

Exhibit A
GEOHERMAL IMPACT MITIGATION FUND

Purpose of Fund

To assist in the mitigation of current adverse impacts to the communities of Anderson Springs and Cobb Valley from the development and production of geothermal resources in the Geysers area of Lake County.

Source of Funds

Geothermal Resource Royalties, commonly referred to as AB 1905 Geothermal Funds. The annual amount of funding to be made available to each of the communities of Anderson Springs and Cobb Valley will be determined by the Board of Supervisors.

Principal Uses of Fund

Authorized uses in Public Resources Code Section 3823 (h) (i): Identifying, researching, and implementing feasible measures that will mitigate the adverse impacts of geothermal development or production in Lake County. Planning, constructing, providing, operating and maintaining those public services and facilities that are necessitated by and result from the development or production of geothermal resources in Lake County.

Funding Priorities

First: Community or public benefit projects or programs in Anderson Springs and Cobb Valley to mitigate current adverse impacts from the development or production of geothermal resources in Lake County.

Second: Projects or Programs in the above two communities that may confer an incidental private benefit to mitigate current adverse impacts that are common in the community and are verifiable impacts from the development or production of geothermal resources in Lake County.

Fund Administration

The Lake County Board of Supervisors creates the fund and delegates to the Special Districts Administrator the establishment of the committees and the administration of the fund in accordance with the purpose, policy and criteria for use of the fund. The Administrator will be an ex-officio member of each committee. The Board of Supervisors will make the final decision on the funding requests.

The Administrator, in establishing the membership of each committee, shall utilize the membership criteria generally set forth below. The committee will recommend to the Board of Supervisors the programs or projects to be funded.

District 1 Supervisor (1)
Anderson Springs Community Services District Board (1)
Northern California Power Agency (1)
Calpine Corporation (1)
Anderson Springs Community Members at Large (2)
District 5 Supervisor (1)
Cobb Area Water District (1)
Cobb Community Members at Large (2)
Middletown Community (1)