APPENDIX 2D

Will-Serve Letter from the City of Lodi

CITY COUNCIL
JOHN BECKMAN, Mayor
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Mayor Pro Tempore
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CITY OF LODI

PUBLIC WORKS DEPARTMENT

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City Attorney
RICHARD C. PRIMA, JR.
Public Works Director

November 29, 2005

Randall Blank, Environmental, Health & Safety Manager
Northern California Power Agency
P.O. Box 1478
Lodi, CA 95241

SUBJECT: Site for NCPA Electric Generating Plant at Lodi White Slough Water Pollution Control Facility at 12745 North Thornton Road, Lodi, CA, 95242

The City of Lodi is pleased to confirm availability of the site for a new NCPA Electric Generating Facility adjacent to the existing NCPA STIG Plant located on City property at its White Slough Water Pollution Control Facility. A "Will Serve" letter for water supply is being sent separately. Pursuant to City Council approval on November 16, 2005, the City can provide:

- Permanent site space for the Plant itself, substation improvements, drying beds and associated access and utility corridors
- Temporary easements for construction and staging

The City cannot commit to accepting process return flow, as preliminary indications are that the salinity levels, and possibly temperature, of the City's total wastewater discharge would be raised to unacceptable levels for Delta discharge and possibly even for land disposal. While the City is willing to work with NCPA on possible mitigations that would allow such discharge, perhaps on a temporary basis, the City believes NCPA should plan the Plant for zero discharge. Discharge of domestic sewage from the Plant is permitted. However, potable water supplies are not available at the City's Facility.

Current City policy requires the applicant to fund/construct the improvements necessary to reliably serve your project. In addition, regular service charges for waste treatment, as established by the City, would apply.

While the current lease for the existing STIG Plant contemplates a second, similar-sized generating unit, should modifications of the lease be necessary to accommodate the larger proposed unit, the City will work with NCPA to resolve any issues.

The City of Lodi wishes to fully cooperate with you on this project and trusts that Lodi will be given favorable consideration in project participation allocations. We look forward to working with you on the various details to make this project a success for all.

Sincerely,

Richard C. Prima, Jr.
Public Works Director

RCP/pmf
cc: Blair King, City Manager
David Dockham, Interim Electric Utility Director
Del Kerlin, Assistant Wastewater Treatment Superintendent

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