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Town of Mammoth Lakes Echoes Community Groups' Mounting Concerns Regarding Ormat's Proposed Casa Diablo Geothermal Project's Impacts

Community Groups Speak Out Amidst Threat to Water Supply during Severe Drought

Mammoth Lakes, CA – Mammoth Community Water District (MCWD) today released a letter from the Town of Mammoth Lakes (Mammoth) detailing concerns with a proposed geothermal plant expansion project, which could jeopardize the region's water supply. The project, owned by Ormat Technologies Inc. and known as Casa Diablo IV Geothermal Energy Project (Casa Diablo IV), proposes pumping 29,000 acre feet of hot water from below the cold groundwater zone. Mammoth depends on this cold aquifer to fulfill the water supply needs of the community, and this project directly threatens that precious water supply at a time when California is experiencing a serious statewide drought.

"We are very concerned, as is the Mammoth Community Water District, that this level of pumping under our water supply will have some level of draw down impact on our groundwater resource," said **Town of Mammoth Lakes** Mayor Rick Wood. "A diminished water supply will have a devastating impact on Mammoth Lakes."

MCWD is committed to carefully managing and maintaining local water resources for more than 8,200 residents and 35,000 visitors during holiday periods. Unfortunately, the severe statewide drought has increased MCWD's reliance on critical groundwater supplies. The proposed expansion of the Casa Diablo IV project has sparked concern among community members and the town alike who believe that the project's pumping could threaten the sustainability of the area's groundwater and thereby jeopardize the town's water supplies.

"Respected experts from the hydrogeological consulting field (including a former employee of the USGS) have voiced strong concerns to the MCWD that the environmental review process did not adequately address the potential adverse consequence to the District's groundwater field," added Mayor Wood.

MCWD and the community groups believe that the Environmental Impact Statement and Environmental Impact Report (EIS/EIR) prepared for Casa Diablo IV failed to properly assess the potential impacts to critical hydrological systems that provide water to the residents of Mammoth.

"From our own experience, we can testify to having engaged in a complex and accelerated environmental process for the Casa Diablo IV project with no credible response from either the United States Forest Service or the Bureau of Land Management regarding a host of comments and concerns

regarding the project’s potential effects on the recreation experience here in Mammoth Lakes,” stated **Mammoth Lakes Trails Public Access Foundation** President and CEO John Wentworth.

“Despite 18 pages of comments and signatures from local citizens, the Sierra Club and Friends of the Inyo, no meaningful mitigation measures were included in the final federal environmental documents,” Wentworth added.

Additionally, by rapidly processing the EIS/EIR, the BLM and USFS failed to adequately evaluate the project’s threat to MCWD’s groundwater supply and provide an adequate monitoring and mitigation plan to address such a threat.

The provision of a monitoring and mitigation plan for the region’s groundwater would help prevent and combat some of the environmental impacts caused by previous Ormat expansion projects. In 2006, Ormat installed wells in the Shady Rest Park area. Since the installation, there has been an increase in the concentration of the extremely hazardous gas, hydrogen sulfide, an increase in the extent of tree-kill areas and an increase in ground temperatures. The proposed Casa Diablo IV project, which will be allowed to add up to 16 new wells, could negatively impact more than local water supplies. These potential effects are why it is necessary that the EIS/EIR be reopened to reevaluate the potential impacts of the project and include a meaningful monitoring and mitigation plan.

Mono County Supervisor Larry Johnson also voiced his support of MCWD’s concerns related to the proposed Casa Diablo IV project, stating, “When the Water District is satisfied, I’ll be satisfied.” Supervisor Johnson also responded to those arguing the merits of increased tax revenue and job creation benefits of the plant, stating, “It’s no good if we have nothing to drink here.”

In 2010, Ormat purchased the geothermal power plants in Mammoth Lakes for more than \$72 million, becoming sole owner of more than 10,000 acres of land, power plants, and equipment in the Mammoth complex. The geothermal energy company’s production has impacted the fragile environment surrounding the Mammoth complex and the proposed expansion now goes one step further by increasing the threat to the region’s water supplies. MCWD will continue working with local groups, stakeholders and Ormat to address the very real threats the proposed Casa Diablo IV project poses to the region and work to ensure the safety of its critical water supplies.

About Mammoth Community Water District

MCWD provides water and wastewater utility service to the Town of Mammoth Lakes and surrounding areas. MCWD strives to provide reliable, affordable utility service to our customers and to conduct our operations in a manner reflecting our stewardship role. We encourage our customers to practice responsible use of our limited water resources, and to take advantage of the information and services available to support this goal.