

**GRANT AMENDMENT REQUEST FORM (GARF)**

CEC-277 (Revised 10/2015)

CALIFORNIA ENERGY COMMISSION



Original Agreement #	GEO-14-003	Amendment #	2
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<b>Division</b>	<b>Agreement Manager:</b>	<b>MS-</b>	<b>Phone</b>
500 Renewable Energy Division	Cheryl Closson	45	916-651-0315

<b>Recipient's Legal Name</b>	<b>Federal ID Number</b>
County of Modoc	94-6000522

<b>Revisions:</b> (check all that apply)		
<input type="checkbox"/> Term Extension	New End Date: / /	Include revised schedule and complete items A, B, C, & F below.
<input type="checkbox"/> Budget Augmentation	Amendment Amount: \$	Include revised budget and complete items A, B, C, D, & F below.
<input checked="" type="checkbox"/> Budget Reallocation		Include revised budget and complete items A, B, C, & F below.
<input type="checkbox"/> Scope of Work Revision		Include revised scope of work and complete items A, B, C, E, & F below.
<input type="checkbox"/> Change in Project Location or Demonstration Site		Include revised scope of work and complete items A, B, C, E, & F below.
<input type="checkbox"/> Novation/Name Change of Prime Contractor/Recipient		Include novation documentation and complete items A, B, C, & F below.
<input type="checkbox"/> Terms and Conditions Modification		Include applicable exhibits with bold/underline/strikeout and complete items A, B, C, & F below.

**A) Business Meeting Information****Business Meeting approval is not required for the following types of Agreements:**

Minor amendments delegated to Executive Director per December 2013 Resolution

Proposed Business Meeting Date	8 / 10 / 2016	<input checked="" type="checkbox"/> Consent	<input type="checkbox"/> Discussion
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Business Meeting Presenter	Cheryl Closson	Time Needed:	minutes
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Please select one list serve. Geothermal

**Agenda Item Subject and Description**

Proposed resolution approving Amendment 2 to Agreement GEO-14-003 with the County of Modoc for a budget reallocation due to a change in the distributed energy resource unit.

**B) List all subcontractors (major and minor) and equipment vendors: (attach additional sheets as necessary)**

Legal Company Name:	Budget
University of California, Davis	\$ 234,430.00
Warner Mountain Energy	\$ 299,912.00
Welsco Drilling	\$ 407,017.00

**C) List all key partners: (attach additional sheets as necessary)**

Legal Company Name:

Surprise Valley Hot Springs, Inc.

**D) Budget Information (only include amendment amount information)**

Funding Source	Funding Year of Appropriation	Budget List No.	Amount
Funding Source			\$
R&D Program Area:	N/A	TOTAL:	\$ 0
Explanation for "Other" selection			
Reimbursement Contract #:		Federal Agreement #:	



**CEC-277 Additional list of subcontractors for County of Modoc  
GRDA grant GEO-14-003 Amendment 2:**

<b>Legal Company Name</b>	<b>Budget</b>
Cornerstone Sustainable Energy, Inc.	\$123,624
Sustainable Engineering (under Warner Mountain Energy Major Subcontractor)	\$44,894
Surprise Valley Electrification Corporation (under Warner Mountain Energy Major Subcontractor)	\$13,365

**STATE OF CALIFORNIA**

**STATE ENERGY RESOURCES  
CONSERVATION AND DEVELOPMENT COMMISSION**

RESOLUTION RE: County of Modoc Geothermal Project Grant Amendment

WHEREAS on January 14, 2014 the Energy Commission approved agreement GEO-14-003 with the County of Modoc for \$1,129,619 to conduct a geothermal energy generation demonstration project in the Surprise Valley Hot Springs area; and found, as responsible agency and after reviewing and independently concurring with the County of Modoc's mitigated negative declaration, that the project will have no significant environmental impact; and

WHEREAS the recipient County of Modoc and Energy Commission staff now seek approval to amend the grant agreement to reallocate \$100,409 from subcontractor Cornerstone Sustainable Energy to subcontractor Warner Mountain Energy, and this reallocation will bring all reallocations to date for GEO-14-003 to a cumulative amount of \$200,409; and

WHEREAS Energy Commission staff have evaluated the proposed revised budget and have determined that the requested changes do not constitute a substantial change or new information of substantial importance under California Code of Regulations, title 14, section 15162; and that the amended project will result in no impact to the environment beyond that already considered at the time of this project's original approval by the Commission;

THEREFORE BE IT RESOLVED that on the basis of the record before it the Energy Commission finds that the requested changes do not constitute a substantial change or new information of substantial importance under California Code of Regulations, title 14, section 15162; and that the amended project will result in no impact to the environment beyond that already considered; and

BE IT FURTHER RESOLVED that the Energy Commission approves an amendment to GEO-14-003 to reallocate \$100,409 from subcontractor Cornerstone Sustainable Energy to subcontractor Warner Mountain Energy; and

BE IT FURTHER RESOLVED that this document authorizes the Executive Director or his or her designee to execute the same on behalf of the Energy Commission.

CERTIFICATION

The undersigned Secretariat to the Commission does hereby certify that the foregoing is a full, true, and correct copy of a RESOLUTION duly and regularly adopted at a meeting of the California Energy Commission held on August 10, 2016:

AYE: [*List Commissioners*]

NAY: [*List Commissioners*]

ABSENT: [*List Commissioners*]

ABSTAIN: [*List Commissioners*]

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*Cody Goldthrite,  
Secretariat*

**Notice of Determination**

**Appendix D**

To:  
 Office of Planning and Research  
U.S. Mail: \_\_\_\_\_ Street Address: \_\_\_\_\_  
P.O. Box 3044 1400 Tenth St., Rm 113  
Sacramento, CA 95812-3044 Sacramento, CA 95814

From:  
Public Agency: California Energy Commission  
Address: 1516 Ninth Street  
Sacramento, CA 95814  
Contact: Cheryl Closson  
Phone: (916) 651-0315

County Clerk  
County of: \_\_\_\_\_  
Address: \_\_\_\_\_

Lead Agency (if different from above):  
Modoc County Planning Department  
Address: 203 West 4th Street  
Alturas, CA 96101  
Contact: Kim Hunter, Interim Planning Director  
Phone: (530) 233-7651

**SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.**

State Clearinghouse Number (if submitted to State Clearinghouse): \_\_\_\_\_

Project Title: Geothermal Exploration, Economic Feasibility/Market Analysis & Distributed Energy Demonstration

Project Applicant: County of Modoc

Project Location (include county): Surprise Valley, approx 5 miles east of Cedarville, Modoc County, CA

Project Description:  
Approval of grant GEO-14-003 with Modoc Co. for \$1,129,619 to conduct geothermal resource assessments/ exploratory drilling in Surprise Valley; install/demonstrate a small geothermal distributed energy unit to generate electricity at Surprise Valley Hot Springs; and conduct a geothermal economic feasibility and market analysis to provide information that can be used for future planning for expanded geothermal development in the area. As a Responsible Agency, the Energy Commission has reviewed the Mitigated Negative Declaration prepared for the project activities by Modoc County and determined that the project will not have a significant environmental impact.

This is to advise that the California Energy Commission has approved the above  
( Lead Agency or  Responsible Agency)

described project on January 14, 2015 and has made the following determinations regarding the above  
(date)  
described project.

- 1. The project [ will  will not] have a significant effect on the environment.
- 2.  An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.  
 A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
- 3. Mitigation measures [ were  were not] made a condition of the approval of the project.
- 4. A mitigation reporting or monitoring plan [ was  was not] adopted for this project.
- 5. A statement of Overriding Considerations [ was  was not] adopted for this project.
- 6. Findings [ were  were not] made pursuant to the provisions of CEQA.

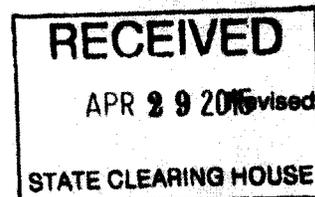
This is to certify that the final EIR with comments and responses and record of project approval, or the negative Declaration, is available to the General Public at:

Modoc County Planning Department, 203 West 4th Street, Alturas, CA 96101, SCH# 2014112026

Signature (Public Agency): Cheryl Closson Title: Engineering Geologist

Date: April 28, 2015 Date Received for filing at OPR: April 29, 2015

Authority cited: Sections 21083, Public Resources Code.  
Reference Section 21000-21174, Public Resources Code.



Notice of Determination

Appendix D

To:

Office of Planning and Research
U.S. Mail: P.O. Box 3044 Sacramento, CA 95812-3044
Street Address: 1400 Tenth St., Rm 113 Sacramento, CA 95814

County Clerk
County of: Modoc
Address: 108 E. Modoc St. Alturas, CA. 96101

From:

Public Agency: Modoc County Planning Dept.
Address: 203 West 4th St. Alturas, CA. 96101

Contact: Kim Hunter, Interim Planning Director
Phone: (530)233-7651

Lead Agency (if different from above):
Same as above

Address:

Contact:

Phone:

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

State Clearinghouse Number (if submitted to State Clearinghouse): 2014112026

Project Title: Surprise Valley Geothermal Exploration and Geothermal Project

Project Applicant: County of Modoc

Project Location (include county): Approximately 5 miles east of Cedarville, Modoc County, CA.

Project Description:

A geothermal exploration and rural demonstration project within the Surprise Valley Known Geothermal Resource Area (KGRA).

This is to advise that the Modoc County Planning Commission has approved the above (Lead Agency or Responsible Agency)

described project on December 17, 2014 and has made the following determinations regarding the above described project.

- 1. The project will not have a significant effect on the environment.
2. An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA. A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures were made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan was adopted for this project.
5. A statement of Overriding Considerations was not adopted for this project.
6. Findings were made pursuant to the provisions of CEQA.

This is to certify that the final EIR with comments and responses and record of project approval, or the negative Declaration, is available to the General Public at:

The Modoc County Planning Department at 203 West 4th St. Alturas, CA. 96101

Signature (Public Agency): [Signature] Title: Planning Director

Date: December 17, 2014 Date Received for filing at OPR:



## COUNTY OF MODOC PLANNING DEPARTMENT

203 W. 4th Street  
Alturas, California 96101  
(530) 233-6406 Office  
(530) 233-6420 FAX

*Planning Commissioners*  
Jim Hays, Chairman  
Jim Laacke, Vice Chairman  
Nancy Huffman  
June Roberts  
Dina McElwain

*Planning Staff*  
Kim Hunter, Interim Director  
Cameron Channell, Associate Planner  
Melissa Carnahan, Executive Secretary

**Project #: ER 2014-17 (SCH#2014112026)**

### MITIGATED NEGATIVE DECLARATION

The Modoc County Planning Department has prepared an Initial Study evaluating the environmental effects, which could occur if the project described below were implemented. It has been determined that proposed project will not have a significant effect on the environment with mitigation incorporated. The complete Initial Study is on file and available for public review at the address above. The Mitigated Negative Declaration will be considered for adoption by the Planning Commission when they hold a public hearing on the project. *Authority: Modoc County Procedures for Environmental Review, The California Environmental Quality Act and CEQA Guidelines.*

NOTICE GIVEN: By mailing to the State Clearinghouse, local agencies and adjacent landowners on, or by, November 13, 2014.

**Lead Agency:** County of Modoc, Planning Department

**Project Name:** Surprise Valley Geothermal Exploration and Demonstration Project

**Applicant:** County of Modoc

**Project Description:** The Geothermal Exploration and Rural Community Distributed Energy Resource Demonstration project involves the geologic exploration and the demonstration of distributed geothermal energy resources. The objectives of this project are 1) to fill in scientific data gaps on the east side of Surprise Valley in the vicinity of Surprise Valley Hot Springs (SVHS) using an integration of multiple geologic approaches including geochemical, geophysical, two-meter soil probe temperature survey, soil gas survey, and exploratory drilling; 2) install and demonstrate the effectiveness of a distributed energy geothermal unit to generate electricity immediately; 3) to generate an economic feasibility and market analysis to facilitate steps in long-range planning; and 4) to effectively engage the public in creating a strong interest in geothermal development.

**Project Location:** The location of this project is in the vicinity of the Surprise Valley Hot Springs resort; approximately five miles east of the town Cedarville, Modoc County, California; approximately 4 miles west of the Nevada border; and approximately 35 miles south of the Oregon

border. The geographic location is Latitude 41° 32' 11.29" North and Longitude 120° 04' 42.67" West, Township 42N, R16E.

The proposed geothermal project is located in east-central Surprise Valley of Modoc County, town of Cedarville, northeast corner of California Surprise Valley, an elongate valley about 70 miles long by 10 miles wide, is within a Known Geothermal Resource Area (KGRA) designated by the U.S. Geological Survey (USGS).

PUBLIC REVIEW PERIOD: November 10, 2014 to December 13, 2014 (comment period extended by Planning Commission on December 10, 2014).

SUMMARY OF ENVIRONMENTAL EFFECTS IDENTIFIED IN THE INITIAL STUDY ARE ADOPTED AS CONTAINED IN THE INITIAL STUDY. THE FOLLOWING MITIGATION MEASURES SHALL APPLY TO THIS PROJECT:

**Mitigation Measure 4A. Conduct Pre-Construction Surveys for Special-Status Species with Potential to be Present in the Project Area.** Pre-construction surveys shall be completed by a qualified professional prior to any ground disturbance or construction activities as follows:

1. Avian species: Pre-construction surveys shall be completed by a qualified biologist during the breeding season for the presence of long-eared owl (*Asio otus*), greater sandhill crane (*Grus canadensis tabida*), Swainson's hawk (*Buteo swainsoni*), and northern harrier (*Circus cyaneus*). If nesting avian species are found, a non-disturbance buffer will be placed around the nest until the young have fledged as determined by a qualified biologist.
2. Rare plant species: Pre-construction surveys shall be conducted by a qualified biologist or botanist for all impacted areas of the project site. Botanical surveys shall take place during the appropriate time of year to identify species of concern and be completed in accordance with the California Department of Fish and Wildlife's November 2009 *Protocols for Surveying and Evaluating Impacts to Special Status Native Plant Populations and Natural Communities*. If special status native plant species are found, a non-disturbance buffer will be placed around the plant populations as determined to be necessary by the biologist or botanist.

Copies of the completed surveys shall be submitted to, and kept on file with, the Planning Department.

**Timing:** *Prior to Clearing, Grading or Other Soil Disturbance*

**Reporting:** *Approval of the Grading Permit or Improvement Plans*

**Responsible Agency:** *Planning Department*

**Mitigation Measure 5A. Avoidance of Recorded Cultural Resource Sites.** No ground disturbance or development shall occur within the seven areas that are recorded and recognized as Cultural Resource Sites. To ensure complete avoidance, local tribal cultural resource contacts shall be consulted prior to any ground disturbing activities.

**Timing:** *Prior to Clearing, Grading or Other Soil Disturbance*

**Reporting:** *Approval of the Grading Permit or Improvement Plans*

**Responsible Agency:** *Planning Department*

**Mitigation Measure 5B. Encountering Subsurface Cultural Resources.** All equipment operators and employees involved in any form of ground disturbance shall be advised of the remote possibility of encountering subsurface cultural resources. If such resources are encountered or suspected, work shall be halted immediately and the Modoc County Planning Department shall be

contacted. A professional archaeologist shall be retained by the developer and consulted to access any discoveries and develop appropriate management recommendations for archaeological resource treatment. If bones are encountered and appear to be human, California Law requires that the Modoc County Coroner and the Native American Heritage Commission be contacted and, if Native American resources are involved, Native American Organizations and individuals recognized by the County shall be notified and consulted about any plans for treatment. A note to this effect shall be included on any grading and construction plans for this project.

*Timing: During Development*

*Reporting: On-site monitoring during project development*

*Responsible Agency: Planning Department*

**Mitigation Measure 5C. Discovery of Paleontological Resources.** If paleontological resources are discovered during earthmoving activities at the project site a qualified paleontologist will be retained by the developer to monitor construction activities within areas of paleontological sensitivity. All work shall stop in the general vicinity of the find until the paleontologist indicates it is clear. A note to this effect shall be included on any grading and construction plans for this project.

*Timing: During Development*

*Reporting: On-site monitoring during project development*

*Responsible Agency: Planning Department*

THE PROPOSED PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT WITH THE INCORPORATION OF THE MITIGATION MEASURES ABOVE.

  
\_\_\_\_\_  
Kimberly Hunter, Interim Planning Director

*12/17/14*  
\_\_\_\_\_  
Date