MARIPOSA BIOMASS PROJECT

Project Development Progress Report July-September 2017

HIGHLIGHTS

- PG&E has advised MBP that they are unable to complete the System Impact Study on October 10, 2017. Their estimated completion date is now October 31, 2017, three weeks late. PG&E requested that changes be made on the transformer data sheet and on the Single Line Drawing. MBP has expressed their concerns over the delay in an email to PG&E on October 14, 2017.
- MBP continues to address the issues presented by the county with regards to the Use Permit application and CEQA. The concerns presented by the county include:
 - Water use and the impact on neighboring wells
 - Ash composition and disposal
 - Stack and building heights as they relate to the airport
 - Relocation of the septic system planned to serve parcels 2 and 3
 - Air quality modeling
- MBP contracted with the Christiana Darlington, an environmental attorney specializing in biomass projects, to help expedite the Use Permit and provide some guidance to both MBP and the county as we work through the CEQA process.
- MBP contracted with TSS to address air emission issues related to CEQA as well as to help MBP prepare the Air Permit application.
- MBP sent wood chip samples to Sweden for chemical analysis.

WORK COMPLETED

Meetings

- Biomass group meetings were held in July through September
- MBP participated in several conference calls on interconnect cost issue
- MBP had two separate meetings with the planning department (Steve Engfer) in regards to CEQA and the Use Permit.
- MBP attended the IRWN meeting

System Impact Study

MBP advised PG&E to proceed with the detailed study. PG&E has 60 days to complete the study, which will include an estimate of the cost to connect to the grid.

Permitting

- MBP had Jones Snyder flag the site to locate the corners of major structures and locate the center line of the proposed access road between parcels 3 and 4 as requested by the county.
- MBP contacted two of the directors on the Community Foundation regarding the proposed relocation of the septic system from parcel 3 to parcel 4. MBP has not received any response in writing from the Foundation, however, based upon some verbal communication, the Foundation would not object to the relocation.
- MBP hired Mariposa Well Drilling to perform a six hour flow test as requested by our hydrologist. The test confirmed that the well had a capacity of at least 15 gpm. The flow was limited by the capacity of the well pump, which was 15 gpm. MBP provided 5,400 gallons of water to the county, who trucked it back to the landfill for dust control.
- MBP hired a hydrologist to render an opinion on the impact the project might have on neighboring wells. He concluded that the impact would be insignificant.
- MBP hired TSS Consultants to prepare the necessary documentation to support the CEQA review and apply for an Air Permit.

Community Outreach

- MBP gave a presentation to the Master Gardeners
- MBP had a booth at the Arbor Day Event in Mariposa
- Members of the Mariposa Biomass Group went door to door in the Mickleoaks community to provide information about the project, answer questions and invite residents to the next biomass group meeting,

LOOKING AHEAD

Meetings

- Monthly MBP meetings
- MBP plans to participate in the Electrical Interconnect Forum on October 26.
- MBP plans to attend the Statewide Wood Energy Forum in Fresno Nov 14-16

Permitting

- Prepare septic system profiles as required by the county
- Complete records required to relocate of the septic system
- Provide the county with the well test results and copy of the consultant's report
- Provide the county with a white paper addressing the suitability
 of the ash to be used as a cover material in the landfill.
- Verify the stack height limitation as it relates to the plant's proximity to the airport.
- Complete the CEQA air quality analysis
- Complete the application for the air permit
- Notify the FAA of the proposed stack

System Impact Study

- Continue to expedite PG&E
- Revise the transformer data sheet to indicate a wye connection on the high side
- Update the Single Line Drawing to include additional information requested by PG&E

Community Outreach

SCHEDULE

- PG&E had 60 business days to complete the System Impact Study. The study was to be completed October 10. On October 13, PG&E advised there would be a three week delay. The SIS needs to be completed before the project can enter the Biomat bidding process.
- Based upon additional studies requested by the county, the schedule for completion of the Use Permit has slipped into late December.

DEVELOPMENT ISSUES

- MBP needs to make substantial progress toward our CEQA review in order to secure the \$5 M in funding through the EPIC Grant. The CEC is scheduled to review the project funding in December.
- Cortus Energy is looking for a suitable US development partner to possibly participate in plant operations, fuel supply and/or financing.