

## **Appendix H-1 – Comments on the Draft Supplemental Analysis**



**Comments on the Draft Supplemental Analysis**

5/14/2008	Review of Draft Supplemental Report for the UARP	State of California Department of Water Resources
6/25/2008	Comments on Draft CEQA Supplement to FERC/USFS Final Environmental Impact Statement	California Department of Transportation
6/30/2008	State Water Resources Control Board comments on SMUD Draft CEQA for UARP, P-2101	State Water Resources Control Board
6/2/2008	Comments on Draft CEQA Supplement to FERC/USFS Final Environmental Impact Statement	Bonnie Flint
6/11/2008	Comments on Draft Supplemental Analysis for proposed Iowa Hill site	Ann Wofford
6/20/2008	Comments to CEQA Draft Supplement to FERC/USFS Final EIS; FERC Project Number 2101-084	Paul Seibert
6/20/2008	Comment on Environmental Impact Report for Iowa Hill Project	Jim Summers
6/21/2008	CEQA Comment, Iowa Hill Project 2101	Bob Penn
6/26/2008	Formal response from Mike DeBord to the Draft CEQA Supplement to FERC/USFS Final Environmental Impact Statement for Hydropower License and Analysis of Iowa Hill Joint Advisory Committee Comments, dated April 2008.	Mike DeBord
6/23/2008	Letter from Lois Bailey-Hacker concerning UARP and Iowa Hill	Lois Bailey-Hacker
6/25/2008	Comments from Mike DeBord in response to the Draft CEQA Supplement to FERC/USFS Final Environmental Impact Statement for UARP and Iowa Hill	Mike DeBord
6/26/2008	Comment on FERC/USFS Final Environmental Impact Statement for Hydropower License and Analysis for Iowa Hill	P.J. Hilton
6/29/2008	Formal response from Mark Stanley to the Draft CEQA Supplement to the FERC/USFS Final Environmental Impact Statement for Hydropower License and Analysis of Iowa Hill Joint Advisory Committee Comments, dated April 2008.	Mark Stanley
6/30/2008	Comments regarding the Draft CEQA Supplement To FERC/USFS Final EIS for Hydropower License and Analysis of Iowa Hill Joint Advisory Comments (April, 2008)/FERC Project 2101	Jeffrey G. Hansen
6/30/2008	Iowa Hill Action Committee comments on Iowa Hill pumped-storage project, UARP, P-2101	Karen Hansen
7/1/2008	Comments on the UARP Draft Supplement Analysis	Susan Britting
7/7/2008	Comments on the DEIR	Tom and Judy Shewmake
6/23/2008	Concerns regarding lack of participation in the UARP Relicensing ALP Process.	William Mahl, President, Board of Directors Georgetown Fire District
6/2/2008	Public Meeting Transcript	



**DEPARTMENT OF WATER RESOURCES**

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MAY 14 2008

Mr. David Hanson, Project Manager  
Hydro Relicensing  
Sacramento Municipal Utility District  
Post Office Box 15830, MS B355  
Sacramento, California 95852-1830

SCH# 2008052009, Draft Supplemental Report for the Upper American River Project,  
May 1, 2008  
Sacramento County

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The Division of Safety of Dams has reviewed the Draft Supplemental Report for the Upper American River Project, which includes the construction of a new embankment and reservoir. Although there is minimal information on this embankment, it appears to meet our jurisdictional size criteria.

As defined in Sections 6002 and 6003, Division 3, of the California Water Code, dams 25 feet or higher with a storage capacity of more than 15 acre-feet, and dams higher than 6 feet with a storage capacity of 50 acre-feet or more are subject to State jurisdiction.

If the proposed reservoir is subject to State jurisdiction, a construction application, together with plans and specifications, must be filed with the Division of Safety of Dams. All dam safety related issues must be resolved prior to approval of the application, and the work must be performed under the direction of a civil engineer registered in California. John Vrymoed, Design Engineering Branch Chief, is responsible for the application process and can be reached at (916) 227-4660.

If you have any questions or need additional information, you may contact Gina Ladd at (916) 227-4634 or Acting Regional Engineer Andy Mangney at (916) 227-4635.

Sincerely,

*Michael Wagoner* For

Mike Zumot, Acting Chief  
Division of Safety of Dams  
(916) 227-9800

cc: Ms. Nadell Gayou  
Resources Agency Project Coordinator  
Environmental Review Section, DPLA  
901 P Street  
Sacramento, California 95814

Governor's Office of Planning  
and Research  
State Clearinghouse  
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**DEPARTMENT OF TRANSPORTATION**

DISTRICT 3 – Sacramento Area Office  
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June 25, 2008

08ED0024  
03-ED-50 PM 20.152 to 31.184  
Upper American River Project  
Draft CEQA Supplement to FERC/USFS Final Environmental Impact Statement  
SCH No. 2008052009

Mr. David Hanson  
Sacramento Municipal Utility District  
PO Box 15830, Mail Stop B355  
Sacramento, CA 95852-1830

Dear Mr. Hanson,

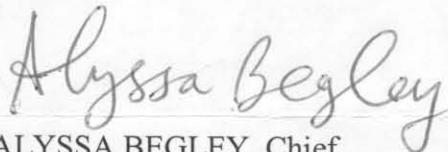
Thank you for the opportunity to review and comment on the Draft California Environmental Quality Act (CEQA) Supplement to FERC/USFS Final Environmental Impact Statement for Hydropower license, and analysis of Iowa Hill Joint Advisory Committee Comments for the Proposed Re-licensing of the Upper American River Project. The proposed Iowa Hill Pumped-Storage Development is a new component of SMUD's Upper American River Project, located in El Dorado County, near the community of Camino. Construction personnel and materials will be using US Highway 50 through the community of Camino to the construction site approximately ten miles from US Highway 50. Various Park and Ride sites are shown as potential staging areas for construction personnel and materials, though the document indicates that these facilities are not the Park and Ride facilities along US Highway 50 which are used for carpool/vanpool transit connections. Our comments are:

- A Transportation Management Plan (TMP) will be necessary for the construction personnel and materials using US Highway 50 to access the construction site north of US Highway 50. The TMP should be prepared for our review, and include appropriate strategies to mitigate traffic impacts to freeway interchanges, and the US Highway 50 mainline. The Caltrans TMP Guidelines are enclosed for your use. For assistance, please contact Paul Wilkinson, the Caltrans' District 3 Traffic Manager (DTM), at (916) 859-7978.

- An Encroachment Permit is required for any work conducted in the State's right of way. To secure an application, please contact Caltrans' District 3 Encroachment Permit Office, Central Desk at (530) 741-4403.

Please provide our office with copies of any further actions regarding this development. If you have any questions, please call La Nae Van Valen at (916) 274-0637.

Sincerely,



ALYSSA BEGLEY, Chief  
Office of Transportation Planning – South

Enclosure

cc: Scott Morgan, State Clearinghouse



**Linda S. Adams**  
Secretary for  
Environmental Protection

# State Water Resources Control Board

## Division of Water Rights

1001 I Street • Sacramento, California 95814 • (916) 341-5300  
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**Arnold Schwarzenegger**  
Governor

June 30, 2008

Dave Hanson  
Hydro Relicensing Project Manager  
Sacramento Municipal Utility District  
6201 S. Street  
Sacramento, CA 95817

Dear Mr. Hanson:

SACRAMENTO MUNICIPAL UTILITY DISTRICT'S DRAFT CEQA SUPPLEMENT FOR THE PROPOSED RELICENSING OF THE UPPER AMERICAN RIVER PROJECT, FEDERAL ENERGY REGULATORY COMMISSION PROJECT NO. 2101

### Background

The Sacramento Municipal Utility District (SMUD) is seeking to renew its Federal Energy Regulatory Commission (FERC) license for the Upper American River Project (UARP), FERC Project No. 2101, and is requesting that the new project license include an additional development to be constructed within the existing project area. The UARP, as it currently exists, includes seven hydroelectric developments located in the Rubicon River, Silver Creek and South Fork American River drainages. The seven developments are: Loon Lake, Robbs Peak, Jones Fork, Union Valley, Jaybird, Camino, and Slab Creek/White Rock. The UARP also includes a total of eleven reservoirs, three of which are considered primarily storage reservoirs (Loon Lake, Ice House and Union Valley Reservoirs). Five reservoirs operate as re-regulating forebays and/or afterbays to various powerhouses (Gerle Creek, Robbs Peak, Junction, Camino, and Slab Creek). Of the remaining three reservoirs, two reservoirs located in the upper portion of the project (Rubicon and Buck Island) provide limited storage and operate primarily in a run of the river mode, while Brush Creek reservoir is typically operated to provide peaking power.

Iowa Hill is SMUD's proposed new pumped-storage development, and includes the construction of a reservoir on the mountaintop adjacent to the south side of Slab Creek Reservoir, located on the South Fork of the American River near Camino in El Dorado County. A powerhouse with reversible turbines would be constructed adjacent to Slab Creek Reservoir and below the Iowa Hill reservoir, with a penstock that connects to the Slab Creek Reservoir. Water will be pumped up to the Iowa Hill Reservoir when power is inexpensive and plentiful, then will be released down through the penstock and powerhouse to provide peaking or load-following power generating capability.

State Water Resources Control Board (State Water Board) staff has been involved with the UARP FERC relicensing process since 2001. State Water Board staff also participated with other state and federal agencies in the settlement negotiation process in an advisory role. The comprehensive Settlement Agreement signed by the agencies

***California Environmental Protection Agency***

and non-governmental organizations in February 2007 included terms and conditions that address many of the issues of concern in the project area and includes mitigation measures agreed upon by signatories to the Settlement Agreement. These terms and conditions constitute the Proposed Action that was analyzed in the March 14, 2008 FERC Final Environmental Impact Statement (EIS) and also constitute the Proposed Project for the purpose of the California Environmental Quality Act (CEQA).

The State Water Board is required to provide a Clean Water Act Section 401 Water Quality Certification (401 Certification) for the project as part of the FERC relicensing process. A 401 Certification can be issued when the State Water Board determines there is reasonable assurance the operation of the UARP will meet state and federal water quality standards. The 401 Certification is a discretionary action and as such requires review under the CEQA. SMUD is lead agency for the purposes of CEQA and has issued a draft supplemental CEQA document that accompanies the FERC Final EIS. Together the two documents comprise the equivalent to the CEQA Draft Environmental Impact Report (EIR) for the purpose of CEQA. A final EIR must be completed prior to issuance of the 401 Certification for the UARP.

SMUD has engaged in ongoing consultation with the State Water Board staff about potential water quality impacts that may result from the construction and operation of the Iowa Hill development. Additional information was requested by State Water Board staff in the fall of 2007 that included investigation into the presence of mercury in both the sediment and in fish species that reside in Slab Creek Reservoir. The results of these studies have been provided to the State Water Board and are included as appendices to SMUD's supplemental CEQA documentation.

### Comments

The State Water Board staff is concerned about the presence of mercury in the Upper American River watershed and the potential for increased mobilization and/or methylation of mercury to occur due to the construction and operation of Iowa Hill. Data presented in SMUD's 2005 Water Quality Technical Report for six of the 13 project reservoirs shows samples collected in Gerle Creek, Union Valley and Slab Creek Reservoirs exceed the recommended water quality criteria of 0.3 micrograms per gram ( $\mu\text{g/g}$ ) for mercury in fish tissue.<sup>1</sup> In addition, 13 of the 30 individual fish samples were collected in Slab Creek Reservoir in the fall of 2007 contained mercury levels that were higher than the 0.3  $\mu\text{g/g}$  target value. However, the total mercury levels in the ten sediment samples collected in the reservoir and near the proposed location for the intake structure were well below industrial levels.<sup>2</sup> The fish tissue and sediment data collectively suggest that conditions in the reservoir appear to be leading to the bioaccumulation of mercury in resident fish species. To better understand the extent of the problem, State Water Board staff recommends that additional fish tissue sampling take place within the UARP project area, both upstream of and within Slab Creek

<sup>1</sup> The 0.3  $\mu\text{g/g}$ , wet weight target value is the 2002 National Recommended Water Quality Criteria from the Environmental Protection Agency.

<sup>2</sup> Post-industrial levels were reported in SMUD's CEQA documentation as ranging from 157 to 223 nanogram per gram (ng/g).

Reservoir. SMUD should also investigate how or whether conditions in project reservoirs promote the methylation of mercury and whether any mitigation measures are available to reduce the risk of increased mercury bioaccumulation. It is worth noting that the State Water Board's concerns regarding exacerbation of the mercury problems exist regardless of whether the mercury originated from mining or from atmospheric deposition.

State Water Board staff is also concerned about the design of the intake structure that will be located in Slab Creek Reservoir due to its potential impact on aquatic resources in the reservoir. For example, native hardhead fish populations are present in the Slab Creek Reservoir and are a species of concern in California. Although fisheries surveys conducted in Slab Creek Reservoir showed that hardhead tend to occur at shallower depths, near the reservoir margins, and not at the proposed location for the intake structure, the intake structure poses a threat to the aquatic resources due to the potential for entrainment of native fish. Similarly, the lack of a final design for the intake structure makes it difficult to assess the potential for increased turbidity and/or sediment mobilization from water movement and reservoir fluctuation associated with the operation of Iowa Hill.

Construction and operation of the Iowa Hill project, which will include considerable land disturbance, may affect turbidity. While the implementation of best management practices for erosion and sediment control are essential for reducing the potential turbidity it is difficult to evaluate whether these processes will be sufficient to protect water quality, due to the preliminary nature of the planning for the proposed Iowa Hill development.

Due to the lack of a final design for the project, State Water Board staff suggest that SMUD provide additional and separate project-level CEQA documentation for the Iowa Hill project. The State Water Board will be required to heavily condition any 401 Certification that is based on such preliminary design and operations plans, in order to ensure that sufficient information is gathered before construction and operation of the proposed Iowa Hill facility can begin. In this way, the CEQA process can proceed independently and unimpeded by the Iowa Hill planning and design process.

State Water Board staff appreciates this opportunity to comment on SMUD's CEQA documentation and looks forward to SMUD's reply and continued consultation during the Iowa Hill design process. This collaboration will assure that the potential for adverse impacts to both water quality and/or aquatic resources in or downstream of the reservoir are adequately addressed. If you have any questions, you can contact me at (916) 341-5397 or at [jwatts@waterboards.ca.gov](mailto:jwatts@waterboards.ca.gov).

Sincerely,  
*ORIGINAL SIGNED BY*

Jennifer Watts  
Environmental Scientist  
Water Quality Certification & Special Programs Unit

cc: Kimberly D. Bose  
Secretary  
Federal Energy Regulatory  
Commission  
888 First Street, N.E., Room 1A  
Washington, DC 20426

Mary Lisa Lynch  
FERC Relicensing Coordinator  
California Department of Fish and  
Game  
1701 Nimbus Road, Suite A  
Rancho Cordova, CA 95670-4503

Ramiro Villalvazo  
Forest Supervisor  
US Department of Agriculture  
Eldorado National Forest  
100 Forni Road  
Placerville, CA 95667-5310

Patrick Morris  
Central Valley Regional Water Quality  
Control Board  
11020 Sun Center Dr. Suite 200  
Rancho Cordova, CA 95670

My biggest fear is that the threat of fire in the Camino area will be multiplied many times because of the Iowa Hill Project. I don't want to live with that fear.

Bonnie Flint      P.O. Box 988      530-644-3500  
Camino resident      Camino 95709

I am saddened that our beautiful area will be marred by this Iowa Hill Project. To cut down trees, remove the top of a mountain, and denude the immediate area of green growth is abhorrent to me.

Bonnie Flint  
Camino resident

P.O. Box 988  
Camino 95709  
530-644-3500

I have lived in the Camino area for 31 years and have walked along Cable Road, off and on, for most of those years. The idea of a large number of vehicles traveling up and down this road brings a mental picture of noise, compromised safety, and road deterioration. If I thought that the money given to El Dorado County (for the privilege of using this and other roads in the area) would go to the Camino community, I might have a different picture in my mind. However, I know that the residents of Camino will never see a dime of this money, and for that reason it is unconscionable to allow this project to use Camino area roads.

Bonnie Flint  
Camino resident

*P. O. Box 988*

*Camino, 95709*

*530-644-3500*

While I understand that hydroelectric power is less expensive than other power sources, I object to SMUD (or any other public/private agency) leasing the waters of the American River in El Dorado County. I have hated the trickle of water in the American River during the summer from diversion projects and do not relish 50 more years of that ugly scene. I especially do not like the fact that people in the valley who use our water have not had metered use – allowing water to flow down their driveways and roads while people in El Dorado County are having to conserve their water intake. It is also awful that we do not have the use of that power....

Bonnie Flint  
Camino resident

*P.O. Box 988*

*Camino 95709*

*530-674-3500*

**From:** WAV [mailto:info@wavwines.com]  
**Sent:** Wednesday, June 11, 2008 7:48 AM  
**To:** David Hanson  
**Subject:** Comments on Draft Supplemental Analysis for proposed Iowa Hill site

Good Morning, Mr. Hanson:

Thank you for extending the public input time frame. The Draft EIR is an unwieldy document for those of us who are laymen, and I appreciate the extra opportunity to digest the information it provides and formulate a response.

I do have one question. I have the opportunity to meet with many SMUD rate-payers at my business, and virtually none of them are aware of this project and the impacts it will have on a place they consider a refuge and an escape. They also are not aware of how it will affect their rates- this project cannot come to them at no monetary cost, and another hit in the wallet is not going to be welcome. How has SMUD made ratepayers aware of this project?

There are very few things I can add to the public comment given at the meeting on June 2<sup>nd</sup>. Jim Summers really said it all for me and I can only echo his letter. The one thing that was not mentioned concerns the transportation route options. There were name misspellings for Apple Hill® ranches affected by one route- a minor detail in such a lengthy document, perhaps, but a detail-oriented one, that could have been easily avoided. It begs the question "Where else have seemingly minor details been overlooked?" and in a project that threatens our community lack of attention to detail is frightening. I am also concerned because my business was left off the North Canyon route option, as was Barsotti Juice Company. Both businesses are not directly on North Canyon, but the only access to the businesses is North Canyon. We will most definitely be directly affected, as will all of the other residences accessed by the many roads where the only ingress/egress is North Canyon.

I am also concerned with the verbiage in Documents Tables 3.3.3.2-1, 3.3.3.3.-1, 3.3.3.4-1 and 3.3.3.5-1, wherein the words "minimize", "limit" and "restrict" figure prominently. Those are very vague terms and offer no assurance that SMUD will preserve the peaceful ambience now in Camino and Mosquito. "Monitoring" activities also gives no indication of consequences for loss of quality of life.

The line item in table 3.3.3.4-1 referencing that "noisy activities" will "only" occur between 7am-7pm Mon.-Fri also caught my eye. Does that mean the earth-moving equipment will start beeping at 7am? That conversation (which carries alarmingly well through the canyon) will start at 7am? Will van and equipment doors begin to slam at 7am? Will traffic move from the staging area and down the road at 7am? All of those activities will create an incredible amount of new noise that this community is not now experiencing.

I am so very disappointed that SMUD has such disregard for the communities of Camino and Mosquito that the Iowa Hill site was ever considered for this project.

Sincerely,

Ann Wofford



Paul Seibert - Broker/Attorney  
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June 20, 2008

Mr. David F. Hanson  
Sacramento Municipal Utility District  
PO Box 15830, Mail Stop B355  
Sacramento, CA 95852-1830

Re: Comments to CEQA Draft Supplement to FERC/USFS Final EIS; FERC  
Project Number 2101-084

Dear Mr. Hanson:

I live and work in the Camino area and I am opposed to the proposed pumped-storage facility at Iowa Hill, which is being proposed as part of the re-licensing of the Upper American River Project ("UARP"). Please respond to the following six comments, all of which are directed at the Iowa Hill project portion of the UARP.

Alternative Sites Analysis

The adopted Final Environmental Impact Statement ("FEIS") provides, at Section 1.2.2. that the proposed Iowa Hill project would operate with a net energy loss (-256,000 MWh) due to the energy required to pump water up to the reservoir. Obviously, this would result in some adverse environmental impact and, to understate it, is not an ideal situation for any facility involved in the production of energy.

Section 2.4.5 of the FEIS ("Alternative Sites Analysis") provides that SMUD conducted an alternative sites analysis that included 59 locations within the vicinity of the Upper American River Project ("UARP") and that SMUD applied four screening factors to every site. Unfortunately, none of the four screening factors involved any consideration of whether a facility located at the site would operate with a net energy gain or loss or what the ratio of that gain to loss might be.

Did SMUD consider the potential for net energy gain or loss in its analysis of alternative sites? If so, where is the analysis? If not, why? Such an omission

would amount to not only an act of irresponsibility in this time of heightened energy sensitivity but a failure to fully compare the environmental impacts of alternative sites (e.g., their comparative ultimate emissions and resource consumption).

### Disclosure of Potential Significant Impacts of Construction-Related Noise and Traffic

Sections 3.3.3.3.2 and 3.3.3.4.2 of the CEQA Draft Supplement provide, respectively, that SMUD will develop and implement a Transportation Management Plan and a Construction Management Plan prior to construction of the Iowa Hill project. In Sections 3.3.3.3.3 and 3.3.3.4.3, SMUD concedes that activities conducted pursuant to these Plans may, under certain circumstances, have significant environmental impacts.

These Plans are not now available and obviously cannot be reviewed during the current public review period. Given the possibility that activities conducted pursuant to these Plans may result in a significant environmental impact, and assuming that all potential impacts from these activities cannot presently be known, how will SMUD ensure that the public has a meaningful opportunity to review and comment on these Plans?

### Disclosure of Potential Significant Impacts of Blasting

Section 3.3.3.4.3 of the CEQA Draft Supplement provides that blasting at the project site, which will occur for approximately two years during construction of the Iowa Hill project, will not have a significant environmental impact. It is not clear that this issue has been adequately analyzed. Neither the CEQA Draft Supplement nor the FEIS and its associated reports appear to contain any useful discussion of the range within which noise and vibration from blasting may be heard and felt, and the range within which noise and vibration from blasting may exceed significant impact thresholds.

SMUD does concede, under Section 3.3.3.4.2, that blasting at the project site will exceed the El Dorado County General Plan maximum allowable noise limits at several residences. Is it not reasonable to conclude that this impact, in and of itself, would exceed the threshold for significance?

### Identification of Properties Suffering a Loss in Value

Sections 3.3.10.2 and 3.3.10.3 of the adopted FEIS provide, respectively, that there are 70 properties from which scenic views may be affected by the Iowa Hill project and that the project may cause property values to decline 3% for 16

properties in the Apple Hill area, 5-10% for properties in the Swansboro area, and 15% and 33% for properties in the immediate vicinity of the project. Your providing of these specific numbers implies that these properties have been identified. Have you disclosed the identity of these properties? If so, where can that information be obtained? If not, please disclose the identity of these properties and their corresponding projected loss in value.

#### Impact of Construction Traffic on Pedestrians and Bicyclists

Section 3.3.3.3.3 of the CEQA Draft Supplement provides that “[d]ue to the winding character and narrowness of roads in the vicinity of the project, local roads in the area are not ideal for walking and bicycling.” The implication of this statement appears to be that walking and bicycling on local roads is so uncommon that the impact of construction traffic on these activities need not be considered for mitigation. Please clarify the purpose and meaning of this statement. As a frequent pedestrian and observer of activity on some of the proposed construction routes, I am concerned that both the statement and its apparent implication may rest on biased and inaccurate information.

#### Compatibility With Local Zoning Laws

Lois Bailey-Hacker, a Camino resident, wrote a letter to James Fargo of the Federal Energy Regulatory Commission (“FERC”), informing him that the proposed Iowa Hill project site was zoned for residential use and the proposed project was therefore incompatible with the zoning designation. In his response, Mr. Fargo did not dispute the zoning designation; he responded in essence that the land in question was under FERC jurisdiction and was therefore not subject to local zoning law.

Is SMUD’s position on this issue consistent with that of FERC? If so, please provide the legal authority to support this position. If not, does SMUD take the position that the Iowa Hill project is compatible with residential zoning?

Thank you so much for your consideration,



Paul Seibert

June 20, 2008

Mr. David F. Hanson  
Sacramento Municipal Utility District  
PO Box 15830, Mail Stop B355  
Sacramento, CA 95852-1830

Re: Environmental Impact Report for Iowa Hill Project

Dear Mr. Hanson:

This letter is a supplement to my oral and written comments presented at the public meeting of June 2, 2008. These comments are also regarding the proposed Iowa Hill Project only. It is disappointing that SMUD insists on using the Final EIS, prepared by FERC and the Forest Service as their EIR regarding the Iowa Hill Project. Insofar as CEQA's Guidelines and case law, the EIS does not qualify as an EIR. Simply put, the Final EIS does not meet CEQA's requirements because it was never intended to do so and, by copy of this letter, I respectfully ask FERC to make very clear to SMUD that FERC was not and is not responsible to produce a CEQA-qualified EIR for the Iowa Hill Project. The EIS was produced to meet FERC's requirements and, according to FERC staff, accomplishes that goal. As stated in the Forward of the EIS, FERC is charged with finding that a proposed project would provide "a comprehensive plan for improving or developing a waterway or waterways for the use or benefit of interstate or foreign commerce, for the improvement and utilization of waterpower development, for the adequate protection, mitigation and enhancement of fish and wildlife and for other beneficial uses.....". CEQA's charge, on the other hand, is to "take all action necessary to provide the people of the state with clean air and water, enjoyment of aesthetic, natural, scenic and historic environmental qualities, and freedom from excessive noise". CEQA also declares that "it is the policy of the state that projects to be carried out by public agencies be subject to the same level of review and consideration under this division as that of private projects required to be approved by public agencies." The CEQA Guidelines (and case law) spells out the scope required to meet the Act's intent. Those requirements demand that studies go into much more detail than that necessary to satisfy FERC's goals and the Final EIS points out many of those shortcomings. Just a couple of examples:

On page 3-337 of the Final EIS it is stated,....."the Iowa Hill construction would further generate 25 delivery truck trips per day traveling over the same routes used by construction workers during non-commute hours. The specific materials and equipment expected to be delivered to the project was not given" While that omission is not critical to FERC, CEQA requires that kind of detail be provided so the public can make a judgment as to the accuracy of the proponent's estimates. (I have studied the construction specifications quite closely and it is impossible to conclude that there will be only 25 truck round trips on the busiest days of construction. Starting with the clearing operation which will produce a substantial number of market logs that will be trucked offsite, and accounting for the sand, gravel and strengtheners needed for the cement and high-pressure shotcrete, bedding material for the liner and the liner itself produces nearly 8,000 truck-trips. Are these specific items included in the traffic study? Without that detail it is impossible to judge the adequacy of SMUD's estimates.) Further in the same paragraph it is stated, "It is not clear why SMUD chooses to assume a 10 percent split between the use of the Carson Road interchange and The Old Highway interchange. SMUD further asserts that there is sufficient capacity to accommodate the construction traffic in the peak years of construction ....."

Those assumptions and assertions need an explanation and must be verifiable by a qualified third party. Moving on to page 3-338, in the paragraph entitled "Our Analysis" it states "Despite a few shortcomings in SMUD's reports, we find the overall approach and results to be reasonable". "Reasonable" is just not good enough to meet CEQA requirements.

On Page 39 of the Addendum it states that SMUD will develop and implement the final Iowa Hill Transportation Management Plan prior to any construction. It goes on to say that it will provide a draft of the plan to specific agencies and the Advisory Committee for a 90-day review and then file the revised plan with FERC. Just where does the public get involved in this process? What are the "specific agencies" that will be commenting on this plan? Will there be an EIR filed? Is CEQA involved? (It must be pointed out again that the Advisory Committee is stacked in favor of the developer and any of their recommendations can be accepted or rejected at the sole discretion of the SMUD Board. In other words, the Committee is impotent.) At the end of Paragraph One on pages 40-41 SMUD concludes that by implementing some of the provisions in the Transportation Plan, SMUD will "reduce project-induced traffic congestion to a less-than-significant impact". Who says so? Who is the third-party that makes that assessment? The rest of the section on traffic impacts continually refers to the Transportation Plan as if it exists. THERE IS NO TRANSPORTATION PLAN! It has not been produced, has not been submitted to any agency, has not been made public and has not been reviewed by the specific agencies, the Advisory Committee or FERC. Any statement that implies that this mysterious plan has reduced any impacts is disingenuous at best. The fact that the Transportation Plan doesn't exist is one of the major reasons that these documents do not qualify as an EIR on the Iowa Hill Project. The same shortcoming applies to a complete air quality study and a detail full-scope noise study. They have not been submitted for public review and yet these documents refer to these plans containing mitigation measures which will reduce impacts to insignificant levels. These plans must be produced in detail before their adequacy can be assessed.

In both the EIS and the Addendum SMUD makes claims that are either false or indicative of their lack of understanding and concern of and for this area. On page 44 of the addendum SMUD states "Due to the winding character and narrowness of the roads in the vicinity of the project, local roads in the area are not ideal for walking and bicycling". That is nothing more than a self-serving opinion. The facts are that local residents use these roads on a regular basis for exercise and to walk their pets and every day there are bicyclists recreating on these roads. There are at least two Sacramento bicycle clubs that use North Canyon Road as a training ground. Given the existing traffic volume, it is an ideal setting for those activities. The irony of SMUD's statement is that, after establishing the pitfalls of using these roads even for pedestrians and bicyclists, they conclude that adding 360 auto trips and at least 50 heavy-truck trips a day to the existing mix of traffic will not create a significant impact. ANY INCREASE IN TRAFFIC WILL HAVE A SIGNIFICANT IMPACT ON THE SAFETY AND WELL-BEING OF THE RESIDENTS OF THIS AREA.

The analysis that concluded that the project would be in conformance with air quality regulations was based almost exclusively on the traffic estimates even though that is but one component of the air quality impacts. While the traffic estimate has been increased by 67% since that report was completed, there has been no recalculation of the Air Quality Conformance Analysis. In addition, there continues to be no mention of the rock crushing operation or the cement batch plant in either the air quality or noise studies. With reference to the CEQA requirement that agencies treat this project with the same level of review as they would a private project: Can SMUD seriously think that if a private citizen of Camino wanted to put in a 300,000 cubic-yard rock-crushing plant on top of Iowa Hill he could get by with a noise and air quality study as meager as SMUD is offering? There is also no mention of the impacts associated with road improvements and new road construction or the construction of a staging area for hundreds of vehicles and potentially dozens of heavy trucks. These cumulative impacts, which can be significant, must be a part of any EIR.

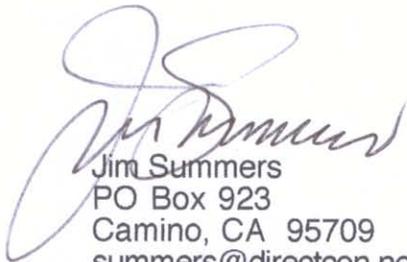
With regard to blasting: On Page 53 of the addendum it is stated that "Blasting at the project site will exceed the El Dorado County General Plan maximum allowable noise limit at several residences; however, the blasting will meet federal and industry standards, would be of relatively short duration while activities are above ground or just below the surface ....". What residences are affected and how did SMUD arrive at the distance from the site that would be critical? What federal and industry standards is this sentence referring to? Quantify the term "short duration". Elsewhere in the Addendum it states that blasting will occur twice-a-day for approximately 24 months and in some cases, 24 hours a day, seven days a week. Up to now, SMUD has always assured the local residents that work hours would be no longer than from 7 AM to 7 PM five days a week. Why have the work hours changed? What times during the day will these blasts that exceed allowable noise levels occur? Will the rock crushing continue 24/7 like the blasting? Has SMUD done onsite noise studies and do they realize that during most wind and humidity conditions conversations at Slab Creek Reservoir can be heard as far as a mile away? Has SMUD ever recorded or heard the reverberation levels that occur when someone fires even a low-caliber gun in the canyon? Slab Creek Canyon is unique in its ability to carry sound and, therefore, extensive onsite studies need to be carried out before sound impacts can be quantified. It is impossible to believe that, once in operation, the turbine/generating units will not be noisier at Slab Creek Reservoir Dam than if there were no generation occurring. Where are the studies that support that conclusion? In short, I believe that the unavoidable noise impacts associated with this project are of a much broader scope and much greater magnitude than SMUD has admitted and they are required by CEQA to fully support each of their conclusions.

One final word on traffic: The routes mentioned include sections of existing road that have lanes only 8 to 9 feet wide and it is impossible for a heavily loaded truck and trailer to negotiate the tight curves, keeping all wheels on the pavement, without crossing the double-line which creates a very unsafe condition for oncoming traffic and, of course, is a violation of the law. If SMUD intends to widen these roads as stated, they need to specify what roads, where and how.

Letter to Mr. David Hanson  
June 20, 2008  
Page Four

in summary, Mr. Hanson, insofar as the Iowa Hill Project is concerned, the Final EIS was not prepared by FERC to meet the CEQA Guideline and does not qualify as an EIR. In fact, the Final EIS clearly points out many areas where SMUD comes up short of details insofar as meeting CEQA's Guidelines. All these shortcomings, and those listed in my comments of June 2, must be corrected to bring this document into compliance with the CEQA requirements. In conclusion, one final area that brings up several questions: If one is to log on to SMUD's web site one is encouraged to take the "Carbon Challenge" and to test for your carbon footprint. Has SMUD put the Iowa Hill Pump Storage Facility to the same type of tests? Doesn't this project have a significant negative carbon footprint and shouldn't that fact be a part of any EIR? Doesn't the Iowa Hill Project fall under the provisions of AB 32?

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Summers", is written over a typed name and address.

Jim Summers  
PO Box 923  
Camino, CA 95709  
summers@directcon.net  
(530) 622-1675

cc: Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission

Pacific Legal Foundation

June 21, 2008

To: SMUD  
David Hanson  
Mail Stop B355  
P.O. Box 15830  
Sacramento, CA 95852-1830

To: Jim Fargo  
FERC  
Office of Energy Projects  
888 First St., N.E.  
Washington D.C., 20426

Subject: CEPA Comment  
Iowa Hill Project 2101

From: Bob Penn  
Iowa Hill Action Committee  
2521 Sky Ranch Lane  
Camino, CA 95709

Sir,

As the chair of the Iowa Hill Action Committee (IHAC), I am obligated to comment on SMUD's April 2008 CEQA document as it relates to the proposed project at Iowa Hill. Except as they relate to alternate site potential, my comments pertain to Iowa Hill only.

This CEQA document is seriously deficient, in particular in its treatment of E.I.R. requirements. SMUD, as the lead agency, and as a public utility has the legal obligation to ensure that the E.I.R. guidelines are adhered to in a full and comprehensive manner. In its present form, this document would not survive even a cursory legal challenge on the environmental issues.

Please understand that this is not a venting session on my part but rather a sincere effort to find solutions that best benefit SMUD, SMUD rate payers, Apple Hill, and all the communities surrounding Iowa Hill.

As we all know, the Big E. in NEPA and CEQA stands for environmental issues. The absence of a full comprehensive analysis of an alternate site selection process, legally required by law, borders on irresponsibility. That effort dwells on, for example, distance to existing transmission lines, tunnel lengths, boating water levels, etc; and is essentially void of any analysis comparing sites on the very important environmental issues. To name a few; air quality, extreme fire danger, and noise (now 24/7 blasting. How did that creep into the document?) The deficiencies of the site selection process suggest that the developer is reluctant to have a detailed examination of these environmental issues when comparing all possible project sites.

**ALTERNATIVES:**

1. No project: Increase capacity of existing power plant sites.
2. Pump storage: Union Valley, Loon Lake, possibly using Gerle Reservoir tied in.
3. Construct little Ice House Reservoir and connect to Union Valley, Ice House, and Junction Reservoir. Use Jones Fork Power House.

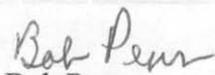
These and other alternatives present only modest or insignificant negative environmental impact on the UARP.

## E.I.R. SPECIFICS:

There are numerous specific requirements of an E.I.R. Only five are presented here.

1. An E.I.R. must focus on alternatives that can reduce or avoid significant impacts. This has not been done in this document.
2. The alternative analysis should be treated in a separate section and receive an impact by impact study. This has also not been done in this document.
3. Site suitability  
A site should be seriously studied if it:
  - A. Can substantially reduce significant impact elsewhere
  - B. Is potentially feasible
  - C. Is reasonable and realistic; and
  - D. Can attain most project objectives
4. The no project alternative must not be ignored. For example, increase capacity in existing facilities.
5. Finally, and most importantly, in these comments is the requirement that an E.I.R. must identify the environmentally superior alternative. Given the number of environmental and other negative impacts that the Iowa Hill site presents, as compared to other potential sites, the developer should demonstrate in detail the superiority of the Iowa Hill site. Without doing so, SMUD's attempt to use the Final E.I.S. as the E.I.R. would be a gross misuse of their lead agency status. Further, FERC's authority to intervene and ensure compliance with E.I.R. requirements should be appropriately used before the license is issued.

Thank you in advance for your effort to respond in detail to my comments.



Bob Penn

Iowa Hill Action Committee

David Hanson  
Project Manager, Hydro Relicensing  
Sacramento Municipal Utility District  
P.O. Box 15830  
Mail Stop A454  
Sacramento, CA 95852-1830

June 26, 2008

James Fargo  
Federal Energy Regulatory Commission  
Office of Energy Projects  
888 First Street, N.E.  
Washington, DC 20426

Dear Sirs,

This is a formal response to the Draft CEQA Supplement to FERC/USFS Final Environmental Impact Statement for Hydropower License and Analysis of Iowa Hill Joint Advisory Committee Comments, dated April 2008.

**The State Legislature enacted and the Governor signed Assembly Bill (AB) 32, the Global Warming Solutions Act of 2006. Lead Agencies, such as SMUD, should address reduction of Green House Gases in response to Global Climate Change concerns in the CEQA documents circulated after adoption of this Act. The Draft CEQA Supplement for the proposed project at Iowa Hill, dated April 2008, fails to analyze climate change impacts associated with the proposed development. Increased construction related traffic, especially at rush hour, as well as the proposed power generation by gas fired plants to operate the power consuming Iowa Hill pumped storage project should be analyzed by SMUD and included in the CEQA Supplement.**

### **Climate Change Not Considered in Draft CEQA Supplement**

FERC's FEIS, Appendix A, page A-9, "Cumulatively Affected Resources" includes a comment by the EPA recommending SMUD include a discussion about the effects of climate change in the final EIS. The following is the actual comment and response.

- "Comment-17: EPA recommends including a discussion about the potential effects of climate change relative to the proposed action in the cumulative effects analysis of the final EIS. EPA requests that the discussion summarize the applicable climate change studies, including the findings and recommendations for addressing potential effects on environmental resources and water supplies."
- "Response: Future climate change effects on water resources and water temperatures in the UARP and Chili Bar reservoirs and reaches are unknown, although some models may attempt to predict change in certain river basins. The Commission's standard reopener article would be included in any license as the

vehicle for making changes to the license if unforeseen and unanticipated adverse environmental effects occur in the future.”

As seen in the above comment and response, SMUD simply pushes off the discussion requested by the EPA to a future time, if at all. Likewise, where is the discussion in the CEQA Supplement regarding potential climate change and green house emissions related to increased vehicle emissions and increased use of gas fired plants to operate the pumped storage, energy consuming, project at Iowa Hill?

### **References to Increases in Green House Gases**

Page 40 of the Draft CEQA Supplement, April 2008, states that the peak construction workforce is estimated at 235 persons, total of 360 daily vehicle trips, and 25 delivery truck trips per day. While SMUD, references 1.3 persons per vehicle and the potential for carpools or van pools for the last few miles, 235 persons will need to drive into the Camino community on a daily basis. All proposed vehicle staging areas are located within the Camino community, thus an analysis of air quality impacts should include the total construction workforce. Also, the number of delivery truck traffic peaking at 25 per day seems understated based on the amount of material and equipment necessitated by the specifications of the proposed project.

Page A-6 of Appendix A of the FEIS, dated March 14, 2008, states in its response to a comment by Mike DeBord, “In its license application, SMUD assumes the pumping generation would come from gas-fired combustion turbines, not wind turbines. We agree with this assumption and have used it in our analysis. We show the cost of the pumping energy based on combustion turbines in table 4-13 of the draft EIS and continue to use that cost in the final EIS.”

Page A-5 of Appendix A of the FEIS, dated March 14, 2008 states in its response to a comment by Mr. and Mrs. Summers regarding the efficiency of the proposed pumped storage project at Iowa Hill, “Therefore, efficiency in the range of 75 to 80 percent would not be unrealistic.”

The above two comments (pages A-5 and A-6) state that SMUD will generate power necessary to operate the proposed Iowa Hill pumped storage project through gas fired plants and will only get back 75%-80% energy the next day from the proposed hydro generating system.

The vehicle emissions related to vehicle traffic over a five year construction project and the inefficient use of gas fired power generating plants with only a proposed 75% - 80% efficiency are just two of the topics that should be addressed in the context of climate change. AB 32 is an appropriate Act to use for reference for this discussion.

In addition, the June 26, 2008 edition of the Sacramento Bee, includes a front page article titled “State renews climate battle, Emissions: SMUD says it’s unduly burdened”. This article states “new rules to curb emissions call for a 30 percent cut by 2020”. Specifically, the plan counts on energy suppliers (like SMUD) to make 35 percent to 40 percent of the pollution reductions. Some of the biggest sources of emission cuts include “Electricity utilities would by 2020 provide a third of their power from renewable sources like wind, solar and geothermal-compared with current levels of around 11 percent.” Since SMUD has proposed operating the power consuming pumped storage project by gas fired plants (with an efficiency of only 75% – 80%), this seems in total conflict with California’s global warming strategies.

In accordance with provisions of AB 32, discussion of air quality impacts related to construction and operation of the proposed Iowa Hill pumped storage project should be included in the CEQA document.

Sincerely,

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Mike DeBord  
6090 Keeble Lane  
Camino, CA 95709  
(530) 642-1234  
[mike@debordgroup.com](mailto:mike@debordgroup.com)

---

Date

c.c. Members, SMUD Board of Directors  
Members, El Dorado County Board of Supervisors  
Attorney General, State of California  
Members, Iowa Hill Joint Advisory Committee  
Sacramento Bee  
Mountain Democrat  
Pacific Legal Foundation

June 23, 2008

Sacramento Municipal Utility District  
David Hanson, mailstop b355  
Post Office Box 15830  
Sacramento, California  
95852-1830

Dear Mr. Hanson,

Although unfamiliar with official documents like SMUD's CEQA report, I do have concerns which are either not addressed or dealt with sufficiently.

1. Cultural Resources in the Area of Iowa Hill and Slab Creek

You have done the official paperwork required by FERC with the Native American tribes from the UARP area. You have not done enough in regard to the lands impacted in you Iowa Hill "Development". There are three "prehistoric", or native american, sites and 29 "historic" sites in or near the Iowa Hill project area. All of these sites are listed as "unevaluated" in your Ethnographic and Ethnohistoric Resource Report. These sites should be fully evaluated before construction begins. Additionally, in Brian Bibby's 2005 book, "Deeper Than Gold, A Guide to Indian Life in the Sierra Foothills", Camino is mentioned on page 77: "Besides Coloma, several other nineteenth-century American towns were built very near, or directly over, former Nisenan settlements. For example, the community of Camino appears to cover much of the former village of Saskiyan. There had been a large roundhouse ther, and Captain Tom was said to have been its last headman. As late as 1928, the town of Camino was still called Saskiyan by the Nisenan living in the vicinity". When Camino School was built in the 1950's, numerous arrowheads were dug up and collected by local children. My neighbor found a stone mallet head on her property, and remembered how "the last Indian in Camino" would cross over on his walk to town for supplies. I havve spoken with Mrs. Larsen about her experiences as a child. She spoke of Indians living on the ridge where Copperton now runs, and how they (the Larsen children) were afraid of getting too close to the half-underground structures there. The only structure left of the village is a log cabin next to the road. The rest of the site is covered by a massive SMUD transmission line tower. I realize some of this information is anecdotal, but it is easily available. I request that a more thorough study of historical sites and peoples be done.

2. Land Use: SMUD's EIS states that "the proposed boundry change would not affect land ownership, but would change land use in vicinity of the project south of Slab Creek reservoir. Under the proposed action, existing timber production and recreational use would be converted to industrial use."This is mistating the reality: The zoning designation of the SMUD owned parcels atop Iowa Hill is RE10, residential estate, ten acres. The land use designation shown in the El Dorado County General Plan maps for these parcels is Rural Residential. SMUD's parcels are immediately adjacent to other residential parcels with the same zoning and land use designations, so that the upper berm would literally be in their backyards. The other two thirds of the project lands would be on national forest

lands, with land use Natural Resource, and zoned RA40 (Rural-Agricultural, 40 acres).

SMUD's Mr. Shetler has assured us that there have been no promises from the county regarding having the zoning of these lands changed to industrial.

The Land Use Report of 2005 adds that "Because the proposed Iowa Hill Development is under FERC jurisdiction, the elements of the General Plan are not applicable". This in spite of their promise to abide by El Dorado's General Plan. The land that SMUD wants to clear-cut, blast, clear and build over is heavily used for hunting, birdwatching, hiking, and living by those of us fortunate enough to live here. The industrial use envisioned by SMUD is completely out of character for this beautiful land.

3. Biological Reports: I have read the reports on the various species of wildlife that live in Iowa Hill project area, and have concerns that the research is incomplete – The reports list the number of bats, owl calls, etc., but do not include any extensive information on the effects of the five years of construction on these species. For example: SMUD has said that the use of explosives will last for about two years. What effect would the noise and ground vibrations have on each species of wildlife known to live nearby? How would the deer migration patterns be affected by the noise, vibration, and heavy construction traffic? SMUD has said they may build a new SW connector road from the Slab Creek up the side of Iowa Hill to the top. What effect would the construction and use of this new road through the National Forest have on wildlife?

We have repeatedly asked Mr. Shetler, Mr Flake and Mr. Bender these questions, and they simply say that they have done the research required by law.

We have pointed out that there is a bald eagle nesting site directly above the location of the proposed tunnel portal beside Slab Lcreek Reservoir. Mr. Shetler said he would "make a note of it". A retired Fish and Game agent who lives on North Canyon has said that the canyon area serves as a "freeway" for wildlife. SMUD officials said they would "make a note of that" too. I see no evidence in any report that our input was included, or further research conducted.

Part of the upper reservoir berm would be located in, or rather, on the Eldorado National Forest LSL Potted Owl Protected Activity Center. How does this conform to state and federal endangered species acts?

*Please see attached map*

The era of building environmentally destructive, massive hydroprojects in the mountains for the financial benefit and convenience of those living in the Valley should be over. El Dorado County already has done enough for SMUD. It's time for SMUD's customer/shareholders to use new energy storage and production technologies and solve their problems without further damaging the environment they profess to love.

*Lois Bailey Hacker*  
Lois Bailey-Hacker  
2380 Apple Tree Lane  
Camino, California 95709

lmbhacker@earthlink.net

# Figure 3.1-1 Iowa Hill California Spotted Owl Survey Locations and Results

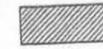
○ California Spotted Owl  
Call Locations

## California Spotted Owl Responses:

Female	Male	Juvenile	
▲	◆	■	1st Visit
▲	◆	■	2nd Visit
▲	◆	■	3rd Visit

 Eldorado National Forest  
California Spotted Owl  
Protected Activity Center

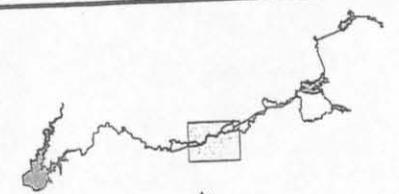
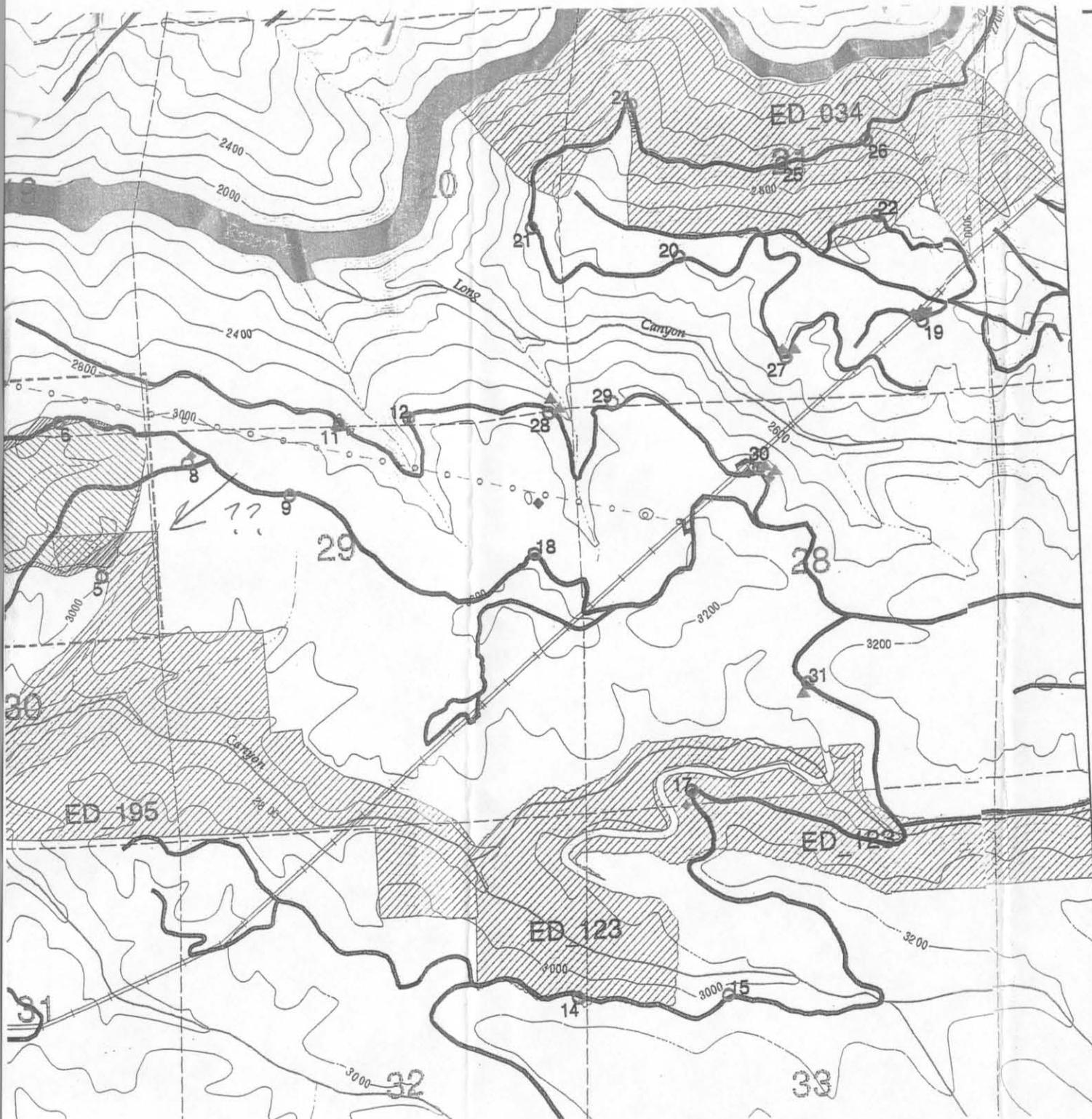
 Proposed Reservoir

 Outer Berm of Proposed  
Reservoir

 Iowa Hill Project Boundary

 Existing Transmission Line

 Proposed Transmission Line



Scale: 1:21000

David Hanson  
Project Manager, Hydro Relicensing  
Sacramento Municipal Utility District  
P.O. Box 15830  
Mail Stop A454  
Sacramento, CA 95852-1830

June 25, 2008

James Fargo  
Federal Energy Regulatory Commission  
Office of Energy Projects  
888 First Street, N.E.  
Washington, DC 20426

Dear Sirs,

This is a formal response to the Draft CEQA Supplement to FERC/USFS Final Environmental Impact Statement for Hydropower License and Analysis of Iowa Hill Joint Advisory Committee Comments, dated April 2008. Similar comments were made to FERC on November 5, 2007 as seen in pages 38, 39, and 40 of the Reporter's Transcript of Proceedings and were not addressed in FERC's response as reflected in Appendix A -Comments on the Draft Environmental Impact Statement for the Upper American River Hydroelectric Project.

**In reviewing SMUD's documents for the Iowa Hill project including the Draft CEQA document, there is a significant deficiency in the "alternative site" analysis. Specifically, there is no consideration given to potential impacts from identified risk factors that could result in loss of life, property and major impacts to the environment in choosing one site over another, as illustrated below.**

### **Fire Risk Not Considered in Site Analysis**

The only environmental factor considered in the site analysis is "no new dam or impoundment on any stream or reach". Why is this factor the only environmental factor considered? In California, the greatest emergencies and consequently the greatest potential harm to people, property and the environment are earthquakes, floods and wild fires. Along the California coastline, earthquakes may pose the greatest risk; in the Sacramento valley, floods may pose the greatest risk; and in El Dorado County, wild fires clearly pose the greatest risk (e.g. Angora Fire of 2007 that burned 3,100 acres, required 2,180 firefighters, destroyed 242 homes, 67 commercial structures, damaged 35 additional homes, cost \$10 million to fight, \$141 million in damages and \$1 billion in lost tourism). Not factoring the risk of wild fire in the site selection process for the Iowa Hill project (i.e. the most expensive construction project ever proposed for El Dorado County) is not logical and potentially disastrous. The proposed Iowa Hill site has, by a significant margin, the highest fire risk rating as compared to any other potential project site. An estimated 97% of wild fires have been man-caused and are attributed to human activity such as smoking, debris burning and equipment operation. The Iowa Hill project will allow on-site smoking, significant debris burning, and major equipment operation for an

estimated five year construction period. SMUD's Draft Supplemental Analysis dated 5/1/2008 clearly states they will be increasing the risk of starting a fire in the early phases of construction. Based on the substantial numbers of construction personnel and activities planned for the estimated five year construction period, it would appear that the likelihood of starting a wildfire in the proposed project site would be elevated throughout the construction period, not just in the early phases. Due to the extensive fuel loading in the area, the stacking of logs from a prior flood, the low elevation (under 3,000 feet), the hot dry conditions, the terrain along the canyon walls, the wind patterns in the canyon area, the lack of adequate roads for ingress and egress for fire escape and fire response, and the history of fires in the Iowa Hill area; there is clearly a very high potential for a major wild fire related to construction activities that could result in loss of life, property and major impacts to the environment.

### **References to Fire Risk**

The following reflects a chronology of the Iowa Hill project documents that clearly identify the extreme fire risk for the proposed project site and the total lack of consideration of this factor by SMUD in site analysis and selection.

As identified in SMUD's UARP License Application, Fire Risk and Protection Plan Technical Report, dated 10/20/2004, page 10, the fire risk for the proposed Iowa Hill project is in an area (right of way segment White Rock-Camino) that has a "**5.8 - Extreme Fire Risk Rating**". No other segment (of the six segments) had a fire risk rating above 1.8.

Page 9 of the UARP License Application, Fire Risk and Protection Plan Technical Report states that a "Fire risk is defined as the probability that a fire will occur (USDA Forest Service 2001) within a given area". On page 10, an **Extreme Risk is defined as 1.5 or greater**. "This level predicts greater than one fire per 1,000 acres for every 1-10 years." On page 10, the report also states that "The area in which the White Rock-Camino transmission line is located has the highest risk due to the proximity to residential areas and Highway 50. The **risk of a fire start** within two miles of this right-of-way segment was between **three and 19 times the risk associated with the other five segments**.....CDF data for the entire Amador/Eldorado Unit indicate that man-caused fires accounted for 97% of all fires in the period between 2001 and 2003".

On page 7 of this same report, the technical report states that "Elevation was used as a proxy for exposure to fire weather. Elevations less than 5,000 feet were considered high and the segments above 5,000 feet were considered moderate."

Table 4.0-4 on page 11 of this same technical report, shows 75% of the major fires occurring near SMUD facilities in the UARP back to 1916 occurred at White Rock or Camino.

The El Dorado County General Plan EIR-Human Health and Safety section state "Human activities, such as **smoking, debris burning, and equipment operation are the major causes of wildland fires.**"

Page 66 of the Draft Supplemental Analysis, dated 5/1/2008, Impact PHS-1: Fire Start Risk, "During project construction, the potential for starting a fire (known as the fire risk)

increases during clearing of the upper reservoir site (expected to last approximately four months). There will be temporary increase in fuel loading, i.e. a temporary increasing in the fire hazard, during site clearing when trees and other vegetation will be cut, moved to a central staging point or landing, and either removed as logs and/or chip form, or burned onsite.”

Page 71 of the Draft Supplemental Analysis, dated 5/1/2008 provides SMUD’s response to a community request to designate the entire construction project as a non-smoking construction zone as follows: “This provision will **not designate the entire construction area as a no smoking zone**, but will restrict smoking to specified areas. The provision will comply with the California Public Resources Code (CPRC 4423.4), which restricts smoking in forest environments to a 3-foot circle of barren soil.”

In addition to the references cited above, find attached an except of a memorandum by Doug Leisz, Registered Professional Forester, who describes the fire risk related to the Iowa Hill Project. The attachment is titled “**Iowa Hill Project – Wildfire Threat**”.

### **References to Alternative Site Analysis**

The key documents researched for discussion and analysis of the site selection process include the SMUD’s Relicensing Application dated November 2003, the License Application PDEA dated 6/17/05, the FEIS dated March 14, 2008, and the Draft CEQA document dated April 2008. None of these documents provide sufficient criteria or analysis of environmental issues other than “no new dam or impoundment of any stream or reach” in the alternative site analysis.

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The Relicensing Application dated November 2003, Draft Revision 1, Executive Summary, page 1-4, 1.1.3. paragraph 2 states “Alternative site configurations were considered and reviewed and found to be less acceptable than the configuration described in the Project Description.”

The Relicensing Application dated November 2003, Draft Revision 1, Section 2.2 Facility Design and Site Alternatives, includes *no discussion* on Site Alternatives.

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The License Application PDEA 3, dated 6/17/05, 3.0 “Proposed Action and Alternatives” reflects only four screening factors applicable to their site analysis. On page 3-29, only screening factor #3 referenced an environmental factor, “The project must not require a new dam or impoundment on any unimpaired stream or reach. Due to strict environmental siting requirements, any project with a new dam or impoundment on a stream was considered very high risk.”

On page 3-31 of the same document, three sites referenced environmental issues as follows:

**Ice House Site** “Environmental concerns centered on alteration of the water surface elevation in Ice House Reservoir, a popular summer recreation site.”

**Union Valley Site** “Environmental concerns at this configuration centered on disturbance of recreation and bald eagle nesting at Union Valley Reservoir.”

**Iowa Hill Site** “The site was also selected because it has the least number of environmental concerns compared to the other locations. For example, Slab Creek Reservoir has low recreation use compared to Ice house and Union Valley reservoirs, and Iowa Hill has no recreation use or communications facilities.”

*Why are communications facilities included as an environmental concern? Where are the “environmental factors” (other than bald eagle nesting) in this analysis?*

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FERC held a public meeting on November 5, 2007 on Project No. 2101-084 and Project 2155-024. The Reporter’s Transcript of Proceedings, page 38, 39 and 40 reflect comments from Mike DeBord related to the lack of review or analysis of the fire risk in site selection by SMUD. FERC’s FEIS, Appendix A fails to address the issue raised by Mike DeBord on pages 38, 39 and 40 of the transcript related to fire risk and other environmental impacts in SMUD’s site selection.

FERC’s response (in their Draft EIS) to comments received during the public meeting on November 5, 2007, includes the following:

- Comment-3 regarding a request for a detailed review of alternative power plant sites.
- Response: “We added a discussion of the alternative site analysis performed by SMUD in Section 2.4.5, *Alternative Sites Analysis*, of the final EIS.”

While FERC stated that they added discussion of the alternative site analysis performed by SMUD (see above), **no new information was provided in the FEIS related to environmental factors** including the fire risk which should be applicable to site selection. The FEIS, dated March 14, 2008, Section 2.4.5 Alternative Sites Analysis, again only references the same four criteria, factor #3 being “no new dam or impoundment on any unimpaired stream or reach”.

The closing paragraph states “After reviewing the criteria and alternative sites considered by SMUD in its analysis, we find the analysis to be reasonable from both business and operations perspectives.”

*What about environmental perspectives? Isn’t that the purpose of an environmental review?*

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FERC Project No. 2101, Draft CEQA Supplement to FERC, dated April 2008

*This document does not address alternative site selection.*

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### **CEQA/EIR Requirements**

The following requirements on the Lead Agency (SMUD) do not appear to be met.

- An EIR must identify feasible alternatives that could avoid or substantially lessen the project’s significant environmental effects.
- An EIR must discuss a reasonable range of alternatives to the project, or its location, that would feasibly attain most the project’s basic objectives while reducing or avoiding significant impacts.

- The discussion of alternatives should include sufficient information about each alternative to allow evaluation, analysis and comparison with the proposed project.
- The alternative analysis can be on-site or offsite, different location for the same use.
- An EIR must focus on alternatives that can reduce or avoid significant impacts.
- Only locations that would be environmentally superior need be included in the analysis.
- Generally the alternatives analysis is contained in a separate section of the EIR and conducts an impact by impact analysis.
- The EIR must identify the environmentally superior alternative.

**Closing Comment**

I respectfully request consideration (discussion and analysis) in the CEQA document of the extreme fire risk factor in the alternative site analysis for SMUD’s proposed pumped storage project.

Sincerely,

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Mike DeBord  
6090 Keeble Lane  
Camino, CA 95709  
(530) 642-1234  
[mike@debordgroup.com](mailto:mike@debordgroup.com)

---

Date

c.c. Members, SMUD Board of Directors  
Members, El Dorado County Board of Supervisors  
Members, Iowa Hill Joint Advisory Committee  
Sacramento Bee  
Mountain Democrat  
Pacific Legal Foundation

Attachment: “Iowa Hill Project – Wildfire Threat”

## IOWA HILL PROJECT – WILDFIRE THREAT

*The following is an excerpt of a memorandum by Doug Leisz, Registered Professional Forester, retired Associate Chief of the United States Forest Service and Regional Forester in California, regarding the wildfire threat of the Iowa Hill project.*

“The Iowa Hill Project is proposed for an area immediately adjacent to the South Fork American River. Topography is very steep on both sides of the South Fork and vegetation a dense mix of trees and brush with a ground cover of annual grasses and forbs. Annually this vegetation dries with the summer heat and becomes a serious high hazard area for wildfires. Immediately above the project site are homes on both sides of the canyon in Mosquito and Camino. The project proposes to clear vegetation for a ridge top reservoir about 1200 feet above the Slab Creek reservoir and also construct a switchyard in the canyon. A dead-end, low standard, single lane road presently accesses the proposed reservoir site.

Two other major side canyons near the project site, Iowa Canyon and Slab Creek, further complicate topographic features. Both of these are deeply incised canyons with steep sidewalls that are heavily vegetated.

The topography, vegetation, rugged multiple canyons and very poor access combine to present a serious fire threat to the surrounding area of homes and important watershed lands. Construction projects that include clearing and disposal of hazardous fuels in such sites have a potential to cause a major conflagration. The risk is increased by the number of construction workers on site and traveling to and from the site. Two major conflagrations were started from UARP construction in 1959; disposal of clearing for the Ice House reservoir and at Camp Seven from a power line break in. Those sites were of far less threat than the Iowa Hill Project site.

The Iowa Hill site is an area of extreme fire risk and hazard. During a normal summer there will be months of high fire danger. A fire starting in the Iowa Hill project area, under favorable burning conditions, has a serious potential to very quickly become a major conflagration. Canyon winds, the steep topography, dense vegetation, the multiple canyons and the difficulty of access for fire equipment will influence rate of spread. The chances are good that it will escape initial attack for suppression, exhibit erratic fire behavior, and become a major conflagration. It may well spot so that both sides of the canyon are burning.”

June 26, 2008

David Hanson  
P.O. Box 15830  
Sacramento, Ca.95830-1830

**FERC/USFS Final Environmental Impact Statement for Hydropower License and Analysis for Iowa Hill**

Mr. Hanson:

With regard to the above project, I write as both a concerned resident in near proximity to proposed Iowa Hill project and as a previous USFS employee with some knowledge of fire suppression. Presently(June 26, 2008), there are 800 fires in Northern California and my awareness of the proposed Iowa Hill site with its overgrowth, steep terrain, canyon winds, AND limited access give me cause for concern that there would be a major catastrophe should a fire start in that area. Given the additional traffic, heavy equipment and workers that is a very real probability.

While I respect the need for additional SMUD water storage areas, I feel that the chosen site is not a well-researched area and that there are other sites that would be more appropriate and less risky.

Thank you for your concern and attention to this matter.

Sincerely,

P.J. Hilton  
P.O. Box 418  
Camino, CA 95709

David Hanson  
Project Manager, Hydro Relicensing  
Sacramento Municipal Utility District  
P.O. Box 15830  
Mail Stop A454  
Sacramento, CA 95852-1830

June 29, 2008

Dear Sir,

This is a formal response to the Draft CEQA Supplement to the FERC/USFS Final Environmental Impact Statement for Hydropower License and Analysis of Iowa Hill Joint Advisory Committee Comments, dated April 2008.

There seems to be a number of deficiencies in the CEQA document and/or process.

Under CEQA guidelines, feasible alternatives must be not only considered but discussed and evaluated in the document. SMUD seems to be trying to base all of this on the Federal EIS and saying that it meets all of those requirements. The FERC EIS document evaluated the project's feasibility and business components as its primary consideration, not the environmental factors the project will impact. Since the submission of the EIS by FERC, the project has changed many times. Travel routes of workers, times of operations, and transportation of materials are just examples of the evolving nature of this project. It would seem to me that the existing EIS needs to be revisited, but in no way can the CEQA document use the EIS as a foundation for satisfactory environmental review and compliance.

As members of the community met with SMUD about this proposed project, the project seemed to change with every group. If people on Cable Road were complaining about all the truck and construction traffic, SMUD said, "We will use North Canyon." If the folks on North Canyon complained SMUD said, "We would use a tunnel." The tunnel idea to transport material from the lower site to the upper site became the "preferred alternative" by SMUD throughout the discussions with the community.

As the draft came out now we see that they want to build a SW connector road from the bottom to the top of the project site to transport material, rather than use the tunnel. None of the possible impacts of such a road are discussed in the document. This new proposed preferred alternative would be constructed on a hillside with a slope of around 60 degrees. If this road could be constructed, it would be a full bench road. Without any mitigations being employed, spoils would certainly enter the Slab Creek Reservoir or American River below. None of this is discussed as a possible impact and no mitigations are presented.

In a number of places, the FERC document discusses the roads to be used as Cable Road, North Canyon and other local roads. The NEPA document describes Cable Road as a two-lane road. Cable Road is a one-lane unimproved road ranging, from 10 to 15 feet in width at its widest places. This is not a two lane road. I made these comments to FERC at their public meeting in Placerville, but there was no discussion or mention of my comments in the final document and no correction in the description. Therefore, no valid evaluation of the roads was made in the final NEPA document. The FERC analysis that is the basis of the CEQA document is therefore flawed. The SMUD document then indicated that Cable road is a one lane road but traffic impacts and safety considerations are not described. This is only one example. The entire FERC

document is based on using Cable Road for construction and access to the reservoir area and theoretically evaluated those impacts. After the final FERC document was completed SMUD has come up with different travel routes and access points and transport routes for construction. SMUD has indicated that the FERC document satisfies the CEQA requirement for environmental review and the CEQA supplement only needs to address those “other” things that are not required by the federal process. Assuming (incorrectly) that the federal document satisfied the environmental analysis you cannot change the project components after the final EIS has been done and expect that the original document still satisfies the environmental review component for a revised project. To follow that logic would be like me submitting building plans for a single family one story house and getting a building permit, and then redesigning the house to be a 10 story building and saying that I would not have to amend the building permit. Even though the CEQA supplement document indicates the use of a SW connector road there is no discussion of its feasibility or possible impacts.

One other flaw in the document is lack of substantial consideration of the possible ignitions of fire and impacts of large fire due to the construction and operation of the project. As indicated in the document the project is in an area classified as extreme fire risk. Yet SMUD indicates that they will comply with the Public Resources Code. That does not satisfy the requirement to discuss potential impacts and any mitigation that the project would create. This is not discussion. Again it would be like me telling the planning department “Trust me I will comply with all the regulations.” They would not trust me or anyone else and SMUD’s statements should not satisfy the requirements for discussion under CEQA either.

**In the Fire Risk and Protection Study Plan produced by SMUD** the only mention is consultation with USFS as far as fire control operations. While USFS is the responsible entity in the upper American river component of the entire project (Icehouse area) they are not the responsible agency in the Iowa Hill project area. That project lies in State Responsibility Area (SRA) protected by CDF (now CALFIRE). In that Study Plan it indicated that all in attendance “could live with” the study plan. Not really a ringing endorsement.

#### 10.7.10 TWG Endorsement

The Land Use Technical Work Group approved this study plan on May 22, 2003. Those who said they could “live with” the study plan (as amended) were USFS, SMUD and Friends of El Dorado County. There was no one in attendance that said they could not “live with” the study plan. The Plenary Group approved the study plan at the June 4, 2003 meeting. The following participants approved the study plan: SWRCB, SMUD, USFS, NPS, Calif. DF&G, FOR, PG&E, City of Sacramento, PCWA, Camp Lotus, EDCWA, and other participants. No one present at the meeting said they could not “live with” the study plan

As can be seen from the above list of participants shown in SMUD’s document CDF was never involved. It says that “There was no one in attendance that said they could not live with the study plan.” My question is who was in attendance. Because those who may have been in attendance did not say they were not supportive does not mean they “could live with it”, nor does it constitute an endorsement.

It is interesting to me that SMUD developed mitigation agreements with special interest groups and the county that included water flow requirements and monetary payments prior to any environmental documents being submitted or approved. This would lead a reasonable person to believe that they had already made their selection of their preferred alternative prior to any environmental evaluation. Part of those agreements was that the organization must support SMUD’s Iowa Hill project. This seems to me to be akin to bribery, or at best, a gag order paying

for silence: We will pay you or give you something you want if you support the project. It was interesting to me that these agreements to mitigate impacts were done prior to submission of the documents to FERC. Also of some interest to me is the noticeable lack of involvement of any environmental groups regarding this project. It makes me wonder how much their silence cost.

I feel that SMUD must redo a complete CEQA analysis based on what they actually propose to do, instead of a merely providing a supplement to a federal document wherein a number of operational factors and designs have changed and not been addressed in either document.

I am involved in timber harvest plan preparation and submission governed by CEQA and those plans have to be submitted with the details of road locations, hours of operation, travel routes where neighbors are involved, discussions of endangered species, sensitive species, water course impacts, etc., prior to plan approval in order to be compliant with CEQA. How is it that SMUD expects to submit and approve a document that has none of this detail and expect that they can do much of the evaluation after the document is approved?

Mark R. Stanley

Registered Professional Forester #1736

Local Citizen

Retired Chief Deputy Director, California Department of Forestry and Fire Protection

June 30, 2008

David Hanson  
Project Manager, Hydro Relicensing  
Sacramento Municipal Utility District  
P.O. Box 15830  
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Sacramento, California 95852  
[dhanson@smud.org](mailto:dhanson@smud.org)

Re: Draft CEQA Supplement To FERC/USFS Final EIS for Hydropower License and Analysis of Iowa Hill Joint Advisory Comments (April, 2008)/FERC Project 2101

Dear Mr. Hanson:

Please be advised I wish to provide the following comments on the above referenced document (“DEIR”).

Section 3.3.3.3-Transportation and Traffic. In this section of the DEIR, SMUD essentially adopts and reasserts FERC’s analysis of the environmental impacts of the transportation and traffic issues associated with construction and operation of the Iowa Hill Pump Storage project. This section then refers to the mitigation regime set forth in the EIS for a description of the various measures SMUD is to implement in this project to address those impacts. Of course, the California Environmental Quality Act (“CEQA”) requires a lead agency such as SMUD to articulate and adopt those measures required to mitigate, to below significant levels (with certain exceptions) the impacts of such identified and evaluated impacts.

One of the principal components of this “mitigation scheme” discussed at page 39 (and elsewhere) of the DEIR is the “...development and implementation of a Final Iowa Hill Transportation Management Plan required by FERC in the Final EIS (FERC 2008)...” which “...SMUD will develop and implement in the...[Plan]...prior to any construction...”. (emphasis added). Among the specified areas this Plan is to address is “1) a description of road segments to be constructed...to provide access to the upper and lower sites, including and evaluation of whether the Iowa Hill Southwest Connector Route [“Connector”] should be part of the primary access route to the upper reservoir.” The Connector is also discussed in DEIR section 3.3.3.4, “Analysis of Iowa Hill Joint Advisory Committee Transportation Measures,” and specifically in the matrix set forth therein. As to the Connector, the DEIR states here in pertinent part “...SMUD will conduct an environmental evaluation of the Southwest Connector, a road that would provide access from the upper site to the lower site. See Transportation Route Technical Report, Appendix D”. (emphasis added). The obvious purpose of the Connector is to

David Hanson  
June 30, 2008  
Page Two

reduce or eliminate the identified significant and unavoidable environmental impacts on transportation routes to the site, particularly on surface roads in Camino.

The environmental evaluation of the Southwest Connector, as referenced above, must be done at this point in the process, and included, discussed and analyzed in the DEIR. It cannot properly be delayed until some later time, because the conclusion of such an analysis may directly and substantively affect the entire import and outcome of the Transportation and Traffic section (3.3.3.3) of the DEIR. Only by including a full evaluation and discussion of the environmental impacts of the Connector in the DEIR, and allowing public consideration of and comment as to it, can SMUD comply with applicable CEQA requirements on this important issue. In this sense, the Connector fundamentally is more an actual Iowa Hill project component, and not just a measure proposed to mitigate some other environmental impact of the project.

Based on the foregoing, I respectfully submit that the DEIR be amended to include a full analysis of the Southwest Connect as required by CEQA, together with associated mitigation measures, so that the public and, ultimately, the SMUD Board of Directors, can have a clear understanding of the ramifications of this significant and far reaching project.

Very truly yours,

Jeffrey G. Hansen  
c/o 1966 Cable Road  
Camino, California 95709  
[jhesq@earthlink.net](mailto:jhesq@earthlink.net)

cc: Mr. James Shetler (jshetle@smud.org)



## IOWA HILL ACTION COMMITTEE

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June 30, 2008

Dave Hanson, Project Manager  
SMUD - Hydro Relicensing  
Iowa Hill Pumped Storage Power Plant  
P.O. Box 15830  
Sacramento, CA 95852-1830

**Subject: Iowa Hill Pumped Storage Power Plant - Upper American River Project (UARP)  
Relicensing, Federal Energy Regulatory Commission (FERC) Project P-2101**

Dear Mr. Hanson:

The purpose of this letter is threefold: 1) to provide feedback to you regarding the five Technical Reports transmitted to the Iowa Hill Action Committee on January 26, 2005; 2) to clarify some communications made by SMUD to citizens in the Camino and Mosquito areas; and 3) in view of this information, to demand that SMUD eliminate the Iowa Hill Pumped Storage Power Plant from its current UARP relicensing effort so that appropriate review of a project with such enormous impact, scope and scale can occur. A copy of this correspondence also will be sent to FERC so that it can be entered into the Public Review File.

The Iowa Hill Pumped Storage Power Plant originally was conceived over thirty (30) years ago. As currently proposed, the Iowa Hill Pumped Storage Power Plant is the wrong project, at the wrong time, in the wrong place. In fact, there have been only two attempts to build pumped storage power plants in California during the last thirty years. Helms near Fresno was built by PG&E and relies on cheap power for from the Diablo Canyon Nuclear Power Plant. The other project, Maryville Lake on the Yuba River, was cancelled during initial studies because the economics were unfeasible.

As evidenced by the Technical Reports produced and communications made to date, SMUD's current plan to seek approval from FERC for the half billion dollar Iowa Hill Pumped Storage Power Plant, as part of the UARP relicensing effort, neither provides sufficient time for required due diligence and investigation, nor allows for thorough community input. Over the past thirty years, many changes have transpired in the vicinity of SMUD's proposed Iowa Hill Pumped Storage Power Plant. Numerous homes have been built adjacent to the proposed site, and thousands of residents will be affected directly by the construction and operation of the power plant. Additionally, the neighboring Camino-Fruitridge Agricultural District (Apple Hill) area has become a vibrant tourist attraction providing livelihoods to more than eighty growers and revenue to El Dorado County. SMUD's plan does not recognize its detrimental effect on this new reality.

### **1. Comments on Technical Reports**

Our review of five (5) of the twenty-plus Technical Reports related to the Iowa Hill Pumped Storage Plant has revealed an unacceptable level of incomplete and erroneous information. We are very concerned that these reports are extremely misleading. To those unfamiliar with the project, their professional appearance conceals misinformation and numerous flawed assumptions.

Furthermore, there is a disconnection between the Summaries of some reports and the report bodies. Mitigation measures reflect some information provided by citizens in October 2004 meetings, but the bodies of the reports have not been revised to include these changes. Assuming that this sample of five reports is representative of the others, our concern is well-founded.

Following is a discussion of each of the five reports: a) *Visual Resources Report*, b) *Auditory Assessment*, c) *Property Value Assessment*, d) *Draft Transportation Management Plan*, and e) *Socioeconomic Assessment*. In no way do we view this discussion as complete; it is incumbent upon SMUD to verify the accuracy of the information it publishes.

**a) *Visual Resources Technical Report, dated January 2005:***

Visual impact was the subject of the first community meeting held by SMUD in October 2004. As communicated to you in our letter of October 23, the method used by SMUD consultants to assess the visual impact of the Iowa Hill Pumped Storage Power Plant was seriously flawed. On the north side of the River, two photographs taken from public roads rather than home locations were used to assess the visual impact. On the south side of the river, one photograph was used. In the opinion of the SMUD consultants, there would be little visual impact because the view of the Iowa Hill Power Plant would be screened by trees. Most residents have removed trees and brush to diminish fire danger and to enhance their views. This limited sample in no way represents actual conditions and wholly fails to evaluate thoroughly and realistically the visual impacts of the proposed project.

The January 2005 *Visual Resources Technical Report* still includes these misleading photographs. Attachment B of our January 17, 2005, letter to you and FERC includes more representative photographs. These photos and two additional photos are shown in Attachment A for your reference. You will note that the views of Iowa Hill Pumped Storage Power Plant are not screened by trees. They are in full view of approximately 100 properties, many of which are not included in the *Visual Resources Technical Report*. Attachment B of this letter is a map available on SMUD's relicensing website that depicts the numerous parcels adjacent to the proposed Iowa Hill Pumped Storage Power Plant.

The Findings section of the report prompts the question: Have the people who formulated these plans actually visited the site and looked at it from both sides of the river and from higher elevations? The mitigation measures proposed seem to have been done in the abstract utilizing insufficient and erroneous reference points. Although several residents with views of the proposed site have volunteered to allow SMUD consultants to take pictures from their houses, this has not been pursued.

The following excerpts from Page 2 of the report's Summary indicate a lack of appreciation of actual site conditions.

Relocate switchyard:

*'Relocate the switchyard to the east side of the berm, near the potential equipment staging/laydown area.'*

The switchyard has been moved from its original location at a lower elevation on the canyon side to the top of the hill. The actual new location is unclear and its visual impact cannot be assessed; no visual simulations are included in the report. This change was made in isolation with no input from the affected communities.

Integrate the visual appearance of the upper, 140' high berm - boulders:

*'...place boulder-sized rocks on the outer embankment of the berm in a manner that mimics natural land forms found in the surrounding characteristic landscape.'*

This is not the natural landform. The proposed site is heavily forested. Trees capable of screening the 140' Mt. Misery (as some residents refer to the berm) are there and should remain there.

Integrate the visual appearance of the upper, 140' high berm - revegetation:

*'...develop a revegetation plan that includes a revegetation planning scheme that mimics a chaparral hillside characteristic to the region.'*

This misrepresents what the site is like now. It is not covered with chaparral; it is covered with ponderosa pine, fir, and cedar trees over 100' high. According to a member of the Forest Service who was present at the February 2005 meeting, once native soil is disturbed, indigenous flora are difficult to replant. The 'revegetation' plan appears not to be achievable.

Tunnel portal site:

*'This concrete would be colored to a dark brown or other color...'*

Surely a more creative solution using indigenous rock or some other method would be preferable to merely adding dye to the concrete mix design.

In the section titled 'Consistency with the Forest Plan and the El Dorado County General Plan' several statements made are not true. For example,

Page 3:

*'...the upper Iowa Hill Development site is not visible from any scenic vistas, major or scenic travel corridors...'*

Page 5

*'There are no viewpoints within the visual resource study area (a three-mile radius around the center of the upper reservoir).'*

Once again, this information is incorrect. William Van der Ven's *Up the Lake with a Paddle*, a book available through a regional outdoor outfitter (REI), states (pages 72 and 73):

*'Slab Creek Reservoir [the source of water for the proposed Iowa Hill Pumped Storage Power Plant] is a hidden jewel in the gorge of the upper South Fork of the American River...Peering up on the east side [Iowa Hill] of the lake, tall rows of Douglas fir and other evergreens blanket the skyline almost the entire length of the lake [4.5 miles].*

*Just before you reach Cable Point, look to your right (north) and you can see the remains of the old Pony Express road angling downward from the top of the ridge and disappearing into the lake. The trek to the top of the ridge rewards the hiker with a spectacular view of the drowned river gorge and the lake that fills it. The last time I was here, I was treated to the sight of a deer swimming across the reservoir and then slowly walking into the forest.'*

The proposed 140' (14 story) berm and intake structure most certainly will be visible from Slab Creek Reservoir. The entire Power Plant – 140' berm, switchyard, intake structure, and electric transmission towers – will be visible from endless locations in the Slate Mountain Range that is less than 2 miles from the proposed site. Please see photographs also included in Attachment A.

The information on Page 26 in the section titled 'Swansboro Development' does not reflect any of the comments made at the October meetings and is still extremely flawed. As previously mentioned, key observation points (KOP's) are not taken from residences nor are views from scenic corridors included. Additionally, the effects on wildlife (fish) of the enormous shadow cast across Slab Creek Reservoir by the 14 story berm are not even mentioned. In no way does the *Visual Resources Technical Report* accurately assess the visual impact of the Iowa Hill Pumped Storage Power Plant. SMUD should reject this report in its entirety and not include it in SMUD's FERC application.

**b) Auditory Assessment, dated January 2005**

Simply stated, the results of the *Auditory Assessment* defy common sense. Once again, the authors of this report appear to be unfamiliar with the terrain surrounding the Iowa Hill Pumped Storage Power Plant. For example, on Page 21 they state:

*'A noise model was developed assuming 70 pieces of equipment were operating at the upper reservoir site at the same time...This model is likely conservative because it is based on current topography, assumes all equipment is operating simultaneously, does not take into account shielding provided by excavation or reservoir berm (when line of sight between the construction equipment and receptor is obstructed) nor does it include any foliage effects (reductions related to the forested nature of the project site).'*

The noise model clearly is not *'based on current topography.'* It gives no consideration to the presence of the large river gorge and reservoir adjacent to the proposed construction site. Neither does the model recognize a 'bowl' on the opposite [facing] side of the river gorge. These topographic features form a 'megaphone,' magnifying the noise from both construction and operation.

Additionally, the model does not account for the combined effect of hard rock blasting (scheduled to last 2.5 years) and the additional 27 pieces of construction equipment operating elsewhere on the site. (Page 21 states that 97 pieces of construction equipment will be operating simultaneously.) Furthermore, any *'shielding'* from the berm, if it helps at all, will only occur after the majority of the blasting is complete and the five-year plus construction duration is more than half over. Any *'foliage effects'* are likely to be negligible because construction plans presented thus far indicate that the forested 153-acre site is to be stripped of all trees and other vegetation (p. 3 of *Socioeconomic Assessment*).

The *Auditory Assessment's* noise model does not include noise resulting from the operation of the proposed Iowa Hill Pumped Storage Power Plant. When asked in the February 23, 2005, public meeting about the operational noise generated by the power plant, a SMUD spokesperson offered a wait-and-see response. In other words, operational noise issues will be addressed when and if the plant is up and running. Nothing in the *Auditory Assessment* indicates that SMUD is willing to purchase equipment with silencers or to include the use of acoustical baffling devices, such as louvers, in its design.

Another way in which the *Auditory Assessment* is inadequate is in its evaluation of current noise levels in the area. Measurements of existing noise levels were taken in only three locations over a two day period in mid-August 2004. In one location on the east-side of the river, measurements were taken every hour for a 20-hour period. In a second location on the east-side of the river, measurements were taken once in the morning at 8:44 a.m. and three times between 4:42 p.m. and 5:04 p.m. on the same day. Only one measurement was taken on the west-side of the river at 3:17 p.m., in the vicinity of Cableview Court though not from a residence (page 14).

The quality and quantity of this information is clearly insufficient to analyze the noise effects of a half billion dollar construction project on human inhabitants and wildlife, which the *Auditory Assessment* professes to do. Two days in mid-August, in which recreational use of Slab Creek Reservoir and the surrounding area is at its peak, do not begin to depict accurately the ambient sound level. What most residents and wildlife currently experience on the vast majority of the days of the year is silence. In fact, the *Auditory Assessment* acknowledges that a spike on one of the readings taken can be explained by the fact that *'the wind speed near the top of the trees may have been sufficient to rustle leaves, or significant insect activity may have been present'* (page 14). Van der Ven's book notes that waterfalls can be heard from *Slab Creek Reservoir* (page 73):

*Paddling down the lake [Slab Creek Reservoir], the canyon slowly widens, allowing light and the warmth of the sun to reach the water. If you are paddling the reservoir after a rain, you get an additional treat – the sound and sight of numerous waterfalls cascading down the steep slick rock.*

The *Auditory Assessment* states that there are *'35 special special-status wildlife species that could occur within the project impact area'* (page 19). The *Auditory Assessment's* discussion of the effects of human induced noise on wildlife is not reassuring. Such problems as hearing impairment, increased heart rate, altering of metabolism and hormone balance are mentioned. These problems can result in bodily injury, energy loss, decrease in food intake, habitat avoidance and abandonment, and reproductive losses (page 12). The report connects this information neither with the estimated noise generated by hard rock blasting and 97 pieces of heavy construction equipment operating over a five year period nor with operational noises generated by the Iowa Hill Pumped Storage Power Plant. In short, the anticipated effect of this project on special-status wildlife is inconclusive.

The *Auditory Assessment* estimates traffic noise from the 180 construction workers traveling back and forth through a family community in Camino on a daily basis to be 'between 55 and 70 dBA at 30 feet from the roadway' for five years (page 22). A vacuum cleaner at 10 feet generates 60 dBA (page 5). At this point, 'potential construction mitigation measures include establishing a method for the public to inform SMUD of noise events that generate annoyance, limiting the hours of construction, requiring monitoring of blasting activities, and requiring pre-construction wildlife surveys' (page 1). Clearly, the noise generated from the construction and operation of the proposed Iowa Hill Pumped Storage Power Plant will be intrusive to both local residents and wildlife. As one resident notes: 'They're stealing our silence.' SMUD should, therefore, reject this report in its entirety as well.

**c) Property Value Assessment, dated January 2005**

The consultant who prepared the *Property Value Assessment* relied on the flawed *Visual Resources Technical Report* to determine the effects of the Iowa Hill Pumped Storage Power Plant on property values. The *Property Value Assessment* evaluates the effect of the project on views but gives no consideration to water views. Additionally, no attention is given to houses affected by construction and operational noise and construction traffic.

Attachment C, *Comments on SMUD Upper American River Project (FERC No. 2101) – Iowa Hill Property Value Assessment Technical Report*, outlines countless errors and flawed assumptions made in the *Property Value Assessment*. One of the most blatant can be found on Page 1 of the *Property Value Assessment Summary*:

*'In Swansboro [west-side of river], typical homes have recently been selling for about \$275,000. In the Apple Hill area [east-side of river], which is more readily accessible than Swansboro, single-family homes currently sell anywhere from \$275,000 to \$800,000.'*

This information is based on El Dorado County Assessor's records, which typically do not reflect accurate market value and which, due to frenetic sales activity, are approximately six-month's behind current statistics. Home values in El Dorado County have exploded in the last year. The *Mountain Democrat*, our local newspaper, lists the average cost of a home in El Dorado County as \$460,000.

The *Property Value Assessment* estimates that views are worth 20% of overall property value and that loss in value due to construction of the proposed Iowa Hill Pumped Storage Power Plant is estimated to be 10% (page 1). Property values are judged to be diminished for 5 years only, during the construction period, but construction quite possibly will take longer than 5 years. Also, no consideration is given for loss of appreciation during the construction period.

Using the more accurate \$460,000 figure and accounting for an increase in value based on view, the average value of a home in the impacted area at the end of 2004 was \$575,000:

$$\$460,000 \text{ (average home price)} + \$115,000 \text{ (allowance for view)} = \$575,000$$

Table 1 on the next page projects an appreciation of 10% per year and calculates the loss in value during the probable construction period at 10% per year. Using these figures, the approximate 100 property owners with views will sustain a loss of over \$87 million dollars when the proposed project is complete. This figure is low as it does not account for houses affected by construction, construction traffic, and operational noise and loss in value sustained by commercial and agricultural properties.

Furthermore, the *Property Value Assessment* does not anticipate property owners' inability to sell before, during, and after construction. A home sale in Mosquito recently was lost when disclosure of the Iowa Hill Project was made to the buyer. Neither does the *Property Value Assessment* address the cost of flood insurance for businesses and residences located below the proposed Iowa Hill Pumped Storage Power Plant or for increased fire hazard associated with the introduction of blasting, 97 pieces of large equipment, and 830 construction personnel into a forested site. According to the *Property Value Assessment*, SMUD does not anticipate reimbursing owners for loss of property value, for destruction of life style, or for any other costs associated with this project. We believe this may give rise to significant liability exposure to SMUD for local residents' losses – a fact undoubtedly not included in SMUD's economic feasibility analyses of the project.

**Table 1 –  
 Loss in Property Value Due to Construction of the Iowa Hill Pumped Storage Power Plant**

End of Year	Average appreciation per house @ 10%/yr.	Average appreciation per 100 houses @ 10%/yr.	Loss in value @ 10% per year
2004	\$575,000	\$57,500,000	
2005	\$632,500	\$63,250,000	
2006	\$695,750	\$69,575,000	
2007	\$765,325	\$76,532,500	
2008	\$841,858	\$84,185,750	
2009	\$926,043	\$92,604,325	-\$9,260,433
2010	\$1,018,648	\$101,864,758	-\$10,186,476
2011	\$1,120,512	\$112,051,233	-\$11,205,123
2012	\$1,232,564	\$123,256,357	-\$12,325,636
2013	\$1,355,820	\$135,581,992	-\$13,558,199
2014	\$1,491,402	\$149,140,191	-\$14,914,019
2015	\$1,640,542	\$164,054,211	<u>-\$16,405,421</u>
			-\$87,855,307

**d) Draft Transportation Management Plan, dated January 2005**

The *Draft Transportation Management Plan* resulted from the first public meeting SMUD held in Camino (location of the proposed Iowa Hill Pumped Storage Power Plant) on October 21, 2004. In that meeting, SMUD was not prepared to answer questions from concerned citizens regarding how the construction site would be accessed by construction equipment and workers. Although the *Draft Transportation Management Plan* is a step in the right direction, a second public meeting held in Camino on February 24, 2005, indicated that it falls well short of an acceptable solution to the complex problems generated by the proposed Iowa Hill Pumped Storage Power Plant's scope and scale. The author's lack of familiarity with the area was evident in the February 24 meeting.

An indication of the tremendous impact of the proposed Iowa Hill Pumped Storage Power Plant on the local population appears on of the Page 10 of the *Draft Transportation Management Plan*:

*'The construction workforce is expected to total 830 construction personnel over the course of the 5-year construction period, for an average of 166 personnel per year. The level of traffic would vary with the specific construction activities, but the peak workforce of 235 would occur during months 30 to 36.'*

Currently, there is only one way to access the upper reservoir site – Cable Road, a narrow rural road lined with residences and passing through a large family community. Without serious alteration to Cable Road, which is unaddressed in the *Draft Transportation Management Plan*, and which the local community adamantly opposes, large construction equipment would not be able to make many of the road's turns. Widening Cable Road involves destroying substantial property and improvements, and numerous large trees, including heritage oaks. Widening Cable Road in this way would completely destroy the quality of life in this area of Camino, and would undoubtedly be growth inducing (another non-analyzed impact).

The *Draft Transportation Management Plan* mixes 166 construction workers on Cable Road driving to and from work with construction material deliveries, construction equipment, school buses, children walking home, other walkers, local commuters, and bicyclists. Page 15 states:

*'...in the afternoon, the construction traffic may directly conflict with school bus trips and the construction workforce would overlap travel routes.'*

The *Draft Transportation Management Plan* disregards several other important considerations. It overlooks the fact that this area is above the winter snow line. Cable Road is not plowed and many

residents park along the narrow road in snowy weather to be sure that they can leave for work and/or school in the morning. The *Draft Transportation Management Plan* also fails to note the historic nature of Cable Road. Cable Road was the original route of the railroad used to transport timber from Cable Point on the South Fork of the American River to the sawmill in Camino. Parts of this route are over 100 years old, and altering its course would require approval of the California State Office of Historic Preservation. Additionally, this Plan completely ignores the subject of emergency motor vehicle access on Cable Road necessitated by the impacts of SMUD's project.

Transport of hazardous materials is another critically important factor ignored by the *Draft Transportation Management Plan*. Though no figures have been provided, presumably 2½ to 3 years of hard rock blasting will require a significant amount of dynamite or some other explosive material. The *Draft Transportation Management Plan* does not even mention this subject let alone say how these hazardous materials will be handled, through what routes they will be transported, and how public safety will be guaranteed. Additionally, as of the date of this letter, SMUD has not contacted any local fire agencies to determine the provisions required during construction and operation to minimize fire danger and to plan for evacuation in the very real possibility of a catastrophic fire. See Appendix D for some of the measures (unaddressed in the *Draft Transportation Management Plan*) that will be required.

The *Draft Transportation Management Plan* also disregards the effects of construction workers traveling on North Canyon and Chute Camp Roads in order to avoid congestion on US Highway 50. Since El Dorado County is experiencing phenomenal growth, the County's one main highway is already subject to gridlock, a topic that has been debated heatedly by local residents, politicians, and developers. These alternate routes, however, directly impact the Apple Hill Area – which includes many award-winning wineries, orchards, and Christmas Tree Farms visited by over 500,000 tourists annually. Apple Hill's county roads are already choked with traffic for more than six months of the year.

Clearly, the *Draft Transportation Management Plan* suffers from insufficient resources and lack of public input. The *Draft Transportation Management Plan* proposes that 'SMUD would facilitate carpooling between the construction workforce by providing a message board at the construction site where workers would be able to post messages...' (page 15). This approach seems woefully inadequate to meet some of the challenges outlined here but overlooked by the *Draft Transportation Management Plan*. Finally, the Plan completely fails to investigate, analyze and otherwise address access routes to the site with less impact, as has been suggested more than once at public meetings attended by SMUD staff and consultants (including yourself).

**e) Socioeconomic Assessment of Iowa Hill Construction and Operations Technical Report, dated January 2005**

While the *Socioeconomic Assessment* includes several factors, this letter examines the section titled 'Environmental Consequences' only as relates to the following study objective:

*'Identify the socioeconomic costs and benefits of the Iowa Hill Development on El Dorado and Sacramento counties.'*

The *Socioeconomic Assessment* contains critical assumptions regarding benefits to El Dorado and Sacramento counties having no basis in fact. In addition, discussions of the socioeconomic costs of the project to El Dorado County are non-existent. Critical assumptions having no basis in fact include, but are not limited, to the following:

Construction material expenditures in El Dorado County:

Total construction expenditures on materials and supplies are estimated to be \$235 million in 2004 dollars. Of this total, \$75 million are assumed to be spent within El Dorado County.

Average expenditures during the 5 years construction period are estimated to be \$15 million in El Dorado County. (Page 42 of report) Relevant questions include: Where is the evidence that SMUD has followed this ratio in prior major construction projects in El Dorado County? Has SMUD identified suppliers in El Dorado County capable of meeting their construction requirements?

Construction jobs in El Dorado County:

Total construction payroll is estimated at \$115 million in 2004 dollars. It is assumed 25% of the 166 construction workers, or 42 workers, needed in each of the five years will come from El Dorado County with an average construction payroll of \$5.75 million in the county. (Page 43 of report) What evidence is there that SMUD has hired El Dorado County contractors in the past for major construction projects and what have been their payrolls? In the alternative, is SMUD guessing Sacramento area contractors will hire a certain proportion of their workers from El Dorado County? If so, where is some evidence that this is so?

Secondary jobs in El Dorado County:

The IMPLAN analysis, which is based upon these above figures, states that the project will be responsible for an annual average total of 536 jobs in El Dorado County over the five years construction period. This includes 370 secondary (indirect and induced) jobs and the aforementioned 166 direct construction jobs associated with the Iowa Hill Development. This analysis fails to take into consideration that 75% of the 166 jobs or 124 jobs are for people outside the county. These people will commute to the county and thus should not be included in the IMPLAN analysis. This would make a significant difference in the number of secondary jobs (indirect and induced) as these workers would not be spending money in El Dorado County. Thus, the \$14.9 million in secondary income annually to the county is incorrect.

Given these considerations, how reliable is the \$44.4 million estimated total annual additional output to El Dorado County's economy over the 5-year construction period?

In regard to socioeconomic costs to El Dorado County and specifically to the Camino area, there is no discussion of economic costs whatsoever. Apple Hill, part of the Camino-Fruitridge Agricultural District, is the most well-known and economically successful direct marketing tourist destination in El Dorado County, where approximately 500,000 tourists visit each year between June and December. It is common knowledge that without a vibrant, viable marketing system in which farmers sell their products directly to the public, Camino would face the conversion of agricultural land to residential and commercial purposes.

For any analysis of the socioeconomic impact of the Iowa Hill Pumped Storage Power Plant to be complete, the following questions must be answered:

- What specific economic impact does the Iowa Hill Development have on the agricultural operations in the El Dorado County?
- Will the combined effect of traffic and safety issues, noise pollution, and other issues destroy what has taken over 45 years to develop?
- How much will the \$84 million annual benefit (2003 El Dorado County Crop Report) Apple Hill provides to the local county economy be reduced by the 5-year construction schedule?
- How much will the \$170 million annual benefit (2003 El Dorado County Crop Report) to the local county economy from the county wide wine industry be reduced by the 5-year construction schedule?
- How long, if ever, will it take Apple Hill and the rest of the county agricultural community to recover economically from the Iowa Hill Development?

As currently configured, the Iowa Hill Project most certainly will constrain local farmers' ability to sell their crops. Reducing the economic viability of agricultural operations in El Dorado County puts farmers out of work and leads to a growth inducing result.

This cursory report shows much still needs to be done to identify satisfactorily the true socioeconomic costs of the Iowa Hill Project on the community of Camino and on El Dorado County as a whole. This socioeconomic study conducted under the auspices of SMUD is inconsistent in regard to conclusions made and incomplete in regard to questions answered - it is perhaps more notable for what it has not discussed. Therefore, the *Socioeconomic Assessment* should be rejected by SMUD.

In conclusion, five of twenty-odd reports related to the proposed Iowa Hill Pumped Storage Power Plant have been reviewed. The *Visual Resources Report*, *Auditory Assessment*, *Property Value Assessment*, *Draft Transportation Management Plan*, and *Socioeconomic Assessment* bristle with misinformation and erroneous assumptions. This extremely high level of inaccurate data and incomplete analysis is unacceptable. In essence, these reports do not fulfill SMUD's obligation to provide correct and timely information to government agencies, to the communities directly affected, and to other stakeholders, such as ratepayers. As previously stated, SMUD must reject these reports in their entirety, and not rely in any way on them in its FERC application.

## **2. Communications Made by SMUD to the General Public**

According to the Upper American River Project (UARP – FERC Project P-2101) 900-plus page website, SMUD has been conducting meetings regarding the proposed Iowa Hill Pumped Storage Power Plant for over three years. Unfortunately, these meetings were not publicized and have been held behind closed doors in Sacramento, over 60 miles away from the project location. Any organization or individual wishing to participate in these meetings must first become aware that the meetings exist and then sign either a 14 or 27 page confidentiality agreement, depending on the level of participation sought. Various organizations have participated in these meetings, but many have done so because they represent special interests. (A typical example is 'Friends of El Dorado County,' which is an engineering firm.) Following is a discussion of the communications made by SMUD to the general public to date.

### **a) Public meetings**

Not until October 2004 did SMUD engage in any public meetings with the communities directly affected by the proposed Iowa Hill Pumped Storage Power Plant. Two meetings, one in Camino (location of the proposed project) and a second in Mosquito (directly across the river from the power plant and 14 story berm) were scheduled for Wednesday, October 20<sup>th</sup> and Thursday, October 21<sup>st</sup>, 2004. Though SMUD's letter was dated October 8, 2004, it was received approximately a week later, giving residents five days prior notice of the meeting. Only two people who might be directly affected by the visual impact of the Iowa Hill Power Plant were able to attend the meeting in Mosquito. According to SMUD's letter, written comments were due to you by October 29, 2004. The purpose of these meetings was to discuss the *Visual Impact Report* (now titled *Visual Resources Report*.) Since the topic of these meetings was limited, many people with other critical concerns, such as transportation, were not notified. It is safe to say that no attendees had heard of the proposed Iowa Hill Pumped Storage Power Plant prior to these meetings. Many questions were raised, but SMUD was able to answer only a few because none of the technical reports was complete in October 2004.

Due to the short notice and inappropriate timing of these meetings, the flawed *Visual Impact Study* cited in Section 1, and the lack of a transportation management plan, we urged SMUD to schedule additional meetings that would adequately address the impact of the Iowa Hill Power Plant. Two SMUD representatives were invited to and did attend a meeting of the Iowa Hill Action Committee Steering Committee on January 26, 2005. An additional mid-week meeting was held in Mosquito on February 23 and in Camino on February 24, 2005. Attendees exhibited an intense concern about the project. There was only enough time in Mosquito to address the *Visual Resources Report*, *Auditory Assessment*, and *Property Value Assessment*. The meeting in Camino solely concerned the *Draft Transportation Management Plan*. The meeting in Mosquito was video-taped, and SMUD offered a copy of this tape to anyone who asked. However, no meeting minutes were produced and distributed to attendees of either public meeting for review and comment.

**b) Written communication**

SMUD included a copy of *The Confluence*, a four-page newsletter, in the January 21, 2005, edition of the *Mountain Democrat* newspaper. Page 1 of this publication notes that the October meetings 'drew approximately 60 people.' The general statement that 'people were very interested in getting additional information about the proposed development' does not begin to characterize the tone of the October 2004 meetings. 'Shocked, surprised, worried, upset, incredulous, angry' are more apt words than 'interested.' Additionally, page 4 contains the statement:

*'Included in the proposed design of the upper reservoir is a 42-inch pipe that would be used by El Dorado County to take water.'*

According to a member of the Board of Directors of the El Dorado Irrigation District (EID), the source of water in El Dorado County (other than wells), EID had rejected the 42" pipe long before *The Confluence* was published. In fact, currently zero benefits accrue to the thousands of residents who would be negatively and directly affected by the construction and operation of the proposed Iowa Hill Pumped Storage Power Plant. Thus, the implication that water would be available is extremely misleading. The January 21, 2005, newsletter is SMUD's only locally published, written communication to date.

Though we commend SMUD for responding to our request in October 2004 that resulted in two additional meetings in February 2005, we believe that the effort to communicate with members of the communities directly affected by the proposed Iowa Hill Pumped Storage Power Plant has been too little, too late. Effectively, much of SMUD's work on the proposed Iowa Hill Pumped Storage Power Plant has been done in isolation, under a cone of silence. The public process has been short-circuited.

**3. Removal of the Iowa Hill Pumped Storage Power Plant from SMUD's Relicensing Effort**

We believe that this project is too large to be included in SMUD's Upper American River Project (UARP) relicensing application. We demand that SMUD remove the Iowa Hill Pumped Storage Power Plant from SMUD's relicensing effort so that appropriate review of a project with such enormous scope and scale can occur. Our concerns include, but are not limited to, the following:

- **The inaccurate and misleading *Visual Resources Report*.**  
The replacement of native forest with a 14 story berm covered with sparse, low growing vegetation devastates the landscape and is visible to numerous residents and all visitors to Slab Creek Reservoir on the American River and the Slate Mountain Range of the El Dorado National Forest. Photographs and simulations included in the report are inaccurate and misleading.
- **The incomplete and inconclusive *Auditory Assessment*.**  
The noise level generated from blasting and operation of ninety-seven pieces of construction equipment over 5 years of construction causes wide-spread disruption to both residents and native wildlife. The current noise model is based on scant information and ignores several significant topographical features. The noise and vibration resulting from power plant operation has not been investigated and, therefore, are unknown.
- **The sketchy and inadequate *Property Value Assessment*.**  
SMUD recognizes that property values will be adversely affected by this project for an extended period of time but has made no attempt to quantify this loss and no plans to compensate homeowners or farmers.
- **The unfinished and deficient *Draft Transportation Management Plan*.**  
The construction and transportation plan put forth by SMUD involves the commingling of hundreds of construction workers, large pieces of construction equipment, local residents, and tourists. This plan endangers the safety of Camino residents and diminishes business opportunities for growers in the Apple Hill Area.

- **The cursory Socioeconomic Assessment and Technical Report.**

This defective report fails to identify satisfactorily the true socioeconomic costs of the Iowa Hill Pumped Storage Power Plant on the community of Camino and on El Dorado County. This socioeconomic study is considered inconsistent in regard to conclusions made and incomplete in regard to questions answered to the residents of Camino. It is perhaps more notable for what it has omitted rather than what it has discussed.

- **The remaining technical reports.**

Though we have not had the opportunity to review in detail the additional technical reports that relate to the proposed Iowa Hill Pumped Storage Power Plant, we are very concerned that these reports also are extremely flawed. The February 2005 *Preliminary Supporting Design Report*, for example, contains a preponderance of generic data; as of this date, no site specific figures or appendices referred to in the body of the report are included. To those unfamiliar with the project, the professional appearance of these reports can conceal misinformation and numerous faulty assumptions.

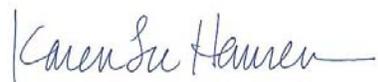
- **The lack of communication with communities directly affected.**

The proposed Iowa Hill Pumped Storage Power Plant will alter permanently our way of life - the peace, tranquility, and closeness to nature that we now enjoy - will be shattered. Many farmers may be forced to go out of business. Surely public input on a project that has such far-reaching implications should be encouraged. The July 2005 deadline for submitting SMUD's Upper American River Project relicensing application to FERC is not sufficient for such input.

As currently conceived, the proposed Iowa Hill Pumped Storage Power Plant needs revision on many levels. However, the quality and quantity of information available at this point is insufficient to make any significant decisions regarding this half billion dollar project – there simply is too much uncertainty. At present, the project is deficient and totally unacceptable to this community.

Please feel free to contact us should you have any questions regarding the content of this letter. We look forward to receiving your response to our concerns at your earliest convenience.

Very truly yours,



Karen Lee Hansen, Ph.D.

# California Native Plant Society

PO Box 377 • Coloma • California • 95613

SMUD

Dave Hanson Mail Stop B355

PO Box 15830

Sacramento, CA 95852-1830

Re: Comments on the Upper American River Project (UARP) Relicensing Draft Supplement Analysis

Dear Mr. Hanson:

These comments are submitted on behalf of the El Dorado Chapter of the California Native Plant Society. We have a long history of concern for the protection of valuable and rare plant resources in El Dorado County. Of particular concern related to the UARP Relicensing is the conservation of the Pine Hill plants.

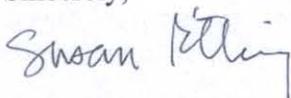
A suite of eight rare plant species have been the subject of conservation efforts in the county for over 20 years. Five of these species are federally listed as threatened or endangered, several of the species are listed as rare, threatened, or endangered under state law, and others are considered rare under the California Environmental Quality Act. The delivery of consumptive water has long been acknowledged as resulting in significant indirect and cumulative impacts on these rare plants and their habitat. See for example, the Final Environmental Impact Report for the El Dorado County General Plan (2004).

As we understand the project description, it includes a diversion point and storage capacity for consumptive water for use by El Dorado County. Inclusion of this feature and the commitment to deliver consumptive water in the future requires the disclosure of growth inducing effects on the Pine Hill plants from the use of such water. The supplemental analysis suggests that such effects would be speculative. They in fact are not. El Dorado County completed a general plan in 2004 and El Dorado Irrigation district and the El Dorado county Water Agency have under taken water planning and analysis that projects the effects of additional consumptive water use on some resources.

We also note that unless consultation for growth inducing impacts occurs now, FERC must retain jurisdiction over future use of consumptive water from Iowa Hill, any other diversion point associated with the UARP, or storage capacity for consumptive water. Further, consultation with FWS is required prior to FERC allowing consumptive water diversion at Iowa Hill, any other diversion point associated with the UARP, or storage capacity for consumptive water.

Thank you for considering our comments.

Sincerely,



Susan Britting

UPPER AMERICAN  
RIVER PROJECT  
and Reliable Hydro Power



# DRAFT CEQA COMMENT CARD

Name Tom + Judy Shewmake

Address P.O. Box 836

City Camino Zip 95709

E-mail judy72612@yahoo.com Phone # 530-391-5370

Comments: In the draft CEQA there is no report on the impact this project will have on the residents who live 400' away from the project. Quality of life, esthetic value of property and visual impacts are our concern.

Print Name Judy Shewmake

Sign Judy Shewmake



**SMUD**

SACRAMENTO MUNICIPAL UTILITY DISTRICT  
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0624-08

Contact: Dave Hanson (916) 732-6703, 6201 S Street, Sacramento, CA 95817

P.2101



# GEORGETOWN FIRE DISTRICT

Post Office Box 420

Georgetown, California 95634

Office Phone: 530 333-4111

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June 23, 2008

Director of Licensing  
Federal Energy Regulatory Commission  
888 First Street NE  
Washington D.C. 20426

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We first contacted you early in 2005 asking for your assistance in bringing our desire to participate in collaborative process for relicensing the Upper American River Project (UARP) to the Sacramento Municipal Utility District's attention.

At that time, SMUD had failed to respond to our request to become part of that process. We further stated that, as a small fire district, we had neither the staff expertise nor the funds to engage consultants or legal advisors to represent our interests. Our limited full-time staff was fully occupied in providing fire protection and emergency response services to the residents in our area. We also included an analysis of why we believed we would be significantly impacted in the future by the operation of the UARP, especially the recreational traffic that project facilities attract. The project EIR for the opening of an improved road in 2002 that essentially extended the main street of Georgetown directly to the Crystal Basin recreational area predicted an increase from 325 to 602 percent in the use of that route and a significant increase in the number of fires per year.

Only after the intervention of our State senator, a former SMUD Board member, were we able to get a response from SMUD. Our fire chief and one of our board members met with SMUD representatives on May 17, 2005 and explained our concerns and our desire to become part of the process. The SMUD representatives explained to us that meetings had been suspended for the summer but that when they commenced in August we would be put on the agenda. We were satisfied with that response and anticipated being able to present our case.

We were very surprised when no further meetings were to be scheduled as a result of SMUD and the El Dorado Water and Power Authority reaching a cooperation agreement. The authority consisted of a group of El Dorado County interests, primarily the county Board of Supervisors and water agencies and water districts. The parties had signed a non-disclosure agreement so the terms of the settlement were not released to the public until after they had been agreed to by the parties. We did not know of the existence of this Power Authority until the settlement was

announced. Neither were we asked to participate nor were our concerns solicited. Our obvious conclusion was that SMUD, despite telling us we would be on the agenda, never intended to resume collaborative meetings since negotiations with the Power Authority were underway.

We attended a public meeting of the Georgetown Public Utility District to present our opposition to the agreement and sent letters to the Board of Supervisors and the local newspaper voicing our concerns. However, over our objections, the agreement was approved in September 2005.

Since the agreement dealt primarily with water issues and none of the local fire districts had been asked to participate, in November the El Dorado County Fire Chiefs' Association sent a letter to SMUD saying that they were dismayed to learn that SMUD, the Board of Supervisors and local water agencies had made decisions affecting the entire county without the participation of those most impacted – fire and emergency services. They asked SMUD to continue discussions about these important impacts.

In December 2005, the Association received a letter from James Shetler, a SMUD Assistant General Manager, stating, "From SMUD's perspective then, those issues are resolved." He stated that "The El Dorado Water and Power Authority is the designated agency representing El Dorado County interests within the Upper American River Project." He referred us to the chair and the executive director of the EDWPA to resolve our concerns.

We at the Georgetown Fire District find this response rather disingenuous since we neither knew of the authority's existence nor were asked to be a part of the negotiations. Furthermore, Mr. Shetler was aware that the agreement required the authority to support SMUD's position should any party seek mitigation measures more stringent than those agreed upon.

The Georgetown Fire District, like the other districts in the county, is an independent governmental entity. We have our own publicly-elected board of directors and do not in any way report to the County Board of Supervisors. As an independent agency, the El Dorado County Water and Power Authority did not legally represent our interests as SMUD claims.

We are very dismayed that a public agency like SMUD refuses to even discuss what we consider are critical issues involving public safety. We do not believe that granting a license that has a potential value in the billions of dollars without discussion of these issues to be in the best interests of the public.

We hope you can see our position. We are dealing with an agency that refuses to discuss our issues. Our elected county officials, who purportedly represent the interests of the residents in our district, are contractually bound by terms of an agreement to take SMUD's side. So our remaining hope is that FERC will take note of these public safety issues when reviewing the license application.

We would appreciate your consideration. Should you require further information or have recommendation on how best to proceed, we would be most appreciative.

Sincerely,

*William Mahl*  
*WJ*

William Mahl  
President, Board of Directors