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Settlement Discussions with Ormat over Geothermal Project Yield Progress

Additional Monitoring Wells to be Installed; Negotiations Continue

Mammoth Lakes, CA – After several months of steady negotiations, the Mammoth Community Water District (MCWD) today reported solid progress has been made in settlement discussions with Ormat Technologies, Inc. (Ormat) regarding the company's proposed geothermal expansion project, Casa Diablo IV Geothermal Project (Casa Diablo IV). MCWD, along with local community groups and local, regional, and federal elected officials, have expressed concerns about Casa Diablo IV's potential impacts to local water supplies and environmental resources.

Negotiation meetings include MCWD, Ormat, United States Geological Survey, United States Bureau of Land Management (BLM) and the United States Forest Service. Recognizing the District's concerns over potential impacts to groundwater supplies, Ormat has now agreed to install new groundwater monitoring wells at three locations, which will continually assess conditions in the hot geothermal zone, the warm intermediate zone and the cold water aquifer. The BLM is in the process of permitting applications for the first set of new wells within the geothermal lease area.

Developing and adopting a mitigation plan is still to be addressed by the negotiating team and is a crucial component of any successful resolution.

"Protecting our region's water supply is a top priority for our district and we're pleased to report these negotiations have yielded important new protections and systems to monitor groundwater," said MCWD Board Vice President Tom Cage. "While there is still quite a bit of work to accomplish, we're cautiously optimistic. This provides us a potential opportunity to achieve our goal of protecting the water supply our residents and businesses rely upon – we certainly won't take our foot off the pedal."

A status report on these negotiations and outcomes to date was presented by the BLM on July 1 to the Mammoth Lakes Town Council.

On a parallel track, MCWD had filed a lawsuit against the Great Basin Unified Air Pollution Control District in August 2014, challenging the adequacy of the environmental review for the geothermal project. On June 26, 2015, MCWD's petition was denied in a Mono County Superior Court decision. The MCWD Board of Directors will consider its options regarding next steps.

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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