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Via Electronic Filing

August 5, 2011

Ms. Kimberly D. Bose, Secretary Federal Energy Regulatory Commission 888 First Street, NE Washington, D. C. 20426

SUBJECT: Preliminary Section 4(e) Terms and Conditions Middle Fork American River Project, FERC No. 2079

Dear Ms. Bose:

On June 7, 2011, FERC solicited motions to intervene and protests; solicited comments; and requested recommendations, terms, conditions, and prescriptions for the Placer County Water Agency's (PCWA's) Middle Fork American River Project, FERC No. 2079. The existing license for the Middle Fork American River Project expires on February 28, 2013. The Middle Fork American River Project is a 224-megawatt project that consists of two major reservoirs and five powerhouses, located on the Middle Fork American and Rubicon Rivers and their tributaries. Substantial portions of the Middle Fork American River Project are located on National Forest System lands administered by the Eldorado and Tahoe National Forests. The Forest Service is submitting the attached Preliminary Terms and Conditions for the Middle Fork American River Project pursuant to Section 4(e) of the Federal Power Act.

The Forest Service offers the following specific comments in addition to the Preliminary Terms and Conditions:

Enclosures

Enclosure 1 contains the preliminary terms and conditions found to be necessary for the protection and utilization of the Eldorado and Tahoe National Forests. Applicable comprehensive plans include the Eldorado National Forest Land and Resource Management Plan and Tahoe National Forest Land and Resource Management Plan, and amendments to those plans, including the Sierra Nevada Forest Plan Amendment.

Enclosure 1 is being filed electronically.

Enclosure 2 contains the rationale for the Project-specific Section 4(e) conditions and Section

10(a) recommendations found in Enclosure 1. The Rationale Report includes (1) an introduction, (2) resource objectives, (3) existing and desired conditions, and (4) the rationale for Project-specific Section 4(e) conditions.

Enclosure 2 is being filed electronically.

Enclosure 3 contains the supporting information used to develop the Section 4(e) conditions that has not been filed by PCWA or as a comprehensive plan. Enclosure 3 also contains management plans that have been agreed upon as described below.

Enclosure 3 is being filed electronically.

Management and Monitoring Plans

The resource agencies and other relicensing participants have spent considerable time on some of the management and monitoring plans related to the relicensing; however, in many cases, these plans have not been completed. We have attempted to acknowledge the work that has been done in our Preliminary Section 4(e) Conditions; the enclosed conditions describe the plans that are in progress. It is our intent to continue working with PCWA to complete all of these plans prior to filing our Final Section 4(e) Conditions.

We have included the plans that are completed and can be considered approved by the Forest Service. These are:

- Bald Eagle Management Plan
- Recreation Plan
- Sediment Management Plan
- Visual Management Plan

Please contact Beth Paulson, Eldorado National Forest Hydroelectric Coordinator at 925-407-7050 if you have any questions about this filing.

Respectfully submitted,

/s/Joshua Rider Attorney for the Forest Service

Enclosures

cc: Eldorado National Forest Tahoe National Forest Julie Tupper, RHAT