

NHC Requested Agenda Items and Explanation
Meeting Date: August 9, 2018

- I. Special Use Permit
 - A. What specific information does the USFS need in order to accept the application?
 - 1. The USFS typically accepts special use applications during the preliminary permit stage of the FERC process, which is ordinarily a period where is significantly less information is available than has been provided by NHC in its license application.
 - 2. It is our understanding that the CNF is applying a higher than normal standard to this SUP application than the USFS applies to other FERC-regulated SUP Applications. If true, why?
- II. Cost Recovery Agreement/Study Review
 - A. USFS requested studies in response to FERC's request for additional studies, including a fire risk study, and a seismic hazard and geotechnical study plan.
 - B. FERC has required NHC to develop study plans for each of these areas, and has required NHC to consult with the USFS on several additional study plans (30 days):
 - 1. Seismic Hazard Study
 - 2. Geotechnical Study
 - 3. Aquifer Impact Study
 - 4. Fire Study
 - 5. Cultural Resources
 - 6. Alternative Transmission Alignment
- III. NEPA Cooperating Agency Status
 - A. USFS can review all privileged and CEII documents once it identifies itself as a cooperating agency with FERC.
 - B. U.S. Department of Agriculture is signatory to One Federal Decision MOU.
- IV. What clarification does the USFS need to understand the differences between the proposal in the P-14227 application and any other prior proposal?
- V. USFS June 29, 2018 Letter
 - A. Issues raised in cover letter

1. Different FERC dockets – resolved?
 2. Inconsistencies - Discuss
 3. FERC processes
 4. Jurisdictional and technical questions addressed in following sections
- B. Main Letter
1. Background
 - a) Hydro advanced different version of the project
 - (1) The only version active today is that described in October 2017 application to FERC as Project No. 14227. There is no “repackaging”; P-14227 is the only project under consideration.
 - (2) Other referenced proceedings and project descriptions in the USFS letter are not active and not part of the present project
 - (3) The FLA precisely defines and describes the project and the proposed use of Forest land
 2. Roadless areas
 - a) USFS stated that Nevada Hydro “failed to explain how the equipment necessary to excavate, construct, and access this feature (dam, reservoir, and spillway) would function without road construction and use.
 - b) USFS asks that Nevada Hydro update the FLA to include this information.
 - c) NHC discussed this issue and reviewed maps at the last meeting. Nevada Hydro had understood that the CNF was satisfied. What has changed from the USFS perspective?
 3. SUP Proposal
 - a) The CNF stated: “There is still a fundamental issue of clarity regarding the basics of this project, which prevent us from screening the proposal due to a lack of clear scope. Before the Forest can process any new Special Use Proposal for a LEAPS project, FERC will need to assist in answering” these questions
 - b) Questions posed to FERC
 - (1) What information from old proceedings is relevant today?
 - (a) We used all available environmental information, including from the prior proceedings, that addressed the exact same patch of land as that which will be occupied by the project facilities, including primary lines, in the current proceeding. Use of all available environmental data does not affect the jurisdictional status of FERC jurisdiction over the project and its the primary transmission line.

- (2) FERC has not raised further questions on the issue of the primary line since raising the issue in July 2017, and we believe the issue has been addressed to FERC's satisfaction.
- (3) Regarding the point of connection, the CPUC has not yet acted on SCE's Alberhill application. It is premature to speculate on how the CPUC may act and what any ramifications could be. Further, interconnection agreements are not subject to USFS or FERC licensing jurisdiction
- (4) Regarding the economic viability of the project,
 - (a) FERC has longstanding precedent for addressing project viability. The USFS does not have jurisdiction over hydro facility approval. Nonetheless:
 - (b) Exhibit D from the FLA filed addresses the economic viability of the project
 - (c) Nevada Hydro has also provided expert testimony to FERC describing the economic viability of the project. This document is available publicly, and a copy can be provided.
- (5) Regarding water to operate the project,
 - (a) Nevada Hydro is in confidential discussions with the Elsinore Valley Municipal Water District to address this issue.
 - (b) Because Standard Article 5 requires a licensee to obtain necessary water rights within five years of license issuance, any requirement imposed by the Forest Service to obtain these rights sooner is inconsistent with FERC's Standard Article 5, which will be included in the license.
- (6) Regarding recreation studies
 - (a) The USFS did not submit a request for a recreation study in response to FERC's notice.
 - (b) In its June 15, 2018 letter to Nevada Hydro, FERC addressed the request from the City of Lake Elsinore for a recreation study as Study Request 29.
 - (c) In this letter, FERC noted that it is still reviewing our study proposal to assess recreation impacts. NHC intends to address recreation issues to FERC's satisfaction