.

Your Proposition 1 Groundwater Grant Program Funding Guidelines outline financial assistance opportunities to prevent contamination of groundwater that serves as a source of drinking water. Ten percent of your grant funding is available for the planning and monitoring necessary for the successful design, selection and implementation of authorized projects. For MCWD, funding to construct a deep water monitoring well pair will provide an essential tool to potentially avoid loss of a community’s water supply and to obtain evidence that the loss or diminishment of our water is attributable to Ormat’s operations. This data will support the requirement for Ormat to provide an alternate water supply to the community of Mammoth Lakes. The District’s project meets your eligibility requirements by allowing us to:

- Prevent contamination in our aquifer;
- Pioneer a new method to monitor a renewable energy project’s potential impacts on a community’s water supply;
- Implement a project that integrates a water purveyor, MCWD; two federal agencies, the BLM and USFS; a state agency, the Great Basin Unified Air

Pollution Control District; and a private company; to ensure a community's water supply is protected;

- Construct a second monitoring well pair to safeguard our aquifer despite the unwillingness of the geothermal plant owner to pay for construction and the lack of BLM's requirement for two monitoring well pairs prior to issuance of necessary permits; and ultimately,
- Provide clean drinking water to our customers.

MCWD appreciates the opportunity to review and comment on your funding guidelines. This avenue of funding will certainly help us maintain sustainable, clean water supplies for the homes and businesses we serve. We look forward to submitting a pre-application and participating in your grant funding process. If you have any questions or need clarification on our comments please contact General Manager, Pat Hayes at (760) 934-2596 or PHayes@mcwd.dst.ca.us.

Sincerely,



Patrick A. Hayes, PE
General Manager
Mammoth Community Water District