



United States
Department of
Agriculture

Forest
Service

Eldorado National Forest

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File Code: 2770

Date: February 27, 2008

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

SUBJECT: Comments on “Iowa Hill Pumped-Storage Development Visual Resources Technical Report Addendum No. 1” for Upper American River Project, FERC No. 2101

Dear Ms. Bose:

I am writing in response to a recent filing by the Sacramento Municipal Utility District (SMUD) in relation to the Upper American River Project, FERC No. 2101. By letter dated January 31, 2008, SMUD filed three technical reports related to the Iowa Hill Pumped Storage Project. This letter addresses the “Iowa Hill Pumped-Storage Development Visual Resources Technical Report Addendum No. 1.”

The Forest Service has previously stated that the Iowa Hill Pumped Storage Project as proposed does not comply with the visual quality standards in the *Eldorado National Forest Land and Resource Management Plan* (Forest Plan). Specifically, the views of the berm around the Iowa Hill Reservoir do not meet the standards. The Forest Service’s preliminary conditions for this project, submitted pursuant to Section 4(e) of the Federal Power Act, include Condition Number 70, which states:

The licensee shall develop a design for the Iowa Hill Development that meets the visual quality standards of the Eldorado National Forest Land and Resource Management Plan to ensure adequate protection during utilization of the Forest. The licensee shall provide FS plan specifications and simulated views of the design so FS may determine whether it meets Eldorado National Forest Land and Resource Management Plan standards.

The preceding preliminary Section 4(e) condition is also an article (Article 1-44) of the Relicensing Settlement Agreement for the Upper American River and Chili Bar Project, signed by seventeen parties, including SMUD, and filed with the Commission in January 2007.

SMUD has not provided the Forest Service with any plan specifications and simulated views related to the Iowa Hill Pumped Storage Project prior to the “Iowa Hill Pumped-Storage Development Visual Resources Technical Report Addendum No. 1,” and the Forest Service only



received this report as a copy when it was filed with the Commission. Although we have not been able to review the report in detail, we have the following concerns.

SMUD has concluded that the Iowa Hill Pumped Storage Project is generally consistent with the Forest Plan, despite our previous comments to the contrary. It is the Forest Service's role and responsibility to determine consistency with the Forest Plan, not the licensee's. SMUD did not consult with the Forest Service to determine if their conclusions were correct and did not provide any plans or specifications to the Forest Service for review prior to this submittal to the Commission.

As noted, the Forest Service has not yet completed a detailed review of this and the other technical reports filed with the Commission, but we felt compelled to immediately notify the Commission that the Forest Service at this time disagrees with the conclusions in the report as they relate to consistency with the Forest Plan. We will provide further comments and corrections if necessary after we have had suitable time to review these documents more thoroughly.

If you have comments, please contact Beth Paulson at 530-642-5174.

Sincerely,

/s/Ramiro Villalvazo
RAMIRO VILLALVAZO
Forest Supervisor

cc: Vicki Jowise
SO
Beth Paulson
SO
District Ranger
Placerville
Scott Flake
SMUD

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