MINUTE ITEM

15. PROPOSED GEOTHERMAL WELL AND RELATED STRUCTURES AND FACILITIES, RECES-SION LAND OF THE BED OF MONO LAKE, MONO COUNTY; SOUTHERN CALIFORNIA EDISON COMPANY - PRC 4572.1.

During consideration of Calendar Item 26 attached, the Executive Officer explained that the first geothermal exploratory well drilled by G.R.I. was not successful and had been abandoned. Southern California Edison Company has now requested permission to relocate their authorized well in a new area approximately six miles from the site authorized previously. This location would be superior in terms of minimizing any environmental impact, and would not be readily visible, as it would be located behind a promontory. It would be on recession lands of the State (which, under law, are considered as submerged lands), and therefore the location requires clearance from both the Office of the Attorney General and the Department of Parks and Recreation, which clearances have been received.

The Executive Officer reported receipt by the Commission of the following communications, all in opposition to the drilling of the proposed well:

Letters from:

Jeffrey P. Hansen, Box 181, Lee Vining, California. Andrea Lawrence, Box 43, Mammoth Lakes, California. Mrs. Else Ocskay, 660 Cowles Road, Santa Barbara, enclosing petitions entitled "In Opposition to Geo-thermal Exploratory Drilling at Mono Lake", with several pages of signatures, with wide distribution as to residence of the people who signed.

Telegrams from:

John E. Boynton, Assistant Professor of Botany, Duke University Summer Resident, Danburg Beach North Shore, Mono Lake, California.

Adele Coulter Maloney, Danburg Beach, Mono Lake, California.

Appearances were then made by:

<u>Mr. Lee Bowser</u>, A resident of Danburg Beach, Lee Vining, in opposition to issuance of the permit, who noted that one of the main objections on the basis of the letters received, was the question of prudence in using one environmental impact report to cover two separate drilling sites located some six miles apart. He asked that thought be given to using a more remote location elsewhere for exploration. In response to a direct question, Mr. Bowser admitted that the proposed site sould not be visible from his home, but claimed there might be some noise. Also, he claimed that the drilling structure would be visible from the Tioga Lodge and from the town of Lee Vining.

(The Executive Officer interjected at this point that requirements for landscaping or putting equipment underground would be under the complete control of the State Lands Commission if there should be successful development in

A. 6 S 15 the area, and as merely an exploratory prospecting permit was proposed at this time, there would be additional opportunity for public hearings before actual development was permitted.)

Mr. Timothy Hansen stated that while the first well had been kept quite neat and clean, the work was getting closer and closer to where people live. He called attention to the fact that this is a unique area, with a seagull rookery on Negit Island, and ponds where large numbers of ducks and geese spend the winter months, which he felt needed long-range protection. He did not think that the present controls are adequate, nor that the environmental impact report was adequate. He claimed further that considerable altering of the lands would be required to build a road into the area, which he felt should be left undeveloped as long as possible.

<u>Mr. Barry A. Boudreau</u>, Petroleum Engineer, representing Southern California Edison Company, appeared next and reported that all permits required for the drilling operations in the area have been received, including a permit for an access road. He stated that the California State Division of Oil and Gas had approved the proposed drilling program. He pointed out that the seagull rookery on Negit Island, referred to by Mr. Hansen, was perhaps a mile away, and also that the duck and geese ponds in the area are a mile or two from the drillsite. When the first well was drilled, it was only about 700 feet from the lake edge, and during the drilling operations there were many ducks in the water and they were not disturbed by the operations. He felt that the proposed operation would not harm the birds or cause them to leave the area, or keep them from using the ponds as a resting place during their flights South.

At this point the Executive Officer stated that the Department of Fish and Game had reported that with the drilling of only one exploratory well at a time, they saw no problem with respect to wildlife. However, if there is a successful discovery and the question comes up of drilling a number of wells, then proper protective conditions could be required by State Lands in connection with the issuance of a lease. 601

In response to a question by Commissioner Orr about using a different drillsite, Mr. Boudreau indicated that there was not much range of choice for another location.

The following statement was then made by Commissioner Orr, and corcurred in by Chairman Flournoy:

"I would like to say to Mr. Hansen that I am going to recommend the approval of the drilling. I am doing so with a lot of difficulty, because I have two young people in my family who are, like you, very much interested in ecology. When you came here before, I felt an empathy for your position, and I still do. As a Commissioner, I also have a real concern with our sources of energy. This Commission has equally earnest people who appear to oppose the drilling of oil wells, which are ecologically disturbing. We have people who appear to object to nuclear plant siting because they upset the écology with the the warm water; and the possibility of explosions; and we have recently passed a wild rivers bill because many people don't want dams on the wild rivers. I don't like to do this 10 Lee Vining and the area. I think it is a beautiful county, and I am disturbed because I agree with you that this isn't the end of it; that if they find steam, you are going to be back here, and they are going to be back here, obviously. On the other hand, I think we have an obligation to the people of California to find new sources of energy. Some times this causes me to make motions which are difficult because I don't like to disturb the ecology any more than you do."

UPON MOTION DULY MADE AND CARRIED, THE FOLLOWING RESOLUTION WAS ADOPTED:

THE COMMISSION:

- 1. FINDS THAT THE ENVIRONMENTAL IMPACT REPORT NO. 6 IS APPLICABLE TO THE PROPOSED DRILLING OPERATIONS AT THE REVISED LOCATION, AND THAT THE APPROVAL OF THE PROPOSED WELL AND RELATED STRUCTURES AND FACILITIES WILL NOT UNREASONABLY INTERFERE WITH THE MAINTENANCE OR USE OF THE LANDS INVOLVED FOR RECREATIONAL PURPOSES OR PROTECTION OF SHORE FROP-ERTIES.
- 2. AUTHORIZES THE ISSUANCE TO SOUTHERN CALIFORNIA EDISON COMPANY OF A PERMIT TO CONSTRUCT TEMPORARY ROADS, WATER LINES, AND RELATED WELL-SITE FACILITIES, AND TO DRILL A GEOTHERMAL RESOURCES WELL IN ACCORD-ANCE WITH THE PROPOSALS AS SUBMITTED BY THE PERMITTEE, THE TERMS AND CONDITIONS OF PERMIT TO PROSPECT FOR GEOTHERMAL RESOURCES PRC 4572.1, AND THE RULES AND REGULATIONS OF THE COMMISSION.

6.12

Attachment: Calendar Item 26 (2 pages) CALENDAR ITEM

26.

9771 PRC 4572-1 ADW

PROPOSED GEOTHERMAL EXPLORATORY WELL AND RELATED STRUCTURES AND FACILITIES

PERMITTEE: Southern California Edison Company.

COUNTY: Mono.

AREA: Mono Lake.

PERTINENT INFORMATION:

Southern California Edison Company has applied to drill an exploratory geothermal resources well "State 4572" 1, and construct temporary roads, water lines, and related well-site facilities on recession land of the bed of Mono Lake. The well will be directionally drilled to a total depth of 5000 feet, and, if completed, the only permanent structure to remain on State lands will be the production-head equipment. If abandoned, all facilities will be removed, and the well site restored to its original condition.

An easement has been obtained by the permittee to cross the Federal lands lying between the existing county road and the subject permit area.

The permittee has applied to the Regional Water Quality Control Board for the waste discharge requirements, and has applied to the County for a land use permit. Because this initial exploratory well is being drilled in a different location than that originally proposed in the Environmental Impact Report No. 6, considered by the State Lands Commission prior to the issuance of the geothermal resources prospecting permit (Minute Item 18, page 156), it was felt advisable to refer the application to the Office of the Actorney General. That office advises that (1) in light of the possible applicability of Section 6818 of the Public Resources Code concerning the necessity of submitting applications to erect structures on tide or submerged lands (recession lands) to the Department of Parks and Recreation and the Office of the Attorney General, the application should be submitted to the Department of Parks and Recreation for their finding that the proposed well would not reasonably interfere with the maintenance or use of the lands involved for recreational purposes or protection of shore properties, and (2) the staff should determine whether the presently proposed well location raises any environmental issues not already considered in the Division's Environmental Impact Report No. 6 and the public hearing preceding issuance of the subject permit.

A 6 S 15

CALENDAR ITEM 26, (CONTD.)

PERTINENT INFORMATION(CONTD.)

The Department of Parks and Recreation has expressed no objection to the exploitation of geothermal resources in the Mono Lake area provided that the scenic values of the area are preserved, and specifically recommends that any facilities should be so located as to remove them substantially from the view of travelers passing by on highways in the area.

Since the presently proposed well location is approximately 4 miles easterly of U.S. Highway 395 and 3 miles southerly of State Route 167, and at these distances would only be visible to a limited degree to those knowledgeable of the well's location, these criteria are being met. In addition, it is concluded that since the location is further removed from populated areas than the original proposal, the short term environmental impact should be even less, thus raising fewer environmental issues. IT IS RECOMMENDED THAT THE COMMISSION:

- 1. FIND THAT THE ENVIRONMENTAL IMPACT REPORT NO. 6 IS APPLICABLE TO THE PROPOSED DRILLING OPERATIONS AT THE REVISED LOCATION, AND THAT THE APPROVAL OF THE PROPOSED WELL AND RELATED STRUCTURES AND FACILITIES WILL NOT UNREASONABLY INTERFERE WITH THE MAINTENANCE OR USE OF THE LANDS INVOLVED FOR RECREATIONAL PURPOSES OR PROTECTION OF SHORE PROPERTIES.
- 2. AUTHORIZE THE ISSUANCE TO SOUTHERN CALIFORNIA EDISON COMPANY OF A PERMIT TO COMSTRUCT TEMPORARY ROADS, WATER LINES, AND RELATED WELL-SITE FACILITIES, AND TO DRILL A GEOTHERMAL RESOURCES WELL IN ACCORDANCE WITH THE PROPOSALS AS SUBMITTED BY THE PERMITTEE, THE TERMS AND CONDITIONS OF PERMIT TO PROSPECT FOR GEOTHERMAL RESOURCES PRC 4572.1, AND THE RULES AND REGULATIONS OF THE COMMISSION.