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FILING CONTAINS CRITICAL ENERGY INFRASTRUCTURE, CONFIDENTIAL, AND PRIVILEGED INFORMATION

February 23, 2011

File No. 01030A

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Subject: Placer County Water Agency: Middle Fork American River Project (FERC Project No. 2079) Application for New License

Dear Secretary Bose:

Placer County Water Agency (PCWA), the licensee for FERC Project No. 2079, hereby files with the Federal Energy Regulatory Commission (FERC or Commission) the attached complete Application for New License (License Application) for the Middle Fork American River Project (MFP or Project), FERC Project No. 2079. This License Application has been prepared pursuant to the Commission's Integrated Licensing Process (ILP), 18 CFR Part 5.

The MFP is operated under a 50-year license, which was issued to PCWA on March 13, 1963, by the Federal Power Commission, predecessor of the current FERC. The current license expires on February 28, 2013. Through submittal of this License Application, PCWA is requesting renewal of its license to continue operation and maintenance of the MFP with a license term of 50 years (expiring on February 28, 2063). The new license term is based on the substantial costs associated with relicensing of the MFP; capital improvements; new environmental measures, programs, and facilities; and extensive monitoring and on-going resource agency consultation to ensure continued resource protection over the term of the new license.

The License Application comprises five volumes, including public, critical energy infrastructure (CEII), confidential, and privileged information. Attached to this transmittal letter is an outline of the material contained in each volume. Volumes of the License Application that contain public information are enclosed including an original and two paper copies, and an original and eight electronic copies on Compact Disk (CD) (Volumes 1 and 3). The remaining volumes (Volumes 2, 4, and 5) contain CEII, confidential, or privileged information. *The CEII, confidential information, and privileged information are marked as such, but enclosed as part of this same filing. Pursuant to 18 CFR §§ 385.1112, 388.112, and 36 CFR § 800.11(c)(1) PCWA requests special treatment of these materials.* The contents of each volume and distribution of Volumes 2, 4, and 5 are described below.

Volume 1 contains the Initial Statement, and Exhibits A, B, C, D, G, and H (public information). Volume 2 contains Exhibit F that provides specific engineering and design information that relates to the generation and transmission of electric energy and qualifies as CEII under 18 CFR

§ 388.113. An original and two paper copies, and an original and two electronic copies of Volume 2 are enclosed in a separate, sealed envelope marked "CONTAINS CRITICAL ENERGY INFRASTRUCTURE INFORMATION – DO NOT RELEASE". PCWA requests that Exhibit F (Volume 2) be maintained in a non-public file and withheld from public disclosure in accordance with the applicable regulations.

Volume 3 contains the Exhibit E and associated Supporting Documents (SD) A, B, and C (public information) that represent the environmental document of the License Application. Key components of the Exhibit E include the No-Action Alternative (existing Project description); Proposed Action; affected environment; environmental, cumulative, and economic impact analysis; conclusions and recommendations; finding of no significant impacts; and consultation documentation. Volume 3 consists of 12 books.

Volume 4 contains the Exhibit E and associated SD A, B, and C (confidential Information) that provide details on the location(s) of special-status biological resources. Disclosure of this information could be harmful to these resources. Volume 4 is enclosed in a separate, sealed envelope marked "CONTAINS CONFIDENTIAL INFORMATION – DO NOT RELEASE". Pursuant to 18 CFR § 385.1112, PCWA is filing one paper original and one electronic original of Volume 4. PCWA requests confidential treatment of Volume 4.

Volume 5 contains the Exhibit E and associated SD D and E (privileged Information) that provide information regarding the location(s) of sensitive cultural resources and the Draft Historic Properties Management Plan (HPMP). The disclosure of this information could be harmful to these resources. Volume 5 is enclosed in a sealed envelope marked "CONTAINS PRIVILEGED INFORMATION – DO NOT RELEASE". Pursuant to 36 CFR § 800.11(c)(1), the head of a federal agency may withhold from public disclosure any information about the location, character, or ownership of a historic property, or impede the use of a traditional site by practitioners. Therefore, PCWA is filing one paper original and one electronic original of Volume 5; and it requests privileged treatment of Volume 5.

Volume 5 is also being provided under separate cover to the FERC's Archaeologist assigned to the relicensing of the MFP; U.S. Department of Agriculture-Forest Service (USDA-FS) cultural resource specialists (Tahoe National Forest and Eldorado National Forest); the State Historic Preservation Officer (SHPO); and to Native American Tribes. A copy of PCWA's letter to the FERC Archaeologist and the Native American Tribes is enclosed.

Consistent with 18 CFR § 5.17(d)(1), PCWA is also providing a complete copy of the License Application to the Director of FERC's San Francisco Regional Office, including all CEII, confidential, and privileged information. By copy of this letter, PCWA is notifying resource agencies, Native American Tribes, and other interested parties (relicensing participants) of the submittal of the Application for New License to FERC (see enclosed Distribution List). Relicensing participants on the Distribution List will receive an electronic copy of Volumes 1 and 3 (public information). As previously requested, select relicensing participants will receive a paper copy. Resource agencies will also receive an electronic copy of Volume 4 (confidential Information), with a request that it be retained on a non-public basis.

In accordance with 18 CFR § 4.32(b)(6), PCWA will publish notice twice of the filing of its license application, no later than 14 days after the filing date, in the Auburn Journal (Placer County) and the Mountain Democrat (El Dorado County). The License Application, with the exception of materials with CEII, confidential, and privileged designations (Volumes 2, 4, and 5), is available on PCWA's Middle Fork American River Project Relicensing website at

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
February 23, 2011
Page 3

<http://relicensing.pcwa.net/>; at the Resource Library, located at the PCWA Business Center, 144 Ferguson Road, Auburn, California; at the Placer County Library, 350 Nevada Street, Auburn, California; and at the El Dorado County Library, 345 Fair Lane Drive, Placerville, California. Any other interested party may request an electronic copy of Volumes 1 or 3 (public information) by contacting Beverly Bell, PCWA Administrative Aide at (530) 823-4973 or by e-mail at bbell@pcwa.net.

In accordance with 18 CFR § 4.32(b)(7), PCWA has enclosed a draft Tendering Notice for FERC's use.

PCWA's Proposed Action includes expansion of the FERC Project boundary. In accordance with 18 CFR § 5.18(c)(1)(J), PCWA has notified, by certified mail, property owners on the additional lands to be encompassed by the MFP and governmental agencies and subdivisions likely to be interested in or affected by the proposed expansion.

PCWA looks forward to working with FERC, resource agencies, Native American Tribes, and other interested parties on the Middle Fork American River Project relicensing. If you have any questions regarding the License Application, please contact Andrew Fecko, PCWA Resource Planning Administrator, at (530) 823-4889 or by e-mail at afecko@pcwa.net.

Sincerely,

PLACER COUNTY WATER AGENCY



Einar L. Maisch, P.E.
Director of Strategic Affairs

Enclosures:

- Certificate of Service
- Distribution List
- Cover Letter to the FERC's Archaeologist
- Cover Letter to Tribal Representatives
- Cover Letter to Relicensing Participants
- Draft Tendering Notice
- License Application Outline
- Volume 1: Initial Statement, Exhibit A, B, C, D, G, and H (Public Information)
- Volume 2: Exhibit F (CEII)
- Volume 3: Exhibit E and Supporting Documents A, B, and C [Books 1 through 12] (Public Information)
- Volume 4: Exhibit E Supporting Documents A, B, and C (Confidential Information)
- Volume 5: Exhibit E Supporting Documents D and E (Privileged Information)