



California Regional Water Quality Control Board

Santa Ana Region




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Secretary for
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Arnold Schwarzenegger
Governor

TO: Russ Kanz
SWRCB Division of Water Rights

FROM: Mark G. Adelson 
Santa Ana Regional Water Quality Control Board

DATE: October 1, 2007

SUBJECT: LAKE ELSINORE ADVANCED PUMPED STORAGE PROJECT (FERC PN 11858) TALEGA-ESCONDIDO/VALLEY-SERRANO 500-KV INTERCONNECT PROJECT

One of the proponents of the Lake Elsinore Advanced Pumped Storage (LEAPS) Project, The Nevada Hydro Company, Inc., has requested that Santa Ana Regional Water Quality Control Board (RWQCB) (Board) staff provide you with a status update of our evaluation of the project, and identify any outstanding issues that would need to be addressed prior to further consideration of Clean Water Act Section 401 certification (401 certification) for LEAPS. This memo addresses Nevada Hydro's request.

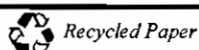
As you know, Santa Ana RWQCB staff has been evaluating the potential impacts of the LEAPS Project on water quality standards that are within the purview of this office. The project proponents are Elsinore Valley Municipal Water District and The Nevada Hydro Company, Inc. (Applicant). We understand that the Applicant has submitted two separate 401 certification applications to the State Water Resources Control Board (SWRCB) that pertain to this project; one for the LEAPS project, *per se*, and the other for the Talega-Escondido/Valley-Serrano 500-kV Interconnect (TE/VS Interconnect) Project. The LEAPS Project includes facilities proposed to be located within the jurisdictions of both the Santa Ana and San Diego RWQCBs.

As part of our evaluation, working in consultation with SWRCB's James Canaday, Board staff identified a number of substantive issues that, in the staff's judgment, needed to be addressed as part of this Board's consideration of the LEAPS Project's 401 application. Those issues included, but were not necessarily limited to, matters raised in Board staff correspondence submitted to the Federal Energy Regulatory Commission (FERC) on December 8, 2003, and on May 7, 2004.

To assist staff's review of the LEAPS Project, the Applicant independently contracted with Michael Anderson, Ph.D., University of California, Riverside, to work with Board staff to identify critical water quality concerns with the LEAPS project's potential effects on Lake Elsinore, and to conduct technical studies to evaluate these concerns. (Dr. Anderson is known and respected by Board staff because of his work in support of several Lake Elsinore water quality improvement projects, including Board staff's development of TMDLs.) As a result, the following three studies were submitted to and accepted by Board staff:

(1) "Technical Analysis of the Potential Water Quality Impacts of the LEAPS Project on Lake Elsinore" (Anderson, January 31, 2006);

California Environmental Protection Agency



(2) "Effects of LEAPS Operation on Lake Elsinore: Predictions from 3-D Hydrodynamic Modeling" (Anderson, April 23, 2007); and,

(3) "Ecological Impacts from LEAPS Operation: Predictions Using a Simple Linear Food Chain Model" (Anderson, May 29, 2007).

The information presented in these studies, in combination with an improved understanding of the LEAPS Project gained in consultation with Dr. Anderson and through discussions with the Applicant's representatives, has sufficiently addressed each of the issues previously raised by Board staff.

Board staff believes that we now have sufficient information and understanding of the LEAPS Project, and its likely and potential effects on water quality standards in the Santa Ana Region, to assist SWRCB to craft appropriate conditions for the issuance of Section 401 water quality certifications for the project, and to provide meaningful comments on the draft certification for it. Presently, Board staff has no outstanding issues with the LEAPS Project that need to be addressed in advance of drafting 401 certification conditions. Studies conducted by Dr. Anderson suggest that operation of the LEAPS Project is not likely to cause widespread adverse impacts on Lake Elsinore's water quality standards, provided the project is built and operates in the manner considered by Dr. Anderson's studies. Dr. Anderson's studies do suggest that there will be localized water quality impairments during the proposed LEAPS Project's operating cycles.

Santa Ana RWQCB staff and the Applicant's representatives have an understanding that staff reserves the right to request and obtain additional information and analyses of the projects' effects on receiving water quality, should any issues arise that had not been previously considered. This memo acknowledges that the investigations initiated at the request of Board staff have been completed and that staff believes that further water quality studies are not required at this time. This memo is not intended to suggest any predisposition by Board staff regarding the outcome of permitting or other approval processes that the Projects will require.

Should you have any questions concerning this memo, please contact David Woelfel at (951) 782-7960 or dwoelfel@waterboards.ca.gov, or contact me at (951) 782-3234 or madelson@waterboards.ca.gov

Mark G. Adelson
Senior Environmental Scientist

cc: Nevada Hydro, Peter Lewandowski

Submission Contents

SARWQB determines LEAPS will result in a de minimis impact on beneficial uses of receiving waters.

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