

December 5, 2011

Chris Borchert
Assistant Director of Planning
City of Victorville
14343 Civic Drive
Victorville, CA 92395

RE: P201100310/CUP – Victor Dry Farm Ranch, LLC
Response to December 1, 2011 Letter

Mr. Borchert,

Silverado Power is in receipt of your December 1st letter to San Bernardino County expressing concern with the proposed solar generation facility, Victor Dry Farm Ranch, on APN: 3097-361-05. We understand your concerns in regards to the proposed project and would like to provide clarification on our company's siting location, our comprehensive operation and maintenance activities, and the ways that the local region will benefit from the project's economic impacts. Furthermore, we would like to express our willingness to work together with the City of Victorville in an effort to bring responsible, cost-effective, and low-impact renewable energy generation to the area.

As you know, Southern California is rich in renewable resources and is poised to play a large role in providing California communities with clean power to help meet state policy mandates. California's Renewable Portfolio Standard requires that state utilities use 33% renewable power by 2020. Unlike many other solar projects in the area, Silverado has already signed a Power Purchase Agreement contract to bring the Victor Dry Farm Ranch project on-line and supply power by the end of 2013. The Conditional Use Permit for this site is the last major milestone needed to bring jobs to this area and begin construction on a clean renewable energy project that will provide power to over 2,000 homes in the Victor Valley.

In addition to meeting renewable energy goals, Silverado's project will play an important role in stimulating the local economy. Over the past several years the San Bernardino County and Victorville areas have lost several thousand jobs, especially in the construction industry. This project will create approximately 65 construction jobs and will utilize a large percentage of local subcontractors during the construction phase. While these construction jobs are not permanent, they will be transferable to other solar and renewable construction projects throughout southern California. In addition to construction jobs, regular maintenance and security for solar projects in the area will provide full time jobs in a dire economy. Overall this project has the potential to introduce tens of millions of dollars into the local economy through construction material purchases, job creation, and tax revenue (sales and income taxes).

In response to your maintenance and vandalism concerns, Silverado is committed to ensuring the facilities are secure and well maintained throughout the life of the project. The security of our investment is a top priority. Our site will have fencing and we will hire a local security company to provide ongoing site monitoring. Regular maintenance such as panel washing, dust control, landscaping, and typical upkeep will keep our solar facility operating efficiently and without aesthetic impacts. Please see the attached summary of Silverado's O&M and Security policies for additional reference.

Silverado takes pride in the great care and planning that has been given throughout our site selection process. The proposed project is zoned appropriately and fits well with San Bernardino County's plan to reduce greenhouse gas (GHG) emissions. Victor Dry Farm Ranch is sited outside of the urbanized portions of the City and will not impact the dense residential communities. The project location was carefully selected because it has low biological and environmental impacts, no cultural resource impacts, and provides direct access to existing transmission infrastructure. Restricting all solar development to the SCLA region would generate pricing and transmission capacity barriers, amongst others, that could make the projects undevelopable.

As an additional consideration, the County's settlement with the California Attorney General's office over the 2007 lawsuit has resulted in ambitious steps forward by the County to reduce greenhouse gas emissions. In particular, the County has been considering how to promote and support the siting of renewable energy generation facilities as a key component of the regional GHG reduction strategies. Silverado's proposed project would be a valuable asset to the region and help demonstrate progress and fulfillment of the Plan.

We believe that Victor Dry Farm Ranch is a positive development that is responsibly sited by carefully considering a wide variety of factors that include costs, impacts and timelines. We look forward to bringing clean, renewable, domestically-produced power to the region as quickly, cost-effectively and in the most environmentally-sensitive manner as possible. The project will help San Bernardino County meet its requirements to reduce greenhouse gas emissions, and will bring much needed jobs to the region. We look forward to working with the City of Victorville and the County of San Bernardino to make this project an example of good solar development, and good collaboration to achieve regional goals.

Sincerely,



Jim Howell
Executive Vice President of Development
Silverado Power

Cc: Tracy Creason - San Bernardino County

Victor Dry Farm Ranch Operation and Maintenance Summary

Project maintenance for the solar generating facility will consist of equipment inspection and replacement. Maintenance program elements include:

- Managing a group of pre-qualified maintenance and repair firms who can meet operational and maintenance needs of the facility throughout its life
- Creating a responsive, optimized cleaning schedule that requires minimal water use
- Responding to solar facility emergencies and failures in a timely manner
- Maintaining an inventory of spare parts to ensure timely repairs and consistent plant output
- Systematically maintaining a log to effectively record and track all maintenance problems
- Performing regular landscaping maintenance to prevent weed build up, control dust, and preserve aesthetics

Routine maintenance will allow the facility to operate at its maximum capacity throughout the life of the project. In addition to equipment maintenance, the project site will be maintained in order to preserve the land for future use. We have identified dust and weed control to be important components of site maintenance.

Dust Control

Silverado will utilize a number of dust control measures to minimize fugitive dust both during construction and throughout the life of the project. During construction, these measures will include: limited grading, leaving native vegetation and ground cover intact where possible, watering the active construction site, and implementing strict controls on construction related traffic. If suppressants are required, Silverado will use non-hazardous suppressants that can effectively bond sediment particles together to reduce dust generation by 30-80%. Long term dust control measures will expand upon those established during the construction phase.

Weed Control

During the construction phase, vegetation will be removed from the site using light grubbing methods. We will not be using chemicals to remove vegetation. Onsite vegetation and weeds will be carefully maintained throughout the lifecycle of the facility during regular maintenance. Weeds will be controlled through environmentally friendly, non-hazardous methods. Maintaining vegetation is also a critical component of fire prevention onsite. Removing weeds and excess vegetation will greatly reduce the risk of fires being created by maintenance vehicles driving on the site. Effective weed control will preserve the land for future use and enhance site safety.