



IMPERIAL VALLEY **REGIONAL** CHAMBER *of* COMMERCE

April 1, 2025

Governor Gavin Newsom
1021 O Street, Suite 9000
Sacramento, CA 95814

Senator Steve Padilla
1021 O Street, Suite 7630
Sacramento, CA 95814

Assemblymember Jeff Gonzalez
1021 O Street, Suite 4230
Sacramento, CA 95814

Subject: Geothermal/Lithium Development Projects in Imperial County, CA Letter of Support

Dear Governor Newsom, Senator Padilla, and Assemblymember Gonzalez:

On behalf of the Imperial Valley Regional Chamber of Commerce (IVRCC), I am writing to express our support of the legislative and/or executive action remedies proposed by the County of Imperial to create an environment that fosters development of Geothermal and Critical Mineral Extraction projects located in Imperial County.

By way of background, the County of Imperial has mobilized all local resources possible and taken several actions to create conditions that would foster development in a disadvantaged, under resourced area, including, but not limited to, adopting the Lithium Valley Economic Investment Opportunity Plan, a roadmap that encourages additional renewable energy development to benefit Californians and move our country towards transportation electrification, achieving energy independence, and attaining a domestic critical mineral supply chain, while providing industry with a clear, concise path to project development.

Additionally, the County of Imperial has undertaken the creation of a Specific Plan and Programmatic Environmental Impact Report (SP/PEIR) of approximately 51,000 acres that will provide certainty for land uses associated with geothermal energy production, lithium recovery, and ancillary (vertically aligned) operations that use the resources being extracted. The Draft SP is currently available for public review and accepting comments until April 1, 2025. The Draft PEIR is expected to be released for public review this Spring. Together, these policies will establish the framework for a renewable energy, critical mineral, and manufacturing ecosystem that is unlike anywhere else in the world.

Moreover, the County of Imperial conducted an Infrastructure Assessment to identify an inventory of infrastructure needs for the study area, adopted a Good Neighbor Community Benefit Agreement Program that provides industry with an opportunity to legally commit to the advancement and prosperity of residents through promised local benefits, and developed a Lithium Excise Tax Funding Plan which provides the framework for which locally received extraction tax dollars are spent to address the needs of Imperial County's

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residents.

As of December 2024, the unemployment rate in Imperial County was 17.8%, compared to a statewide unadjusted unemployment rate of 5.2% and a national unemployment rate of 4.1%. Imperial County's poverty rate is consistently between 17-21%, compared to the average statewide poverty rates of 13% and national average rates of 11%. Lithium Valley is poised to bring transformational change to Imperial County by creating thousands of construction jobs, full time operational jobs, new educational pathways, improved infrastructure and tremendous economic impact. Lithium Valley is not only a vision, it's an opportunity to bring hope to a community and be a shining example of how California renewable energy can uplift an entire region.

Although the State of California has allocated much needed resources to assist Imperial County's efforts and to support the growing lithium industry by investing in local higher educational opportunities to create STEM career pathways, IVRCC wishes to express its support of the County's recent legislative and/or executive action proposals to:

- 1) Exempt from or reduce updated Department of Toxic Substances Control (DTSC) flat-rate-per-ton generation and handling fees specifically for geothermal generation/processing through the legislative vehicle of Assembly Bill 1031 (Gonzalez);
- 2) Continue to exempt critical mineral extraction projects from DTSC fees;
- 3) Prioritize the procurement of California generated energy, and expedite implementation of procurement of renewable, baseload energy, lowering the future costs for ratepayers and accelerating the development timeline for clean energy technologies, such as new geothermal energy projects, which are needed to fulfill the mineral recovery potential of Lithium Valley in Imperial County through a potential Executive Order and/or a subsidy to support the cost of geothermal energy procurement over market value; and
- 4) Increase the permitting authority of the local land use authority (i.e. Imperial County) to permit thermal powerplants that generate up to 150 MW, pursuing through the legislative vehicle of Assembly Bill 1016 (Gonzalez).


IVRCC supports the development of Geothermal & Lithium projects in the Imperial Valley as it aligns with our legislative priorities for supporting energy technologies that are safe, reliable and affordable and offer opportunities for educational and business growth in the Imperial Valley.

For additional background on the barriers to entry for development in Imperial County, please view the subsequent pages.

Thank you for your consideration to support these initiatives. IVRCC looks forward to continuing to work with you, the Legislature, and key stakeholders towards future projects that will help California meet its clean energy goals, generate workforce opportunities, and provide an environmentally-friendly domestic supply of lithium that will support our grid's stability and drive our transportation networks into the next generation.

We appreciate your leadership in this effort. If you have any questions, please feel free to contact me via email at CEO@IVRegionalChamber.com or via phone at 760-352-7413.

Sincerely,



Sher Cowie
President/CEO

cc: Chair John Hawk, Imperial County Board of Supervisors

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