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The Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street NE
Washington, DC 20426

RE: **Lake Elsinore Advanced Pumped Storage Project**, FERC Project No. 14227
Further Clarification on timing for completion of data requests from the US Forest Service

Dear Secretary Bose,

The Nevada Hydro Company ("**Nevada Hydro**" or the "**Company**") filed an application with the Federal Energy Regulatory Commission (the "**Commission**") for an original license for the Lake Elsinore Advanced Pumped Storage facility, FERC Project No. 14227 (the "**Project**") on October 2, 2017. The Commission accepted the Application for filing on July 26, 2019.

1.0. Background

On October 8, 2019, the US Forest Service ("**Forest Service**") filed comments with the Commission on some of the studies that Nevada Hydro had undertaken at the direction of the Commission, noting a range of information needs. On November 22, 2019, the Commission published a letter to the Company describing the One Federal Decision process, and information needs of the Forest Service as a cooperating agency, referencing the October 8th comments. The Commission's letter requested that the Company and Forest Service develop a plan and schedule for providing the requested information and file monthly reports with the Commission on the status of the consultation and development of the additional information. The Commission indicated that when Forest Service had the plan and schedule information it needed to move forward as cooperating agency in the authorization and environmental review process, it would issue the notice of intent ("**NOI**") to publish an environmental impact statement under the National Environmental Policy Act ("**NEPA**").

On March 23, 2020, Nevada Hydro provided the Commission with a copy of a letter sent to Mr. Leung of the Forest Service, in which Nevada Hydro documented results of a meeting with the Forest Service and set forth the schedule agreed upon to undertake and complete requested studies. The Forest Service indicated to the Company that the schedule set forth in the March 23 letter was sufficient for it to move forward with the authorization and environmental review process.

Despite the Commission's commitment to issue the NOI upon satisfaction of Forest Service information needs as stated in the Commission's November 22, 2019 letter, the Commission on

April 8, 2020 communicated a new set of conditions in addition to the Forest Service's readiness to move forward as cooperating agency. In some cases, the conditions required the Company to provide information it will not have until the environmental review process is underway. In a subsequent conference call among Commission staff and the Company, the new conditions were discussed. The Company understands that subsequent communication between Forest Service staff and Commission staff, the conditions were discussed and further clarified.

Forest Service staff subsequently communicated to the Company that, as a satisfactory response to the Commission's April 8, 2020 letter, and clearing the way for publication of the NOI, the Company should transmit to Commission staff in writing a brief description of the scope and methodology for each of the surveys described in the Company's March 23, 2020 letter to the Forest Service, along with a brief description of the level of effort and estimated time required to complete each. The Company was advised that each of the studies would need to be completed before the Commission would publish a notice of acceptance and ready for environmental analysis ("**REA**").

This letter provides the requested information to the Commission.

In our March 23, 2020 letter to the Commission, Nevada Hydro identified the following issues requiring more information from Nevada Hydro for the Forest Service to be fully prepared to participate in the One Federal Decision process.

- A Recreation Study to assess project effects on national Forest recreational resources. Nevada Hydro was to provide a facilitator for developing with the Forest Service the methodology, schedule, and analysis framework.
- A Forest Service approved Groundwater Study to characterize project effects and baseline groundwater information within the proposed project area on NFS lands. Nevada Hydro was to provide a facilitator for developing the methodology, schedule, and analysis framework.
- A Decker Canyon Reservoir Inventoried Roadless Area Construction Plan
- Implementation of the Seismic and Geotechnical Studies already approved by the Commission and the Forest Service.
- Nevada Hydro is to provide Forest Service with documentation of State Historic Preservation Office (SHPO) concurrence or approval of Project Historic Properties Management Plan.

Each of these information needs will be addressed in the following sections of this letter.

2.0. Recreation Study

The Forest Service has requested a study to assess project effects on National Forest recreational resources. Based on the Final Recreational Study Work Plan submitted to the Commission in June 2019, the following provides additional information on the major tasks described in the work plan. The overall objective of the Recreational Study is to assess the potential impacts to recreational use associated with the upper reservoir of the proposed LEAPS Project. Specifically, the Recreational Study will identify the type of existing recreational uses, where they are generally located, and how often they are utilized. This plan will identify the methods used to collect the recreational use data, which will be used to understand the extent of recreational use impacts that could be impacted by the upper reservoir portion of the LEAPS Project. This will give FERC and the USFS the opportunity to assess the upper reservoir and provide sufficient information necessary to recommend design changes and/or mitigation measures to minimize recreational use impacts associated with the upper reservoir. At the direction of the Commission, the Recreational Study Work Plan is limited to the upper reservoir area.

2.1. Background and History of Study Request

The Commission provided its initial comments on the need for, and scope of a recreation study June 15, 2018, determining that the previous analysis for P-11858 was sufficient to assess the effects of the proposed project on recreation since the present project is largely the same. The Recreational Use Study Plan was required because an alternate reservoir location was selected by Commission staff in the FEIS published for P-11858, which would remove land from public use. In Schedule A of its January 22, 2019 letter, FERC noted that the Recreational Use Study Plan provided in Nevada Hydro's September 13, 2018 filing lacked a number of important details needed to ensure that the data collected is sufficient for its analysis, including an observation sampling schedule and data collection methods.

Nevada Hydro's consultant (Wood Environmental or "Wood") submitted an updated draft study plan on February 26, 2019 for Forest Service review. Wood had several phone conversations with Forest Service staff discussing the specific information the Forest Service wanted to see in the Recreational Use Study. On March 12, 2019, Forest Service representative Jeff Heys provided recreational plans from neighboring Forests. Wood prepared a revised draft Recreational Use Study Plan and submitted it to the Forest Service for a 30-day review on March 20, 2019. Forest Service representative Joe Raffaele stated that the Recreational Use Study Plan was in the process of being reviewed and would have comments completed by April 12, 2019. Wood reached out to Forest Service on April 12 and April 18, 2019 to check on the status of their review. On April 18, Mr. Raffaele replied and was too busy and distracted with other projects to finish the review. He requested an extension of 30 to 60 days. The revised plan was prepared based on verbal comments from telephone conversations with Forest Service staff. All requested changes during those phone calls were completed prior to

submitting the final plan to the Commission on April 22, 2019. Wood did not receive final comments on the Recreational Use Study Plan prior to the Commission filing deadline of June 30, 2019.

The revised Recreational Use Study Plan included documentation of consultation, including copies of any comments and recommendations, and a description of how the Forest Service's comments were incorporated into the plan. Wood provided the Forest Service a 30-day review period to comment and provide recommendations on the plan. The Forest Service did not provide any additional comments regarding the recreational study until their comment letter was submitted to the Commission on October 8, 2019.

It should be noted that Wood prepared the Recreational Use Study Plan based on the direction from FERC to only include the portion of the project associated with the Decker Canyon Reservoir.

2.2. Methodology of Study

This plan filed with the Commission is a set of methods that will be utilized to complete a Recreational Use Study. All the potential recreational uses, locations, and subsequent impact analysis have not been identified because the Recreational Use Study Plan is a programmatic-level document that will be used to prepare a project specific assessment. Therefore, it is appropriate that the recreational uses, locations, and subsequent impact analysis are described in general in the Recreational Use Study but will be described in detail once the plan has been approved. Nevada Hydro has proposed, and the Forest Service has agreed to negotiating the scope of the final study. Once the Commission has approved the plan, the Recreational Use Study Report will be prepared and will include all of the recreational resources the Forest Service identified in their comments as well as additional resources that may not have been mentioned.

The Recreational Use Study will contain all of the recreational opportunities that may be affected by the proposed project. Wood will work with the Forest Service to prepare a list of recreational resources, their locations, and a complete evaluation of the potential impacts associated with the project footprint.

Each of the Recreational Resources mentioned above as well as those associated with Elsinore Peak Communication Site and Los Pinos Conservation Camp will all be included in the Recreational Use Study Report.

Nevada Hydro will work closely with the Forest Service to identify all recreational uses in the area. The Forest Service has requested that Nevada Hydro ask local residences to identify additional uses that may not be covered under existing documentation. Wood has included this in Section 3.2.3 of the Study Plan.

The project related impacts associate with the hang glider launch site will likely be the most extensive section of the Recreational Use Study Report because it may be the most utilized recreational use in the Decker Canyon area. The closest tower location is approximately 800 feet to the north and the southern towers start approximately 1.5 miles from Decker Canyon. The Transmission Line Alignment extends away from the Hang Glider Launch Site “E”. In preparing the Recreational Use Study Report, it will include an assessment of the short term and long-term impacts associated with LEAPS impacts. The impact assessment will include a discussion of thermal alteration, increase in avian activity, and other potential flight hazards. USFS will be contact to ensure all appropriate issues regarding hang-glider use are discussed.

2.3. Timing for the Study

The Forest Service and Nevada Hydro estimate that the assessment needed in advance of the REA can be completed in a few months pending agreement on the methodologies and scope of the assessment. The parties plan on meeting within 30 days following NOI issuance to agree on this scope and timing.

There may be elements of the study that could extend past the REA, however, neither Nevada Hydro nor the Forest Service can determine now what exactly those elements may be until the initial assessment has been completed as just described. For example, elements of a study that may extend past the REA may involve public surveys and monitoring over all seasons of use. This information will not be needed before the REA and could be phased into the NEPA process, if ultimately needed for the ROD/authorizations or for Forest Service conditioning of the project.

3.0. Groundwater/Aquifer study

The scope of this study was defined by the Commission as Study 8 in their June 2018 letter, as follows:

“Therefore, we recommend that Nevada Hydro develop a study plan, in consultation with the California DFW, Forest Service, and FWS, to locate, map, and quantify the artesian springs and associated riparian areas within the proposed Decker Canyon Reservoir site. The study, at a minimum, should include provisions to collect water quality data, flora and fauna present, and the extent of each riparian vegetation type.”

Thus, the overall objective of the aquifer study plan is to provide guidelines to assess the potential presence of springs and associated riparian areas within the Decker Canyon site. This includes collecting information on the location, habitat (i.e., flora and fauna present and extent of riparian vegetation type), habitat usage, and water quality data associated with any spring sites to evaluate the potential effects of reservoir construction on these sites.

The Aquifer Study Plan was prepared in response to the Commission’s request in a letter dated June 15, 2018 (Study 8). Therefore, the Aquifer study was specifically requested by FERC to identify the presence/ absence of artesian springs within the Proposed Decker Canyon Reservoir Location. The Commission’s letter specifically requested that Nevada Hydro develop an Aquifer Study Plan, in consultation with CDFW, USFS, and USFWS, to locate, map, and quantify the artesian springs and associated riparian habitat within the proposed Decker Canyon Reservoir footprint. The Commission requested the study to include provisions to collect water quality data, flora and fauna present, and the extent of each riparian vegetation type.

3.1. Methodology

Based on the Aquifer Study Work Plan (dated September 6, 2018), water quality data is collected under Section 3.3.3 - Sampling of Springs. Each sample collected would then be sent for laboratory analyses, which is described in Section 4.0 of the Plan. This will address the Commission’s directive to collect water quality data. Although not specifically stated in the Methods section, it can be inferred that Field Documentation of Springs (Section 3.3.1) includes a request to prepare a general description and take photographs of any identifiable springs. This is also previously discussed in the Objective (Section 1.1), which states that the Aquifer Study is to assess the potential presence of springs and associated riparian areas within the site, including collecting information on the location, habitat (i.e. flora and fauna present and extent of riparian vegetation types). This section clearly identifies that one of the main objectives of the assessment is to collect data on flora and fauna and the extent of the riparian habitat within the Proposed Reservoir location. The Aquifer Study Plan identifies all the key information requests from the Commission regarding Study 8 in their September 6, 2018 letter.

3.2. Timing for the Study

Based on the Final Aquifer Work Plan, the following provides additional information on the major tasks in the plan. The overall objective of the aquifer study plan is to provide guidelines to assess the potential presence of springs and associated riparian areas within the site. This includes collecting information on the location, habitat (i.e., flora and fauna present and extent of riparian vegetation type), habitat usage, and water quality data associated with spring sites to evaluate the potential effects of reservoir construction for the Lake Elsinore Advanced Pumping Storage (LEAPS) project.

The following table summarizes the tasks and schedule.

Task	Duration
1-Pre-Field Activities	Week 1-3

Task	Duration
2- Field Reconnaissance	Week 4
3- Field Documentation	Week 5
4- Field Measurements	Week 6
5-Draft Report	Week 10
5-Final Report	Week 16

3.2.1. Task 1 – Pre-Field Activities (Section 3.1 of Aquifer Study Work Plan)

This task includes the following major efforts followed by the estimated time to complete each task:

- Schedule and coordinate with laboratory sub-contractors (1 to 2 days).
- Coordinate site access and field logistics with Nevada Hydro and the USFS (1 to 2 weeks).
- prepare a site-specific health and safety plan (1 to 2 days).
- obtain and compile background information such as geologic maps, aerial photographs, previous reports or studies, and data on spring flow rates and spring water quality, as available for the site (1 to 2 weeks).
- obtain anecdotal or historical information on locations and characteristics of springs, if available from other project team members or stakeholders (2 to 3 weeks).
- notify the Nevada Hydro of the work schedule (1 to 2 days).

It should be noted that some major tasks listed above can be completed simultaneously and all Pre-Field Activities should be completed within 2 to 3 weeks following authorization to proceed. Since all of this work can be completed remotely, there are no significant delays associated with Covid-19 related issues. The only Covid-19 related issues that would affect Task 1 include delays in communication due to the stay-at-home work order.

3.2.2. Task 2 – Field Reconnaissance (Section 3.2 of Aquifer Study Work Plan)

This task includes a site visit with two qualified biologists over two consecutive days to hike through the dense vegetation to identify any areas that may be considered a potential spring. Maps created in Task 1 will be utilized to map any potential springs. Two people will be utilized for safety as well as ensure 100% cover of the proposed reservoir site.

Since all of this work will be completed in the field, there is a higher risk associated with Covid-19 related issues. Until the Stay-at-Home Work Order has been lifted, Wood will maintain social distancing requirements. Wood also has a Health and Safety Plan to specifically address issues related to Covid-19. All field personnel will be required to drive their own vehicle to the project site. Vehicles will be parked more than 10 feet apart. Wood biologists are required to wear a face mask if working within 10-feet of each other. Wood biologists will have separate maps, GPS units, and will always maintain a safe distance .

Field maps will be utilized in addition to GPS units to ensure all data is collected both digitally and manually. All maps GPS units will be sanitized prior to leaving the project site. Digital information will be submitted to GIS staff, which will be utilized in the field documentation of the Springs.

The delays associated with Covid-19 regarding Task 2 are minimal at best and should not change the amount of time needed to complete the field survey.

3.2.3. Task 3 – Field Documentation of Springs (Sections 3.3.1, 3.3.4, and 4.0 of Aquifer Study Work Plan)

This task includes separate site visits with two qualified biologists over an unknown number of consecutive days to specifically document each individual spring. The number of days will be specifically related to the number of springs identified. Based on previous surveys of the area, it is reasonable to assume that this task will take no more than two additional days to complete.

Since this task also includes a site visit(s), the same Health and Safety Plan for Covid-19 will be utilized. Two people will be utilized for safety as well as ensure concurrence on the detailed Spring Documentation. The delays associated with Covid-19 regarding Task 3 are minimal at best and should not change the amount of time needed to complete the field documentation.

It should be noted that each Spring sampled will require approximately 1 to 2 hours to process all field documentation including a vegetation map, wetland indicators, wildlife usage, and existing flora. If water is present at a spring, samples will be collected and dropped off at a local laboratory (such as Babcock Labs). Hand-held water sampling meters will be used to measure pH, conductivity, temperature, and turbidity in the field. Water samples will be collected in prepared bottles obtained by a local laboratory and placed on ice in a cooler until delivered. Change of custody forms will be filled out upon delivery to the lab to prohibit misidentification in the lab. Timing of lab results vary depending on several variables, but typically results are submitted within one to two weeks following drop-off.

Based on the current conditions at the project site, it is estimated that this task will take no more than two days to complete but must be completed following Task 2.

3.2.4. Task 4 – Field Measurements of Springs (Sections 3.3.2 and 3.3.3 of Aquifer Study Work Plan)

This task does not include a separate site visits and can be completed in conjunction with Task 3. However, this task will add additional time to the survey. Field Measurements of Springs are commonly required if springs have any measurable flows. If the springs are dry or have standing water only, then this Task will not be required. This task includes a few more metrics to be measured during the documentation of the spring including flow rates, color, and odor. This additional task is not anticipated to require any additional survey days, but if numerous springs are observed on site, this additional time needed to complete this task, may require an additional day in the field at most.

Again, this task will be completed with two qualified biologists over an unknown number of consecutive days to specifically document each individual spring. The number of days will be specifically related to the number of springs identified. Based on previous surveys of the area, it is reasonable to assume that this task will take no more than one additional day to complete in conjunction with Task 3.

Since this task is also part of a site visit(s), the same Health and Safety Plan for Covid-19 will be utilized. Two people will be utilized for safety as well as ensure concurrence on the detailed Spring field measurements. The delays associated with Covid-19 regarding Task 4 are minimal should not change the amount of time needed to complete the field documentation.

It should be noted that each Spring sampled will require an additional hour to process the additional field measurements. Based on the current conditions at the project site, it is estimated that this task will take no more than two days to complete but must be completed following Task 2 and 3.

3.2.5. Task 5 – Reporting of Results (Sections 5.0 of Aquifer Study Work Plan)

The preparation of the draft report of results from the Aquifer Study will begin following the Pre-Field activities. The overall framework of the report will be completed throughout the sampling process depending on the number of springs that are identified in Task 2 – Field Reconnaissance. All tables and figures will be generated following the field surveys associated with Task 3 and 4. A draft report will be completed within 4 weeks following the field work and obtaining the results of the laboratory analysis. Following one round of comments from the USFS, a final report will be prepared within two weeks of receiving comments. Since this Task will be completed at the office or remotely, there are no significant delays associated with COVID 19 since Wood is an essential business and all staff are fully capable of working either remotely or within the office.

4.0. A Construction Plan for the Decker Canyon Reservoir

The Forest Service has requested a “Construction plan” prior to environmental analysis under NEPA and OFD that would describe the construction of the reservoir sitting partly within the Inventoried Roadless Area. Nevada Hydro has reached out to its contractor and will supply this plan well before the REA will be issued.

5.0. Implementation of the Seismic and Geotechnical Studies - as already approved by FERC and the Forest Service.

The Forest Service has requested that the results of seismic and geotechnical studies should be provided prior to environmental analysis under NEPA and One Federal Decision.

Nevada Hydro posed the request to its geotechnical consultants, Genterra Consultants, Inc. (“Genterra”). As both the Commission and Forest Service are aware, Genterra is a world renown authority on geotechnical engineering, with a long resume of studies performed for the Commission in many hydro licensing proceedings.

It is Genterra’s professional opinion that the seismic and geotechnical studies as approved by the Commission can be postponed until after the license is issued. They see no reason to perform the seismic and geotechnical studies as approved by the Commission to get additional information needed to prepare the EIS. Information provided in Genterra’s Technical Memorandum, as well as significant information provided by Genterra in the Supporting Design Report for the Upper Reservoir and Dam dated March 15, 2018, are adequate to provide needed seismic and geotechnical information to support preparation of the EIS document. If the Forest Service is looking for prior and supporting documents for the subject project, please refer to Section 6, References, in the Supporting Design Report. The seismic and geotechnical studies as approved by the Commission will be performed as part of the final design to provide construction-level information. It is important to note that construction will not be authorized by the Commission to commence until all requirements specified in the license articles are met, and satisfactory completion of seismic and geotechnical studies as approved by the Commission will be included as a condition in the license articles.

6.0. Historic Properties Management Plan status report

6.1. Background and History

In this letter, the Commission noted:

We agree with Nevada Hydro’s proposal and methodologies to carry out the three additional cultural resources studies within an updated APE (including a detailed map). We also agree with Nevada Hydro conducting the field work components of these studies post-licensing, prior to project construction, to allow for an accurate assessment of the final licensed facilities.

However, all non-field work components of the proposed studies should be conducted now to inform our analysis of potential adverse effects to historic properties and allow us to complete our obligations under section 106 of the National Historic Preservation Act. These non-field components include redefining and updating the APE; updating the records and archival research; and providing an updated prehistoric, ethnographic, and historic context that Nevada Hydro would use in conducting the field work components.

The non-field components also need to be incorporated into the updated HPMP. The updated HPMP would also include a detailed description of all remaining field work to be carried out along with measures to resolve any potential project-related adverse effects to any cultural resource determined eligible for the National Register of Historic Places (i.e., historic properties) and include measures for the treatment of human remains and unanticipated discoveries. Prior to incorporating the updated APE into the HPMP, Nevada Hydro needs to seek the concurrence from the California State Historic Preservation Office (SHPO) on the updated APE.

6.2. Present Status

The Company (and its consultant, “GANDA”) have been coordinating with SHPO and consulting tribes/parties on this current project since 2017 with regards to cultural resources. The SHPO agreed with the APE in September 2018. Their recent comments did request that the Commission conduct all field work prior to finalizing the HPMP or that they consider a phased PA approach. The current revised HPMP has addressed SHPO's comments, but their reference to the Commission that they consider a phased PA approach or that the Company complete field work now (prior to finalizing HPMP) will require the Commission to address.

GANDA is currently addressing the Commission's January 2019 comments regarding the draft HPMP; which includes addressing comments received to date from Soboba and Pechanga Tribes as well as from SHPO. The purpose of the current draft HPMP is to provide the framework for future inventory studies and identification of historic properties within the APE. For this reason, the Company and its consultant are working directly with the Pechanga and Soboba Tribes on the draft HPMP and APE, so that the future identification efforts factor in areas of concerns. The revised draft HPMP includes the most recent round of review and addresses the comments (to the extent feasible) of the Soboba and Pechanga Tribes as well as SHPO's. The final PA and associated documents (ex. HPTP/HPMP) will include the inventory results of historic properties within the APE.

We do not have concurrence from SHPO or consulting tribes (Soboba and Pechanga) on this project. Consultation is ongoing as is the draft HPMP. We have received comments from these parties (public information). Several meetings (calls and in person) have occurred with

Pechanga, Soboba, and Nevada Hydro (NH) regarding the revised HPMP for the project. Also note that the tribal comment letters were accompanied by comments in the draft HPMP, which were addressed in the last draft submitted to FERC in October 2019. Where NH did not concur or was unable to make the requested edits, we noted this in the comment matrix attached as an appendix to the draft HPMP. SHPO has only stated that they approve the APE and that is “sufficient at this time” as described in the September 2018 response letter. The latest submittal in October 2019 sought to address all sets of comments from all parties, as feasible and which is still in review. Nevada Hydro is still trying to confirm with Pechanga what can be shared, since we now have a confidentiality agreement with them, and the recent submittal was filed with FERC as privileged/confidential. Nevada Hydro is presently waiting for the Commission’s guidance on next steps and will keep the Forest Service apprised of progress.

Please let me know if the Commission has additional questions.

Sincerely,

/s/ David Kates

David Kates