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GEOTHERMAL PUMPING COULD THREATEN LOCAL WATER SUPPLIES PRELIMINARY ANALYSIS FINDS WARM WATER IN SHALLOW MONITORING WELLS

Mammoth Lakes, CA – The Mammoth Community Water District (MCWD) today announced preliminary results from two shallow monitoring wells drilled by the United States Geological Survey (USGS), indicating that Ormat Technologies' (Ormat) Casa Diablo IV Geothermal Development Project (Project) could have impacts on local water availability and environmental resources. The monitoring wells have revealed hot water in the shallow aquifer, suggesting potential connectivity between the region's groundwater basin and the geothermal zone below. A new fact sheet produced by MCWD provides more information on how geothermal pumping may threaten local water supplies and recent USGS studies document increased soil temperatures, gas releases and tree deaths linked to Ormat's geothermal operations near the Town of Mammoth Lakes.

MCWD has repeatedly raised concerns about the impacts geothermal expansion may have on the District's water supply, particularly during drought conditions, and recently made the difficult decision to continue litigation challenging the adequacy of Ormat's environmental analysis. The latest shallow aquifer monitoring results confirm that wells closest to the company's geothermal production area have recorded temperatures as high as 210 degrees Fahrenheit. In addition, at least one MCWD production well has shown traces of chemicals associated with geothermal water, suggesting potential water quality impacts due to geothermal pumping.

"These preliminary findings reinforce the District's ongoing concerns over geothermal expansion," said MCWD Board President Tom Smith. "If, as the findings suggest, Ormat's operations are increasing soil temperatures and degrading the environment, then we will continue fighting for a more thorough analysis and additional monitoring and mitigation to protect our vital resources."

Ormat's project would double geothermal pumping near the Town of Mammoth Lakes despite a grossly inadequate environmental analysis and a lack of reasonable monitoring and mitigation measures to protect the region's groundwater resources. Due to the unprecedented drought, the community is almost entirely dependent on groundwater supplies. As California implements a new state mandate to expand renewable energy and increase energy efficiency, an examination of how geothermal projects operate, monitor and mitigate for impacts is necessary to ensure long-term water availability and quality.

"The early analysis by USGS suggests that more careful study is needed before expanding geothermal energy use," said Smith. "For our District, geothermal production must not come at the cost of our critical water supplies and environmental resources."

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MCWD remains firm that at least two deep geothermal wells are required to adequately assess the impacts geothermal energy production may have on water supplies and the environment, and will continue to pursue an inclusive approach to protect both. The USGS data furthers MCWD's concern over the flawed environmental impact study, and strengthens the District's resolve to safeguard the region's water supply while protecting taxpayer dollars.

For more information, please visit MCWD's website at: http://www.mcwd.dst.ca.us.

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.

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