# City of Desert Hot Springs

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DOCKET
07-AFC-3
DATE JAN 23 2008
RECD. JAN 23 2008

January 23, 2008

California Energy Commission
1516 Ninth Street
Sacramento, CA 95814
Attn. Bill Pfanner

Dear Mr. Pfanner,

It has come to the City's attention that the California Energy Commission has suggested to Competitive Power Ventures, Inc. (CPV) that they consider using the Desert Hot Springs (DHS) Sub-basin as a source of water for their Peaker Plant project (07-AFC-3) in our area (37 acres of land situated within unincorporated Riverside County.)

The DHS Sub-basin is the source of our City's pure, hot mineral water which is internationally known for its restorative and uniquely odor free properties. Water ranging from 100 to 170 degrees is pumped by our spas for use by people from all over the country and world bringing much needed tourism dollars to support the services provided to DHS residents. The water from this sub-basin is what separates and distinguishes our town from others in the Coachella Valley.

Therefore, the City of DHS strongly opposes the usage of the DHS Sub-basin for anything other than our spa industry. Unlike other water sources, the Sub-basin is not rechargeable and finite. If the water is not available for our spas, it would be extremely damaging to the City's tourism industry and the fiscal solvency of the City of DHS.

Sincerely,

Rick Daniels
City Manager

Cc: Mayor Yvonne Parks
Mayor Pro Tem Scott Matas
Councilmember Karl Baker, Jr.
Councilmember Al Schmidt
Councilmember Russell Baker
Mission Springs Water District
Competitive Power Ventures, Inc.