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September 27, 2010
File No. 01030A

Kimberly D. Bose, Secretary
Nathaniel J. Davis, Sr., Deputy Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

**Subject: Middle Fork American River Project (FERC Project No. 2079)
Draft Application for New License**

Dear Secretary Bose and Deputy Secretary Davis:

In accordance with 18 CFR § 5.18, Placer County Water Agency (PCWA) hereby files with the Federal Energy Regulatory Commission (FERC or Commission) the attached Draft Application for New License (Draft License Application) for the Middle Fork American River Project (MFP or Project), FERC Project No. 2079.

The MFP operates under a 50-year license, which was issued on March 13, 1963, by the Federal Power Commission, predecessor of the current FERC. The current license expires on March 1, 2013. Through submittal of this Draft 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 March 1, 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 Draft License Application is comprised of five volumes, including public, critical energy infrastructure, confidential, and privileged information. Attached to this transmittal letter is an outline of the material contained in each volume. Volumes of the Draft License Application containing 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). Distribution of Volumes 2, 4, and 5 which contain critical energy infrastructure, confidential, and privileged information are described below.

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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 Critical Energy Infrastructure Information (CEII) 18 CFR § 388.113. An original and two paper copies, and an original and two electronic copies of the Exhibit F have been marked as CEII in accordance with instructions issued by the FERC and are being filed separately. 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 Draft 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 11 books.

Volume 4 contains the Exhibit E and associated SD A, B, and C (Confidential Information) that provides 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 sealed envelope marked "CONTAINS CONFIDENTIAL INFORMATION – DO NOT RELEASE". Pursuant to 36 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 provides information regarding the location(s) of sensitive cultural resources, and the 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. PCWA is filing one paper original and one electronic original of Volume 5. Therefore, PCWA 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. A copy of PCWA's letter to the FERC archaeologist is enclosed. The United States Department of Agriculture-Forest Service (USDA-FS) cultural resource specialists will also be provided a copy of Volume 5.

Consistent with 18 CFR § 5.17(d)(1), PCWA is also providing a copy of the Draft License Application to the Director of FERC's San Francisco Regional Office. By copy of this letter,

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PCWA is notifying resource agencies and other interested parties of the submittal of the Draft License Application (see enclosed Distribution List). Agencies and interested parties 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). The Draft 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 <http://relicensing.pcwa.net/> and at the Resource Library, located at the PCWA Business Center, 144 Ferguson Road, Auburn, 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.

Comment on the Draft License Application will be accepted for 90 days, with the comment period closing on December 27, 2010. Comments should be submitted to:

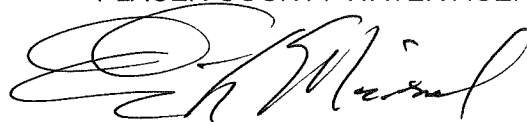
Kimberly D. Bose, Secretary
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888 First Street, N.E.
Washington, DC 20426

Comments may also be filed electronically. Instructions for electronic filings are available on the FERC's website (<http://www.ferc.gov/docs-filing/ecomment.asp>).

PCWA looks forward to working with FERC, resource agencies, and other interested parties on the Middle Fork American River Project relicensing. If you have any questions regarding the Draft 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

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Nathaniel J. Davis, Sr., Deputy Secretary
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Enclosures:

Certificate of Service

The Distribution List

Cover Letter to the FERC's Archaeologist

Cover Letter to Resource Agencies and Interested Parties (Stakeholders)

Cover Letter to Tribal Representatives

Outline of Each Volume of the Draft License Application

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 11]
(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)