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December 10, 2015

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

Re: San Diego County Water Authority and

City of San Diego, California

San Vicente Pumped Storage Project No. 14642

Information Submittal

Dear Secretary Bose:

Pursuant to 18 C.F.R. § 4.38(b)(4) (2015), the San Diego County Water Authority and City of San Diego (together, "the Applicants") hereby submit written transcripts of the joint agency-public meetings held on November 9, 2015, as required by 18 C.F.R. § 4.38(b)(3). The Applicants' request to use the Traditional Licensing Process was approved by Commission letter issued September 28, 2015.

If you have questions or comments regarding the attached filing, please contact Kelly Rodgers of San Diego County Water Authority at 858-522-6776 or krodgers@sdcwa.org.

Sincerely,

John Clements

Counsel to San Diego County Water

Authority

Attachment

Cc: Frank Belock - SDCWA

Robert Mulvey – City of San Diego

Kelly Rodgers - SDCWA

SAN VICENTE PUMPED STORAGE STUDY JOINT MEETING ON THE PRE-APPLICATION DOCUMENT (FERC NO. 14642-000) NOVEMBER 9, 2015

TRANSCRIPT OF MEETING

Transcribed by: Rosalie A. Kramm, CSR, RPR, CRR

Joint Meeting on Pre-Application Document (Meeting 1) SAN VICENTE PUMPED STORAGE STUDY (FERC NO. 14642-000)

1	APPEARANCES
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3	KELLY RODGERS
4	ENERGY PROGRAM MANAGER
5	SAN DIEGO COUNTY WATER AUTHORITY
б	
7	LAN WIBORG
8	DEPUTY DIRECTOR LONG RANGE PLANNING and
9	WATER RESOUCES, CITY OF SAN DIEGO
10	
11	JEFF HARVEY
12	PRINCIPAL and SENIOR SCIENTIST
13	HARVEY CONSULTING GROUP
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KRAMM COURT REPORTING

Joint M	eeting on Pre-Application Document (Meeting 1) SAN VICENTE PUMPED STORAGE STUDY (FERC NO. 14642-000)
1	I N D E X
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3	EXHIBIT A - SAN VICENTE PUMPED STORAGE STUDY POWERPOINT
4	PRESENTED AT MEETING
5	EXHIBIT B - SIGN-IN SHEET OF ALL ATTENDEES
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1 NOVEMBER 9, 2015 2:23 P.M. LAKESIDE, CALIFORNIA 2 JEFFREY HARVEY: Welcome, everybody, and thank 3 you again for coming. 4 Lan, do you want to start, or do you want me to 5 start with introductions? 6 LAN WIBORG: Go ahead, please. 7 JEFFREY HARVEY: Let me introduce Kelly 8 Rodgers, the Energy Program Manager for the San Diego 9 County Water Authority. Lan Wiborg is the Deputy 10 Director of Long-Range Planning and Water Resources for 11 the Public Utilities Department, City of San Diego. And 12 I'm Jeff Harvey. Oh, I'm sorry. We also have Bob 13 Mulvey, the City of San Diego. 14 LAN WIBORG: He's our Assistant Director of 15 Public Utilities, so boss. 16 JEFFREY HARVEY: Very good. And I'm Jeff 17 Harvey, a consultant to the Water Authority for this 18 project. 19 Some of this presentation is geared for our 20 public meeting tonight, which, of course, any of you are 21 welcome to attend. This part of the joint meeting really 22 is directed at the resource agencies and tribes required 23 by FERC as an initial consultation, now that the City and 24 the Water Authority have decided to proceed with the 25 preliminary studies of this project.

So for housekeeping, I know that you all saw the -- the restrooms are outside the door to my left.

Oh, sorry. Would you please come in and have a seat. We just got started.

Speaker slips and comment cards are for tonight and not for this meeting. We're expecting that all of you will be commenting in writing, to the extent that you have comments, I am sure you do, and that the comment cards are not sufficient for what -- the kind of comments that you would be providing.

So the agenda for our meeting is just an overview of the project, some of which we were able to accomplish in our brief visit, the site visit at the dam, and then overview of the Federal Energy Regulatory Commission process, the Pre-Application Document that we submitted July 28 to FERC, and the study plans that are specified in that Pre-Application Document, and that we are specifically looking for your comments on and your comments about additional studies, any additional studies that you would suggest or require.

And then we will talk about schedule and next steps for us and the project.

We'll have some time at the end of the meeting to discuss your comments and anything you would like to say in exchange with the Water Authority and the City

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today, and obviously in advance of your more formal written comments.

So FERC requires that we have a joint meeting. It is to present in this case co-applicants with the City and the Water Authority joining together, about their understanding of the proposal and the potential environmental impacts of that proposal, and then the data and studies that are proposed to be conducted and -- as part of this initial consultation process. This is the first in a long process. This is a three-stage pre-filing process that starts with the Pre-Application Document being sent to resource agencies, tribes, and members of the public; and a Notice of Intent was also filed with FERC indicating the intent to -- for the applicants to submit a licensed application to FERC, prepare and submit a draft license application, in approving the -- oh, and a request to use the traditional licensing process. I believe most of you saw that and commented on that.

The traditional licensing process, FERC did grant approval of that on September 28, and part of their approval triggers the requirement that within -- or within 30 to 60 days after their approval that we conduct this joint meeting, which is why we're here in November.

After this meeting you'll have 60 days to

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submit your formal comments, which gives us a comment deadline for comments to be postmarked by January 8. After that -- that will conclude the Stage 1 pre-filing process, which will take us to Stage 2, where the applicants conduct the required studies and develop their formalized draft license application, and that gets submitted to FERC as the beginning of Stage 3; and in Stage 3 FERC will review the license application, they will determine whether they have any request for additional information, and -- and then they will go on in their formal environmental review process to satisfy requirements of the National Environmental Policy Act. And Lan? LAN WIBORG: Thank you, Jeff. So, again, my name is Lan Wiborg, and the City of San Diego is very happy to partner with the San Diego County Water Authority, which I will refer to as "the Water Authority." They prefer to have that reference. Now, this project has the potential to generate

Now, this project has the potential to generate revenue for both agencies to offset future water rate increases for our rate payers, so for the next few minutes I'll be showing you a couple of slides and provide a description of the proposed project.

So the map on the screen shows the expanded San Vicente Reservoir, which is owned and operated by the

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City of San Diego. Both the City and the Water Authority own water storage capacity in the reservoir. existing reservoir will be part of the project along with the existing electrical transmission corridor that connects to the regional grid. Using these existing infrastructures at the San Vicente Reservoir as a foundation, the Water Authority and the City are studying the potential for developing a 500-megawatt pumped storage project that would help meet the region's energy needs during peak demand periods. It could generate up to 4,000 megawatt hours of energy, enough to serve approximately 325,000 homes annually. The project will provide -- or excuse me -would involve creating a small upper reservoir, approximately 8,000 acre feet above the existing lower reservoir, that is the San Vicente Reservoir that you just visited, along with a tunnel system and an underground powerhouse to connect the two water bodies.

The powerhouse would contain four reversible pump turbines. The upper reservoir will be in an area with no natural lakes or streams, and the system is what is known as a closed-loop system, where it does not have any

So the next slide shows you a schematic of how this system will work. As I mentioned earlier, if built

connection to naturally flowing bodies of water.

as currently envisioned, this project would have up to 500 megawatts of capacity over eight hours, which means that we as a region will be able to store and have up to 4,000 megawatt hours of energy available to meet demands.

It's important to clarify that this is an energy storage project. This is essentially a giant battery. Typical operations would entail generating during peak energy demand periods, and a storage of potentially unused energy or curtailed energy that would otherwise be lost, such as renewables when demands are low, for later use.

During off-peak periods when power is inexpensive, and renewable supplies from wind and solar facilities may exceed demand, turbines would pump water to the upper reservoir, where it would act as a battery of stored potential energy, and during the peak energy demand the system will release the water, which will flow downhill and create carbon free power, and the power would be generated as the water traveled through the turbines.

The exchange between the two reservoirs would not consume water, and we are planning studies, which is why we invited all of you here to participate in this process. We're planning studies, and we're also welcoming ideas for studies to determine whether it would

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interfere with water supply, water quality, fisheries, or recreational use of the reservoir. Initial indications are that there will be no significant impacts to other uses of the reservoir.

Power generated at the pumped storage facility would be delivered to the regional energy grid via new transmission lines, mostly parallel to the existing corridor of the Sunrise Power Link. The new lines would connect to an existing electrical substation about -- as Jeff will mention, about eight miles away.

And so the goals and the objectives of this project are several-fold. And I'm sorry, but my notes kind of went AWOL for a minute here, but essentially what we're attempting to do is use existing infrastructure to generate energy and revenue for the two entities. want to utilize also the water resources that we have to offset additional rate increases.

So, in order to do that, we are able to envision using low-cost energy to basically pump the water to the upper reservoir, and then generate revenue by generating energy when energy prices are higher.

That's the very basic concept here.

So with that, I'm going to turn this over to Kelly. She will -- may backfill anything I neglected to mention.

KELLY RODGERS: Thank you, Lan. I'm going to stand back here just for transcription purposes. You can hear me as well.

Next slide, please.

So what we're looking at here is an overview of the FERC process as it relates to permitting. This process is for obtaining the federal license and related permitting. It is complex, and this Preliminary

Application Document and joint meeting is the beginning of the process, as far as the FERC formal process. We also wanted to meet with you to really engage you early on so that we are coordinating with you every step of the way.

The key steps that are highlighted here on the slide, the process is expected to take four to five years. There are many additional opportunities to engage resource agencies, tribes, and the public in the process to review our study plan, review plans, and provide comments.

So you can see checkmarks here. The first two we've completed so far. We have a preliminary permit from FERC, and we completed the submission of the Preliminary Application Document to FERC in July of 2015. The Traditional Licensing Process that we requested to use was approved by FERC on September 28 of 2015, and so

the future steps include conducting the studies outlined in the study plan that Jeff is going to describe in a minute, and submitting to FERC a full license application.

And should we move forward, these be would the steps should we move forward with the project, and these will begin sometime before 2018.

And then the longer-term steps span from 2018 to 2021, and they entail applying for a Water Quality Certification with the State Water Resources Control Board, performing all of the environmental reviews and documents to satisfy CEQA and NEPA. We expect that we would have a decision on the water quality and FERC licensing decision in 2021.

And, again, should we move forward with this, we'd begin construction around 2021.

And that pretty much sums up this process, and I'd like to turn it back over to Jeff so he can describe the study plan.

JEFFREY HARVEY: Very good.

So in the Preliminary Application Document we described the proposed project, the locations of facilities, and the operations of the pumping of water up into the upper reservoir, releasing it back to generate electricity. The goals and objectives of the project

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that Lan mentioned, which are, in part, about revenue generation to help offset water rates for the two co-applicants, but much more than that, storage is important as a way to integrate renewable energy.

In the energy system, as you all know, renewables are intermittent, and there -- we may have with it achievement of the State's renewable portfolio standard goals of 33 and up to 50 percent. We may have actual periods of overgeneration by renewable sources that would have nowhere else to go.

That's what this project is envisioned, as being a solution to that problem of periodic overgeneration and of the need to generate power to regulate the transmission grid to offset the intermittent effects of wind and solar power generation. So it is an important part of the energy system in Southern California, as it would be -- as it would be operated, both for its storage and for its generation capabilities.

So the PAD describes all of that, and then it describes the existing environment that would be affected. This is an area that has been heavily studied for both the -- an emergency storage project, the San Vicente Dam Raise project, the Sunrise Power Link project, and, of course, as all of you are aware, many of you are aware, heavily studied for the lands and their

values as part of the MSCP and habitat conservation plans.

So we had all of those available to draw upon in understanding the range of potential effects, and based upon that evaluation, the table -- or Chapter 4 of the Preliminary Application Document does identify a number of studies that would be undertaken to support the license application. The license application actually includes five main exhibits, they're called, and they include evaluation of economic feasibility, engineering project description and general engineering.

And then in Exhibit E, which is the environmental exhibit, prepared in the form of an environmental report, like a NEPA or CEQA report would be, and that is what these studies will be supporting, is the applicant's Exhibit E to their draft license application.

So the list of them, and this list is in the order that they are set forth in the FERC regulations, so I know most of you are used to, at least for CEQA documents, seeing things laid out alphabetically or clustered by group; a little bit different clustering, only for that reason, because of the way they're laid out in the FERC regulations.

For geology and soils, the -- we'll have a full

geotechnical investigation, specific to the upper reservoir, to determine its ability to support the dam structures that are proposed to be built there in order to create that reservoir body, and, of course, all the tunneling.

I said that all of the movement of water back and forth between the two reservoirs and the powerhouse itself is all underground within this tunnel system, and so the geotechnical investigation will determine the suitability of the rock type and of the subsurface conditions, and then from that will -- the engineering specifications will be determined.

For the upper reservoir and dams that are required for that, I believe three separate dams, the tunnel interconnection system and the inlet/outlet works that will be in both the upper reservoir and, of course, in the lower reservoir; and that to get to the upper reservoir site, we do have to construct some access roads, and to get power out from the powerhouse, we'll have that 230-kilovolt transmission line system, which is approximately eight miles long.

And I was thinking as I looked at the map that it may be five miles as the crow flies, but the route to the actual transmission line, I think, covers a total of about eight miles. And most of that coincides with the

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existing Sunrise Power Link transmission line. We are proposing to site that line literally adjacent to the existing right of way for the Sunrise Power Link.

Water resources, we have water quality modeling studies that are being done for -- to support the City's reservoir augmentation study, their pure water program that it is referred to, and that has also looked at -- on a preliminary basis, looked at the mixing that would occur in the reservoir as a result of the pumping operations and water release back to the lower reservoir for storage and generation from this project. So we will be looking at the effects of pumping on daily reservoir fluctuations, which are estimated right now to be around 2 feet, a little less than 2 feet in the lower reservoir -- the upper reservoir will fluctuate much more than that -- and looking at what that means in terms of water quality implications for San Vicente Reservoir, which is first and foremost a water supply reservoir, and so this water quality portion of the study is essential to the co-applicant's decisions about moving forward with the project.

Fish and aquatic resources, we do have -- we don't have any native fish in the reservoir, all stocked, and there is a naturally-reproducing population of fish. So there is always the risk of entrainment of fish in the

pump system. The pump system is designed to operate at less than 1 fps flow, so that we are trying to minimize entrainment, but there will be expected entrainment, so we will be studying what the expected mortality rates are, the impacts to fish populations in the lower -- particularly in the existing lower reservoir, as that is an important sport fishery for the region, and then what does that mean in terms of fish populations for the lower reservoir and expectations that some fish will survive and will thrive in the upper reservoir as well, and what do we do to mitigate for fish losses.

I guess in every case -- I don't have it stated explicitly on these slides, but in every case these studies will include not just identification of the potential impacts, but identification of the mitigation measures that we would employ to avoid, minimize, or offset those impacts.

For wildlife and botanical resources, full biological resources -- excuse me, surveys and vegetation mapping focused on special status species, habitat; and we'll have a full jurisdictional delineation of wetlands and waters of the U.S. We know that the shoreline of the San Vicente Reservoir with the inlet/outlet works is considered waters we believe that there are no waters at the upper reservoir site which is an upland environment.

But that will be determined in formal surveys, protocol level surveys for rare and for the listed species that we know to occur, Quino, Gnatcatcher, Vireo, and I know that there are some others as well. I think they are mentioned in the next slide.

Then, of course, we have the lands at the upper reservoir site, and some of the lands that are crossed by the transmission line are part of the regional MSCP and subarea plans. So we will be evaluating the consistency of this project with those plans and evaluating how we mitigate for the effects on those lands and what we need to do in terms of amendments to those plans to allow this utility project to -- to co-exist with those planning areas.

Floodplains, wetlands, riparian, and littoral habitat, this is focused mainly on the lower reservoir and shoreline of San Vicente Reservoir, aquatic and riparian habitat, and looking at the inlet/outlet works particularly for the lower reservoir, and that is mainly a construction impact, but we will be looking at the effects of operations on those systems as well.

More on rare and threatened endangered species, this is somewhat redundant with the biological survey work that is already described in the previous slide and for the previous studies, but full reconnaissance

surveys, habitat mapping, protocol level surveys for all of the state and federally listed species, and then surveys of the adjacent areas that won't be directly affected by the project to determine whether there are indirect effects, and that would extend as well to other species, bats, raptors, and possibly others that are important or protected species.

Can you advance that manually? I'm not sure why I can't do it here. I broke it. I hit the wrong button.

Okay. Recreational land use, San Vicente
Reservoir was closed, obviously, for the last several
years with the dam raise project, but scheduled to be
reopened in, I believe, the first quarter of 2016. We'll
take that as approximate.

And anyway, at any rate, for this project we will be looking at the impacts of -- on recreational uses of the lower reservoir -- the upper reservoir is not proposed for recreational uses -- and that is primarily during construction. Post-construction for operations, we are designing the project and expect to have the project successfully designed such that we don't interfere with recreational uses.

We will also be assessing land use and management plans and recreational uses in the upper

reservoir area as they are included in the existing plans and how the upper reservoir operations would affect those plans.

Sorry. I still need you to advance that,

Andrea. It is not working here.

Aesthetics are required, of course, by FERC.

We will be looking at the existing visual character,

particularly the upper reservoir. The lower reservoir

exists, so we're not going to be changing that at all;

and then during construction, staging areas and grading

operations for the access road, the upper reservoir, and

for the transmission line corridor; and transmission line

corridor would be a long-term visual effect.

The next slide, please.

Cultural resources includes full survey work of the entire area of potential effects, that gets defined in consultation with the tribes and with the State Historic Preservation Office, and that will include the upper reservoir area and the power line corridor and the new access road. Again, because the lower reservoir is an existing feature, we aren't going to be changing that at all. We will not be doing additional survey work. We will report on the cultural resources -- the results of the cultural resources investigations that were done for the lower reservoir as part of the lower -- or as part of

the dam raise project.

Next. Evaluation of tribal resources, and that includes a full consultation process with all of the tribes that either identify themselves as the Barona Band of Mission Indians, already has identified, and Art Bunce is here as their representative today. We will also include any other tribes that are identified by the Native American Heritage Commission or by the State Historic Preservation Office.

So full consultation, full sharing of all the survey results and any findings we have, and then if applicable, if we have such resources, development of a historic properties management plan that will specify how those cultural and tribal resources would be respected and protected, both during construction and for long-term operation of the project.

Next. So schedule and next steps, some of this Kelly went through, but just to -- just to highlight about how early in the process we are and how much more there is to do, and we appreciate that all of you did come out and that we are engaged with you in this very early part of the project, as we need to be, to inform throughout the project and make sure we do address all of your issues and -- and that we build into design what we need to to satisfy resource agencies and tribal concerns

1 for the project.

So starting with the co-applicants, going through the pre-application process and our joint meeting here today, and then ending with the -- what is right now scheduled to be the April 2018 submittal of the draft license application to the Federal Energy Regulatory Commission, which triggers the beginning of their process in soliciting comments on the draft license application, and determining the projects' eligibility or being ready for environmental analysis under their NEPA analysis.

At the same time that we submit the FERC license application, we'll be submitting an application for Water Quality Certification, 401 Certification required under the Federal Power Act that we obtained before FERC to make its decision about a license, so we'll apply to the State Water Resources Control Board. Oscar Biondi is here with us today representing the State Water board, and -- and that will trigger the requirement to begin preparation of the formal CEQA document. We expect that to be an Environmental Impact Report.

There will be a joint scoping meeting held with FERC and the City and Water Authority at the beginning of that process, but FERC does not prepare joint documents, so after that scoping meeting with the same scoping comments, FERC will go off on its business to prepare its

independent EIS, and the Water Authority and the City will separately prepare their own Environmental Impact Report.

And then in -- we expect that to be about a two-year process to complete the environmental review process and the review of the applications, that we would then have a water -- a decision about the Water Quality Certification in about 2020, and a decision following that water quality cert decision, assuming that the water quality certification is a positive decision.

If it is a negative decision, then FERC has nothing to act upon, but with a positive decision, then it falls to FERC to make its decision about the license, and we anticipate that as happening in about 2021, about five years from now.

Next. So FERC guidance on the comments. You are, of course, welcome to comment on anything you like, but FERC is very specifically looking particularly for -- for your role as -- as resource agencies and tribal representatives, looking for very specific comments from you about the studies that are proposed to be prepared and about -- and what you would like to see in those studies, if you think that what's proposed either is not enough, or you think there is something that has been missed, or you just want to emphasize what it is your

agency very specifically will be looking for in the results of those studies and what you would look for in mitigation planning as well.

So identifying and -- we have this in handouts, if you like, it's also -- I believe it is part of what I sent to all of you as confirmation of this meeting, but identifying the studies that need to be performed in our development of the license application, and the basis for it, of course for most of you the basis is what is prescribed in law and Endangered Species Act, the California Endangered Species Act, or pursuant to the various habitat conservation planning processes that you all have engaged in, and then the resource issues and your goals and objectives for those resources as you believe they are affected by the uses prescribed -- or proposed for this project.

Next, Andrea. And then if -- if there are specific methodologies that you are requesting be employed for those studies, just an explanation about that methodology and why you're recommending it, particularly if it is a unique suggestion relative to this project; and then documenting that each study methodology is a generally accepted practice and explaining how the studies relate to your own resource goals and objectives.

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1 But that is what FERC is very specifically looking for in your comments. So I know that all of you 3 have commented many times on many projects and understand 4 how to do this, but we wanted just to make very clear, 5 because is this a FERC process, and a hydropower 6 licensing process that is maybe not as familiar for 7 Southern California resource agencies, that we share this legal guidance with you. Obviously no comments cards for you. 10 That concludes our formal part of the presentation, and we'll be happy to open it up to any questions you might 12 have to clarify about the project, clarify anything we 13 said in presentation; or if there were preliminary 14 comments that you would like to share with indications of 15 what it is you expect to be telling us in your more 16 formal written comments. 17 Lan, Kelly, any other closing remarks? 18 No. We are just here to clarify LAN WIBORG: 19 anything that has been presented at this time. And I 20 think Kevin also has some thoughts to share, correct? 21 I just wanted to clarify one KEVIN DAVIS: 22 When Jeff talked about the pumped storage 23 project, talking about the fisheries, he mentioned 1 cfs. 24 What he meant was one foot per second velocity. 25 JEFFREY HARVEY: I'm sorry, yes.

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              KEVIN DAVIS: And just -- I wanted the court
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    reporter to get that correct. So that it is --
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              JEFFREY HARVEY: It is a velocity, not a
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    volume.
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              KEVIN DAVIS: So the velocity going in and out
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    of the intake will be less than 1 foot per second.
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              LAN WIBORG: Have you all met Kevin Davis? Can
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    you perhaps introduce yourself, Kevin?
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              KEVIN DAVIS: I'm sorry. I'm Kevin Davis.
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    with Black & Veatch. We were the consultants that did
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    the feasibility study.
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              JEFFREY HARVEY: Thanks for that clarification.
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    That is an important one.
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              I know it is getting a little warm in here.
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    We're working on the air conditioning right now.
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              Any questions or comments?
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              Jason Price from the California Department of
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    Fish and Wildlife.
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              JASON PRICE: The power line, is there going to
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    be a road associated with that electric power line?
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                                There will have to be, for the
              JEFFREY HARVEY:
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    segment that extends from the powerhouse, there will be a
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    road to the powerhouse and to that segment. We
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    understand that the Sunrise Power Link, or a portion of
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    that line, was constructed using helicopters so they
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could avoid having to have a road across the whole thing.

2 And we would look at doing the same thing for this. And

we are not trying to create new roads where none exist

for the power line, and where there is a road that

5 accesses the Sunrise Power Link we should be able to

utilize that for access as well, but that will be -- that

will be part of what we will have to determine as we move

forward in the engineering design.

JASON PRICE: Then you mentioned cultural studies. I didn't see a lot of historical written into that, in utilizing the old Foster Truck Trail. Studies on new roads, that -- are you considering, you know, expanding that as a new road, or is that an existing road? I didn't see anything on the studies on the existing road.

JEFFREY HARVEY: We have not had anyone identify the existing road as historic resource. Historic resource is definitely part of the cultural resources investigation, is prehistoric and historic resources both, and so the first I heard of that as a historic resource that -- then, yes, that would obviously have to be included, and we would have to determine whether extension of that road or construction of another access road was most appropriate. You are talking about the road that would lead from the lower reservoir up to

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    the Foster Canyon site?
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               JASON PRICE: From the 67 down all the way
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    through to the dam site.
              JEFFREY HARVEY: Okay. The upper reservoir
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    site.
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               JASON PRICE: Upper reservoir.
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                                Yes, very good. Thank you.
              JEFFREY HARVEY:
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              Any others? Jennifer first and then Art.
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               Jennifer Price with the County Department of
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    Parks and Recreation.
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               JENNIFER PRICE: How large is the reservoir in
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    feet or acres?
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              KELLY RODGERS: 100 acres.
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              JEFFREY HARVEY: Is the surface area of the
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    upper reservoir.
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              JENNIFER PRICE: And then do you already know
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    how many acres would be on Boulder Oaks Preserve?
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              KELLY RODGERS: Not off the top of my head.
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               JEFFREY HARVEY:
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              JASON PRICE: All right.
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               JEFFREY HARVEY: No, I don't know, but we'll
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    definitely generate those numbers.
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               JENNIFER PRICE: And then I was also curious,
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    how would you mitigate for impacts to Boulder Oaks
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    Preserve, building the reservoir itself?
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JEFFREY HARVEY:
                           That is definitely part of
what we want to initiate consultation with all of you on
to talk about, what it is that we need to do.
understand that there are some cornerstone lands involved
there and that the habitat values are important.
you -- your letters in response to the Pre-Application
Document process, we took those under advisement, and we
understand that we need to work very closely with Fish
and Wildlife Service, Cal Fish and Wildlife, and Parks
and Recreation to identify the land that would be
appropriate for mitigation, and when we need to obtain
those; and what else we might need to do as mitigation.
          JENNIFER PRICE: Great.
          KELLY RODGERS: I can give you just a
preliminary rough figure on Boulder Oaks, what -- that is
upper reservoir, 100 acres; approximately a quarter to a
third of it appears to be Boulder Oaks, so we can get you
details of that.
          JEFFREY HARVEY: A precise number.
          JENNIFER PRICE:
                          Thank you.
          JEFFREY HARVEY: Art Bunce is an attorney
representing the Barona Band of Mission Indians.
                     I may be an attorney, but don't
          ART BUNCE:
hold it against me.
          JEFFREY HARVEY: We don't at all. Welcome, and
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thank you for coming.

ART BUNCE: Barona has two main concerns. One is, we would like to know a bit more about the process that was used to select this site out of the four alternate sites. We would really like to know how solid that choice was, because one of the other sites is partly on reservation land, and that entails a whole separate process under the Federal Power Act. So we just want to make sure that the selected site is going to remain the selected site, and somebody is not going to decide at a later stage that, well, because of hydrology or geology or topography or some other engineering consideration, that another site is superior.

So we would like to know more about how that choice was made and how defensible it is.

And second is the obvious one, we would like to know a whole lot about how you intend to handle the cultural resources. Just from the preliminary material we've seen so far, there have been at least two habitation sites with midden identified already, and that tells us that there is no doubt more, and we would like to know how you intend to handle those things.

JEFFREY HARVEY: Very good. We haven't done the studies, and I don't have the answers for you today, but we understand the concerns.

ART BUNCE: That is the kind of thing we're looking for.

JEFFREY HARVEY: And maybe just a quick reply to the first, we did go through a whole engineering design analysis that looked at four alternatives, and the Foster Canyon site, the site we are now looking at, emerged from those studies as the preferred site; but as both part of the California Environmental Quality Act and the National Environmental Policy Act processes, both of those require examination of alternatives. So I can't tell you that there will never be another look at alternative sites and that they might not turn back to some of the sites that were determined to at least have the physical capacities to -- to act as upper reservoir site. Those were the logical ones to look at as alternatives.

But right now the focus is on the site that was the closest and provided the greatest hydraulic head, and therefore for the least amount of money and the greatest amount of power generation, which is the Foster Canyon site.

ART BUNCE: Barona is not against the project. Barona likes the idea of lakefront property.

JEFFREY HARVEY: Very good. There will be a full cultural resources investigation. We understand

this is a sensitive environment, as it is for biological sources.

Any others?

Jason Price again.

JASON PRICE: On the map it shows the basic road, the line. Has that actually been determined, or is that just to kind of show the basic gist of where the road is actually going to be from the upper reservoir to the reservoir?

JEFFREY HARVEY: Kevin, can you answer that?

KEVIN DAVIS: I think John would probably be a better person to answer that.

JEFFREY HARVEY: John Bekmanis from Black & Veatch.

JOHN BEKMANIS: So it is just a preliminary evaluation based on roadways that we were able to identify from aerial work to try to utilize those systems where it is applicable, versus identifying new roadways to get to the different sites for construction, either from Highway 67 or between the reservoirs.

So wherever possible we are trying to use existing roadways that were there, knowing that we have to make improvements to them, but we also identified area where we need new roadways to construction. So it is not written in stone.

1 JASON PRICE: But that is not laid in stone? 2 JOHN BEKMANIS: It is not laid in stone by any 3 It is preliminary level investigation. 4 JEFFREY HARVEY: Yes, Jennifer Price from Parks 5 and Recreation. 6 JENNIFER PRICE: So I'm concerned about the 7 transmission -- the transmission alignment. Was that 8 determined -- was the alignment determined based on where 9 the Sunrise Power Link is, or, like, why was the route 10 chosen? 11 JEFFREY HARVEY: In consultation with San Diego 12 Gas & Electric, they identified that the Sycamore Canyon 13 substation was the most likely point of their connection. 14 We will have to do a full interconnection study to 15 determine that that is the extent of where we would go. 16 So with that information in hand, we then looked at the 17 best route to get from the power generation site to the 18 Sycamore Canyon substation and trying to co-locate as 19 much as possible with an existing utility corridor, 20 knowing that a whole new utility corridor was less 21 desirable. 22 Okay. So it's a -- I'm just JENNIFER PRICE: 23 curious because it goes through Sycamore Canyon through 24 the ranch again, you know, because we had the Sunrise 25 Power Link go through there, so it is more impact to the

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1
    preserve. So that's -- that's why I'm questioning it.
              So the whole new -- so all new transmission
2
3
    line poles and everything is brand new?
 4
              JEFFREY HARVEY: Our understanding is that what
5
    is out there right now was specifically engineered and
6
    designed for the lines that are on it, so that we are not
7
    able to simply go out and hang new lines on the existing
    pole system. We will need to have our own transmission
8
9
    towers and line system. And these are large trans --
10
    large capacity transmission lines, 230 KV.
11
              KELLY RODGERS: I think something to add to it,
12
    that is exactly right, Jeff, but we are willing to
13
    revisit that with SDG&E to see if that is possible.
14
              JEFFREY HARVEY: Right, as part of what we
15
    studied.
              Right.
16
              JENNIFER PRICE:
                               Thank you.
17
              JEFFREY HARVEY:
                               Thank you. Any others?
18
              ERIC HOLLENBECK: I should probably just
19
    mention that the department would, in terms of biology
20
    studies and how it impacts the MSCP -- we will be looking
21
    for an analysis of -- of how it would -- not just
22
    replacement of habitat for mitigation, an appropriate
23
    habitat that way, but also how it affects the assembly of
24
    the preserve for MSCP; so whether or not it is possible
25
    through corridor analysis or just the overall preserve,
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whether or not that is still going to be made whole if we end up with some of that missing that needs to be mitigated for.

JEFFREY HARVEY: For the record, that is Eric Hollenbeck from the California Department of Fish and Wildlife.

Any others? Oscar, are you going to wait to ask us in writing?

OSCAR BIONDI: Done.

JEFFREY HARVEY: Okay, very good.

All right, if there are no other questions or comments, we look forward to your written comments, and, again, thank you very much for making the time to come out today. I apologize that we couldn't have arranged better weather for you for the site visit, but it is interesting to see the completed dam project in any case.

KELLY RODGERS: Comments are due January 8th, right?

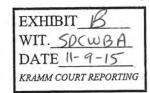
JEFFREY HARVEY: Deadline for comments to be postmarked by January 8, 2016. Of course you are welcome to submit them sooner than that, if you like, and any questions or comments, please -- you have Kelly Rodgers' contact information, and the website was also included on the agenda, and any -- any new information about the project will be posted regularly as we update the

Joint Meeting on Pre-Application Document (Meeting 1) SAN VICENTE PUMPED STORAGE STUDY (FERC NO. 14642-000)

1	STENOGRAPHER'S CERTIFICATE
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3	I, Rosalie A. Kramm, Certified Shorthand
4	Reporter for the State of California, Notary Public, do
5	hereby certify:
6	That the proceedings were reported
7	stenographically by me and were transcribed through
8	computerized transcription by me; that the foregoing is a
9	true record of the meeting and proceedings taken at that
10	time; and that I am not interested in the event of the
11	action.
12	Witness my hand dated December 4, 2015.
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14	
15	Preside U Kramm
16	Jusale a Reamon
17	ROSALIE A. KRAMM, CSR NO. 5469, CRR
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San Vicente Pumped Storage Study City of San Diego and the San Diego County Water Authority FERC PAD/NOI Meeting - San Vicente Conference Room A November 9, 2015

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San Vicente Pumped Storage Study City of San Diego and the San Diego County Water Authority FERC PAD/NOI Meeting - San Vicente Conference Room A November 9, 2015

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SAN VICENTE PUMPED STORAGE STUDY

JOINT MEETING ON THE PRE-APPLICATION DOCUMENT

(FERC NO. 14642-000)

NOVEMBER 9, 2015

TRANSCRIPT OF MEETING

Transcribed by: Rosalie A. Kramm, CSR, RPR, CRR

Joint Meeting on Pre-Application Document (Meeting 2) SAN VICENTE PUMPED STORAGE STUDY (FERC NO. 14642-000)

1	APPEARANCES
2	
3	KELLY RODGERS
4	ENERGY PROGRAM MANAGER
5	SAN DIEGO COUNTY WATER AUTHORITY
6	
7	LAN WIBORG
8	DEPUTY DIRECTOR LONG RANGE PLANNING and
9	WATER RESOURCES, CITY OF SAN DIEGO
10	
11	JEFF HARVEY
12	PRINCIPAL and SENIOR SCIENTIST
13	HARVEY CONSULTING GROUP
14	
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KRAMM COURT REPORTING

Joint M	Meeting on Pre-Application Document (Meeting 2) SAN VICENTE PUMPED STORAGE STUDY (FERC NO. 14642-000)
1	INDEX
2	
3	EXHIBIT A - SAN VICENTE PUMPED STORAGE POWERPOINT
4	PRESENTED AT MEETING
5	EXHIBIT B - SIGN-IN SHEET OF ALL ATTENDEES
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        NOVEMBER 9, 2015 6:13 P.M. LAKESIDE, CALIFORNIA
2
              JEFF HARVEY: Patt, welcome to you. Thank you
 3
    very much for coming. And since you're it, we'll address
 4
    you very personally.
5
              PATT BIXBY: This is not the one where I can
6
    sneak in.
7
              JEFF HARVEY: We're all looking away right now.
8
    Here's your chance.
9
              Patt, just so you know, we do have a court
10
    reporter here who is doing a formal transcript. It is
11
    required by FERC rules. It is not because of any legal
12
    proceeding or courtroom kind of activity here at all.
13
              Welcome to the San Vicente Pumped Storage Joint
14
    Meeting.
              I have the pleasure of introducing Kelly
15
    Rodgers, who is the Environmental Program Manager for the
16
    San Diego County Water Authority.
17
              KELLY RODGERS:
                               Energy.
18
              JEFF HARVEY: What did I say, environmental?
19
    Energy Program Manager.
20
              And Lan Wiborg is the Deputy Director of Long
21
    Range Planning and Water Resources for the City of
    San Diego Utility Department.
22
23
              Bob Mulvey is the Assistant Director, behind
24
    you, for the City, Assistant Director of Public Utilities
25
    for the City of San Diego.
```

And the City of San Diego and the San Diego
County Water Authority are jointly proposing the project.
They'll talk about that in just a few minutes.

We don't need to go through too much formality here, just welcome, and I think they talked to you about the speaker slips and comment cards at the front if you have anything you want to comment on.

The purpose of the meeting is to introduce the project, talk about the environmental studies that will be done to support the license application, and then to solicit any comments that you might have about studies that should be added and -- and/or modifications to the studies that are proposed.

So we'll go through starting with the description and overview of the project. The purpose of this is a FERC joint meeting. It is targeted at resource agencies, tribes, and the public that may have an interest in the project. It is to present the co-applicants, the City and the Water Authority, their proposal to develop a pumped storage hydroelectric project, and an overview of the first document that was submitted to FERC, the pre-application document, what is in that document and the studies that it describes.

And this is -- one thing we want to emphasize is that this is the very first step in a long process

that will extend over about four or five years. So it is a three-stage pre-filing process, and, Patt, we'll be happy to get you a copy of this presentation as well at the end.

PATT BIXBY: Oh, perfect.

JEFF HARVEY: The three-stage process that starts with Stage 1 is the pre-application document that we filed with FERC July 28 of this year, and it was also sent out to the mailing list, which included resource agencies, tribes, and about 100 names of local landowners and other members of the public that have expressed interest in knowing about anything the Water Authority and the City do.

Based on input that we get during that process, we did formulate the number of studies that will be prepared. Those studies will be done during Stage 2, and that will take about two years in formulation of a formal license application that will be submitted to FERC. That license application includes multiple exhibits, one of which is the environmental report, and the environmental exhibit, Exhibit E.

And once we complete those studies and complete development of the license application, Stage 3, the final stage in this pre-filing process, is to actually file the license application, which starts the whole

process for FERC to begin, reviewing the license application and determining its adequacy, perhaps issuing requests for additional information; and then -- then from there FERC will go on to its environmental review process under the National Environmental Policy Act.

And with that I'm going to ask Lan Wiborg to explain the project. Do you want the pointer at all?

LAN WIBORG: Oh, yeah. Thank you, Jeff. The City of San Diego is happy to partner with the Water Authority on this project, which has the potential to generate revenue for our rate payers and offset future water rate increases. For the next few minutes I'll be showing you a couple of slides and provide a description of proposed projects.

So to begin, what you have up here is a map that shows the extent of San Vicente Reservoir, which is owned and operated by the City of San Diego. Both the City and the Water Authority own water storage capacity in the reservoir, and the existing reservoir will be part of the project, along with the existing electrical transmission corridor, that connects to the regional grid.

Using these existing infrastructures of San Vicente Reservoir as a foundation, the Water Authority and the City are studying the potential for developing a

500-megawatt pump storage project that will help meet the region's energy needs during peak demand periods. It can generate up to 4,000 megawatt hours of energy per day, enough to serve approximately 325,000 homes annually.

The project would involve creating a small upper reservoir, which is about 8,000 acre-feet, above the existing San Vicente Reservoir, along with a tunnel system and underground powerhouse to connect the two water bodies. The powerhouse would contain four reversible pump turbines. The upper reservoir will be in an area with no natural lake or stream, and this system is what is known as closed loop, where it does not have any connection to natural streams or rivers.

So if we move on to the next schematic, as I mentioned earlier, if built as currently envisioned, the project would have up to 500 megawatt capacity over eight hours, which means that we as a region will be able to store and generate up to 4,000 megawatt hours of energy available to meet demands.

It is important to clarify that this is an energy storage project, and it is essentially a large battery. Typical operation would entail generating during peak energy demand periods, and storage of low cost energy such as renewables when demands are low for later use. During off-peak periods, when power is

inexpensive and renewable supplies from wind, solar facilities may exceed demand, turbines would pump water to the upper reservoir, which could act as a battery of stored potential energy.

During peak energy demand, the system would create carbon-free energy by allowing the water to run downhill through the turbines.

The exchange between the two systems, two reservoirs, would not consume water of any significant amount. Studies are planned to determine whether it would interfere with water supply, water quality, fisheries, or recreational use of San Vicente Reservoir. Initial indications are that there would be no significant impacts to other uses at a reservoir.

So power generated at the San Vicente pumped storage facility will be delivered to the regional energy grid via transmission lines mostly parallel to the existing corridor of the Sunrise Power Link. The new lines will connect with an existing electrical substation about 8 miles away.

So just to recap essentially the goals and objectives of this project, there are four: One is to utilize the existing water resources for the City and the Water Authority; two is to contribute to the state goals for renewable power integration and greenhouse gas

reductions; three is to develop existing conditions for closed loop hydroelectric energy system to minimize adverse effects; and lastly, the revenue generated from this project will help to control the increase of water costs in the region.

So with that I'm going to turn this over to Kelly.

KELLY RODGERS: Thanks, Lan.

So now I'm going to go over where we are at in the FERC process, and some -- some things we've completed and activities yet to come. The process for obtaining a federal license and related permitting is complex, and this preliminary application document and joint meeting is the beginning of the process.

On this slide you can see key steps that highlight the entire process is expected to take four to five years, and that's including many additional opportunities to engage with resource agencies, tribes, and stakeholders. We have completed two steps so far, and that we have a preliminary permit issued to the City and Water Authority as joint permittees, from FERC. And we also submitted, City and Water Authority, a preliminary application document, Notice of Intent to FERC in July of 2015. During that time we declared that we'd like to use the traditional licensing process as we

move forward, and on September 28th, 2015, FERC approved the use of that process.

So future steps include conducting the studies outlined in the study plan that Jeff will go over, and submitting a full FERC license application should we move forward with the project, and sometime before 2018.

Other longer-term steps span from 2018 to 2021, and those steps include applying for water quality certification with the State Water Resources Control Board, performing all environmental reviews and documents that -- to satisfy both California Environmental Quality Act and the National Environmental Quality Act requirements. We -- we expect that we would have a decision on the water quality and FERC licensing by 2021, and that would be before construction.

And each step will include noticing, as was done for this meeting, mailings, newspaper notices, and information posted on the Water Authority website.

So with that I'd like to turn it over to Jeff so he can talk more about these studies.

JEFF HARVEY: In our review of the project in preparation of the pre-application document, we were able to utilize a number of environmental reports that you are probably familiar with that had been done on other recent projects in the area, including the recently constructed

Sunrise Power Link transmission line, the San Vicente Dam Raise Project, prior to that the emergency storage project, the EIR for the San Vicente Reservoir is a big part of, and then there are a number of habitat conservation plans and multi-species conservation plans that affect the land surrounding the reservoir, and all of those were available as a backup on biological information and resources.

So based upon our review of those collective documents and of this project, we've developed a list of studies that we will prepare as part of the license application, and as part of the environmental documentation will become part of the Environmental Impact Report for the project, and will become the Exhibit E, which is the foundation for the Federal Energy Regulatory Commission to use in the development of their environmental review, the document.

And those include geology and soils. The upper -- the lower reservoir, of course, exists, the San Vicente Reservoir, so no studies are needed there, but the upper reservoir will have several small dams that will create that water empoundment, that reservoir, and so there needs to be geotechnical investigation to determine the suitability of the integrity -- the integrity of the geologic substructure; for engineering

specifications that will go into the dams, the tunnel system that will interconnect the upper reservoir and the lower reservoir; and then at either end of the tunnel is what is called an inlet/outlet structure, which is where the water is either pulled in when the water is pumped up to the upper reservoir, or the water is released back out when the water is going to be dropped from the upper reservoir through the powerhouse to generate electricity and then return to the lower reservoir.

And we also have transmission lines, eight miles of transmission lines. All of that will be studied as part of the geology as well.

Patt, since it is just you, feel free to stop
me at any point if you have questions along the way. You
don't have to wait until the end.

PATT BIXBY: Oh, okay. Because I have a couple. But I'll turn this in after, I guess?

JEFF HARVEY: That will be fine.

PATT BIXBY: So the Sunrise -- was this always going to be part of using the Sunrise Power Link?

JEFF HARVEY: No. No, this is actually not part of using the Sunrise Power Link. We were able to use the document -- the transmission line for this project mostly parallels the route of the existing Sunrise Power Link --

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1
              PATT BIXBY: Yeah.
2
              JEFF HARVEY: -- so we were able to look at the
 3
    environmental documents that had been done for that
 4
    project to understand the kinds of environmental
5
    conditions that we would have to deal with for our new
6
    transmission line as well.
7
              PATT BIXBY: Okay. Did the tribe have any
8
    issues, Barona?
9
              JEFF HARVEY: The tribe was at -- we had met
    with the tribe and we had their initial input, and they
10
11
    have not expressed any issues. They want to know about
12
    the project, and they want to make sure -- you'll see
13
    later on in the slides, I have -- one of the studies
14
    we're going to do is on cultural resources, and they know
15
    that there are cultural resources out there, and they
16
    want to make sure we do a very thorough study and that we
17
    coordinate with them about the results of that study.
18
              PATT BIXBY: So they have a tribal geologist or
19
    somebody there?
20
              JEFF HARVEY: Well, not a geologist, but
21
    they'll have an archeologist, yes.
22
              PATT BIXBY: Archeologist, that is what I
23
    meant.
24
              JEFF HARVEY: They'll have a tribal
25
    representative that will be part -- particularly during
```

construction, of helping to monitor. During the studies we will consult with them and we will have their input.

PATT BIXBY: Thank you.

JEFF HARVEY: So onto the study plans, the water resources, water quality modeling is being done for this project in tandem with studies that the City is performing for its use of the reservoir augmentation project, the Pure Water Project, as it is called; and water supply and water quality are the primary uses of the reservoir, and so these water quality studies are very important to understanding how this project might affect those, and if it does affect them adversely, it would be a basis for making a counter decision about the project.

Fish and aquatic resources, there is the risk of fish being entrained in the intake structure when water is being pumped up, and so we'll be studying the --what the likelihood is for fish to be killed in that process, what we need to do to mitigate and restock fish. There are no natural, native population of fish, but there are stocked fish, and it is a very important recreational fishery.

And so the effects on the fishery will be studied and what we can do to minimize those effects, and what -- what we can expect with the new upper reservoir

in terms of the fish population as well.

PATT BIXBY: How often do they stock it?

JEFF HARVEY: I don't know. I know they do it periodically. Maybe at the end we can get that question answered by somebody in the room. That's been done for a long time.

Patt, the only reason we need that is so that it can be recorded, so you are part of the record.

Wildlife and botanical resources, complete biological surveys, vegetation mapping, surveys for all of the known or suspected species that are protected under federal and state Endangered Species Acts, and other biological assessment for rare plants and so forth.

And then evaluation of the consistency of this project, and particularly the upper reservoir site within the context of the -- of the existing multi-species conservation plans and area sub-plans, protecting biological resources in that region.

The floodplains, this is right out of FERC regulations, but basically what this applies to is the shoreline area of San Vicente Reservoir. And there will be some disturbance during construction for the construction of the inlet/outlet works and tunnel system. After construction there will be no -- no disturbance of the shoreline area, except that the reservoir, as being

1 operated for pump back operations will have -- it will have about a 2-foot fluctuation in the level of the 2 3 reservoir, for --4 PATT BIXBY: During that time? 5 JEFF HARVEY: During -- for operations, for the 6 lifetime of the project. PATT BIXBY: Oh, lifetime. 7 8 JEFF HARVEY: Water is pumped up to be stored 9 in the upper reservoir, then will create a draw-down 10 about 2 feet to the lower reservoir. 11 I already mentioned rare and threatened 12 species, that full surveys and full accounting, including 13 not just the affected lands, but surrounding lands 14 that -- that could also be indirectly affected; and for a 15 range of species, not just listed species, bats, hawks, 16 owls, the whole range of -- of species that are known to 17 occur out there. 18 For recreational land use, recreation at 19 San Vicente Reservoir is important, and so it's important 20 that the project not interfere with recreational uses of 21 the reservoir. 22 During construction obviously there will be 23 some portions of the reservoir that will not be

accessible for recreational use while they construct the

inlet/outlet works, but thereafter, for the life of the

24

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project, the project is not expected to interfere with recreational uses. No recreational uses of the upper reservoir are proposed. That will be off-limits, simply because the small water level will fluctuate heavily, and it is in protected habitat areas, and no point inviting more public uses of that land, particularly when you have such rich recreational opportunities at San Vicente Reservoir.

Aesthetic resources is mainly looking at the effects of the project on the visual character of the landscape, most of this -- some of this during construction, with the staging areas and the grading for the roads, for example, but really mostly to do with the effects of the new transmission line that will be visible for the life of the project. And I think we mentioned that the transmission line was intentionally sited to coincide with the existing Sunrise Power Link to try to minimize that kind of thing.

For cultural resources, full surveys by qualified archeologists of all of the project's lands, what's called by the State the area of potential effects, so that's the directive, footprint of the project; and the surrounding areas that could be indirectly affected, and that will include the entire transmission line corridor, all of the tunnel areas and upper reservoir

area. And that will be done in consultation with the local tribe, particularly Barona, because their reservation lands are so close out there, but also with the Native American Heritage Commission and with the State Historic Preservation officer, and will include both prehistoric and historic resources.

Tribal resources will be consultation with the tribes themselves to determine any sensitivity of lands or features that they are concerned about, and sharing all of the survey results and data of findings with the tribal representatives. And if there are enough of the right kinds of resources that are found and detected during the surveys, there will be a formal historic properties management plan that is prepared that specifies how those resources will be protected and managed for -- during construction and for the life of the project. And that also will be done in full consultation with the tribes and with the Native American Heritage Commission and the State Historic Preservation officer.

So that's it for studies. That takes us to the steps that we are in. Kelly already went through the schedule, but just to recap a little bit, we start with where we are now in preparation of the pre-application document, and the joint meeting that we're having here

1 tonight.

We will then go on in the next two years in completing all those studies I just described and all of the other parts of the license application, the engineering, design, economic analysis. There is quite a bit that goes into that license application beyond the environmental studies that we're focused on in this meeting tonight, that will culminate in the preparation of a draft license application that gets submitted to FERC, right now scheduled for about April of 2018, to be submitted.

And at about the same time we will -- the co-applicants, the City and the Water Authority, will apply to the State Water Resources Control Board. Under the Federal Power Act we are required to get water quality certification from the State. So we will make that application to the State in 2018, 2019, and that will trigger the beginning of the State environmental review process, preparation of the Environmental Impact Report to satisfy requirements of the California Environmental Quality act.

And at that same time, FERC will begin review of the license that we've submitted, and after they're satisfied that the license is -- the license application is complete, they make their formal determination of

ready for environmental analysis, and that triggers their
environmental review process separate from the
Environmental Impact Report for the State. The federal
agency does its own environmental documenting process.

And then when those two are completed, we'll get a decision from the State regarding the water quality certification; and if that's a favorable decision, then FERC can act on and make their formal decision about the license. We would expect that to be in the 2020, 2021 time frame.

So that's the kind of process we're engaged in. It is a lengthy process, and this is the very beginning, the very start of that.

PATT BIXBY: So the EIR should be around 2020?

JEFF HARVEY: Around 2019, 2020, yes, available for -- so when we get to that point we will have a public scoping meeting.

PATT BIXBY: That's what I was wondering.

JEFF HARVEY: And then when the draft EIR is complete we'll have meeting for review -- a public meeting for review of the draft EIR, and then, of course, it is at a formal hearing that the City and Water Authority consider the final EIR and make their decision about whether to adopt that. That goes then to the State, who also has a formal hearing as part of their

process to render their decision about the water quality certification.

So comments, Patt, I believe that you're here as a reporter, and not intending to file comments. If you are intending to file comments, FERC -- we -- no. We have -- I'm going to go over this very quickly. We have very specific guidance from FERC about what it is they want comments on on the study plans and on specific methodologies, if you were to request additional studies, then the methodologies for that. And that is what we've included here. This information is also on the comment card, if you have interest in studying that any further.

That is the end of our presentation. Thank you very much for coming and being a part of it.

PATT BIXBY: I had a couple of other questions.

JEFF HARVEY: Please.

PATT BIXBY: When you said no guarantee -- you didn't say it, but I'm asking. Does this mean there is no guarantee that this is all going to work?

JEFF HARVEY: That is correct. We are at the very early part of the study. There has been a feasibility study for the project done by Black & Veatch, and it indicates that there is reason to believe that this could be a very successful project, and that you would be able to build it.

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And we have conditions in the State with renewable portfolio standards that are going to bring a lot of renewable energy into the region that needs to be managed in the transmission grid; this project and its ability to store surplus energy and then dispatch that energy in a way that supports intermittent renewable energy generation is very important to the state transmission operator, the California Independent System Operator, CalISO, you may have heard of.

So there are lots of reasons why this project adds value right now, and is being very seriously considered. But we have a lot of study to go through, and we have a lot of final engineering to go through; and the co-applicants have to determine that they believe that it's worth their financial investment to go forward.

So there are a lot of stages and a lot more study that needs to be done, and with each one of those studies, decisions that have to be made about whether or not to go forward with the project. It is not a -- it is not set in stone. That is correct.

PATT BIXBY: So does the public have any financial responsibility as you are going along? JEFF HARVEY:

No.

There's nothing? PATT BIXBY:

JEFF HARVEY: Correct. Those will be -- the

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studies will be strictly funded by the two agencies, by
the City of San Diego and by the Water Authority.

PATT BIXBY: And then could you explain the battery concept a little bit more?

JEFF HARVEY: There aren't very many ways to store energy. Batteries, of course, is one way that we are all very much familiar with, and so the analogy is that with this project, you are, during periods of either surplus energy generation or off-peak energy -- where there is energy in the system and not needed, you are using that energy to pump water up to the upper reservoir, and then that water is being held up in storage; and just because it is now able to use gravity to drop back down, it is -- it is like a battery. But it is just an analogy. It is not actually a battery. But it operates the same way in the system, that that energy that was available in the system and not being used, is now stored rather than simply being lost, and when you need that energy back in the system, you drop the water back down by gravity, and as it drops, it spins the turbine and generates electricity.

PATT BIXBY: That was the part that I was -
JEFF HARVEY: Right. And then that water goes
right back into the lower reservoir, and is available
when there is surplus energy to pump right back up to

store -- store that energy potential in the upper reservoir.

So the water is a working fluid just moving back and forth between the two reservoirs, connected by that powerhouse that has reversible turbines. It can pump water up when needed, and when the water is coming back down, the turbines spin and produce electricity.

PATT BIXBY: So during times of drought, for instance now, and the water drops, is that going to affect your flow?

JEFF HARVEY: That could affect flow, and in most hydroelectric schemes it would. In this case we are dealing with a water storage reservoir that is supplied with imported water, and so we are definitely buffered against drought and the likelihood that the reservoir would be too low to use for that purpose.

Kelly, would you like to add to that?

KELLY RODGERS: No, I think that is accurate. I think I just want to highlight, water stays in the reservoir. So as you said, the water drains into the dam, we raise the dam to be able to store not only the city's water for operational purposes and serving the customers, but for the Water Authority looking at regional use in the event of an earthquake, and imported water supply curtailment or drought, where we keep that

- water in there. It's a pretty steady elevation. It doesn't fluctuate. It shouldn't really affect operations of this potential facility.
 - PATT BIXBY: Would you keep -- would you import more water simply to keep this going?
 - KELLY RODGERS: No. No. Water -- for everything, water pumps -- this project, our water, our operational -- operation for the reservoir is solely water. This is an added plus.
 - LAN WIBORG: In some ways it actually creates slightly increased increment of storage, if you can imagine, 8,000 acre-feet. And as we move this water back and forth, in addition to that water being conserved, stored, it is not being lost, but it also helps us generate energy and revenue from that energy.

PATT BIXBY: Thank you.

KELLY RODGERS: And reduces evaporation, too, in the operations, where -- we have to study it further, it's likely that it will reduce evaporation, because it's not sitting there, it is being circulated.

PATT BIXBY: This is a maybe, in other words?

LAN WIBORG: We have done some water modeling;

preliminary results suggest that because the movement of
the water increases, it can increase the mixing in the
lower reservoir, it is possible that it will reduce the

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    temperature to such an extent that it will reduce
2
    evaporation. But those are very preliminary results.
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    They need confirmation.
                            Thank you. I think that's all I
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              PATT BIXBY:
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    had.
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              JEFF HARVEY: Thank you very much for coming
7
    and for sitting through your custom presentation.
8
                            I think we have one more member of
              LAN WIBORG:
9
    the public who joined us. Do you have any questions for
10
    us?
11
              MALE SPEAKER:
                              No.
12
              LAN WIBORG:
                            Sorry to put you on the spot. We
13
    just want to make sure your questions are -- any
14
    questions are addressed.
15
              MALE SPEAKER: I'm fine. We are just learning.
16
              JEFF HARVEY: We are available while we're
17
    cleaning up here. If you have any questions you want to
18
    ask of anybody here, we have a number of people around
19
    the room that would be happy to talk to you.
20
              With that I think we can close our formal
21
    meeting.
              Thank you very much.
22
              PATT BIXBY: Thank you for you guys all
23
    staying.
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SAN VICENTE PUMPED STORAGE STUDY (FERC NO. 14642-000)

1	STENOGRAPHER'S CERTIFICATE
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3	I, Rosalie A. Kramm, Certified Shorthand
4	Reporter for the State of California, Notary Public, do
5	hereby certify:
6	That the proceedings were reported
7	stenographically by me and were transcribed through
8	computerized transcription by me; that the foregoing is a
9	true record of the meeting and proceedings taken at that
10	time; and that I am not interested in the event of the
11	action.
12	Witness my hand dated December 4, 2015.
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Joint Meeting San Vicente Pumped Storage Study City of San Diego and the San Diego County Water Authority Pre-Application Document Federal Energy Regulatory Commission (FERC) No. 14642-0000

EXHIB	IT B
WIT.	SDCWBA
	11-9-15
KRAMM C	OURT REPORTING

Sign-In Sheet: November 9, 2015

Name	Organization/Company (if applicable)	Email Address	Tel No.
Par byso	Cost County Sagette	Pattbixby@ye Low Com	
Don Parent.	Gast County Sagette 5 DGS =	Partbixby@ye Low Come	

San Vicente Pumped Storage Study Joint Meeting

November 9, 2015





EXHIBIT A
WIT. SOCWBA
DATE 11-9-15
KRAMM COURT REPORTING

Introductions

Kelly Rodgers

Energy Program Manager, San Diego County Water Authority

Lan Wiborg

Deputy Director Long Range Planning and Water Resources, City of San Diego

Jeff Harvey

Principal and Senior Scientist, Harvey Consulting Group





Meeting Format

- Welcome
- Meeting purpose
- Housekeeping
- Speaker slips and comment cards

Agenda

Topic	Time
Purpose	6:00p.m6:30p.m.
Project Description and Overview	
Overview of Federal Energy Regulatory Commission (FERC) Process	
Pre-Application Document	
Study Plans	
Schedule and Next Steps	
Comments	6:30p.m7:45p.m.

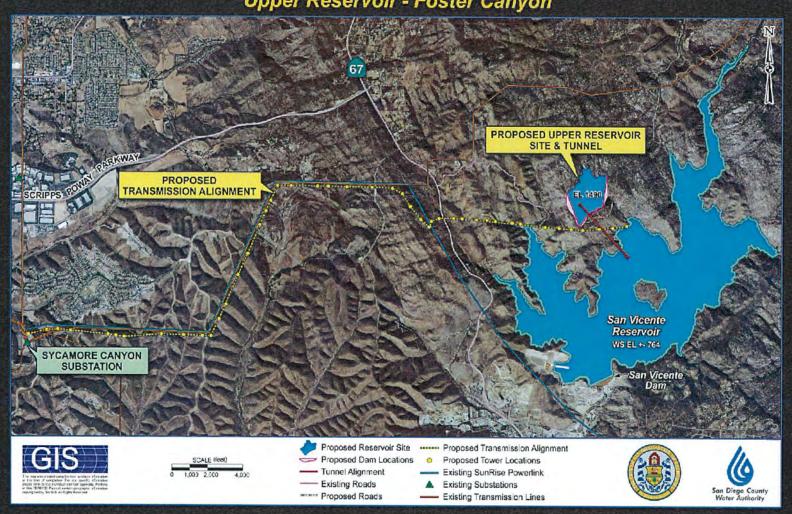
Purpose

- FERC requirements for a "Joint Meeting"
- Present Co-Applicant's proposal and potential environmental impacts
- Overview of the Pre-Application Document
- Discuss data to be obtained and studies to be conducted as part of the pre-filing consultation process
- Meeting is the first in long process

FERC 3-Stage Pre-filing Process

- Stage 1. Pre-Application Document to resource agencies, tribes, and members of the public, including a Joint Meeting and comments on subsequent studies to be completed
- Stage 2. Applicants conduct required studies to support a license application
- Stage 3. Filing of a License Application

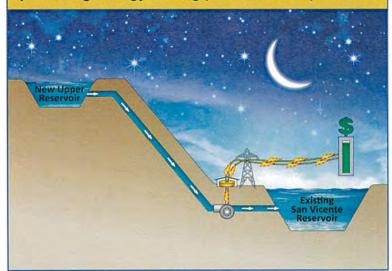
San Vicente Pumped Storage Study Upper Reservoir - Foster Canyon



San Vicente Pumped Storage Study

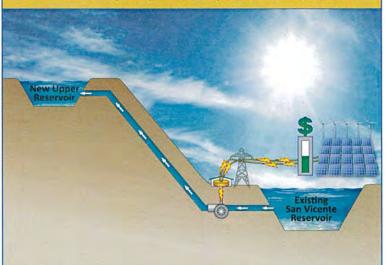
Typical Power Generation

Stored water flows downhill through turbines, providing energy during peak demand periods.



Typical Power Storage

Low-cost energy (e.g. excess wind & solar energy) is used to pump water uphill for later use.



Overview of FERC Process and Related Permitting



Study Plans

- Overview
- PAD development and comments received
- Potential effects
- Proposed studies



Study Plans

Geology and Soils

 Geotechnical investigation specific to the upper reservoir and dam, tunnels, inlet/outlet structures, access roads, and transmission lines.

Water Resources

 Water quality modeling studies, including a shoreline erosion analysis to assess water quality effects of pumping operations and daily reservoir fluctuations for lower and upper reservoirs.

Fish and Aquatic Resources

 Assess the risk of: fish entrainment, expected mortality rates, potential for impacts to fish populations in the existing lower reservoir, and potential for fish populations to be supported in the proposed upper reservoir.

Wildlife and Botanical Resources

- Biological surveys and vegetation mapping, specialstatus species habitat assessment, and jurisdictional delineation of wetlands and waters of the U.S. and State.
- Protocol-level surveys and biological assessment for rare plants, Quino, Gnatcatcher, Vireo, and potentially other special-status species.
- Evaluate consistency with City and County MSCP and Subarea Plans, including siting and design criteria and need for amendments to applicable Resource Management Plans.

- Floodplains, Wetlands, Riparian and Littoral Habitat
 - Aquatic and riparian habitat analysis for jurisdictional delineation, focused on tunnels, roads, and powerline corridor.
 - Construction and operations affects on aquatic and riparian biological resources.

- Rare and Threatened Endangered
 Species
 - Reconnaissance surveys and habitat mapping for each listed species.
 - Protocol-level surveys for Arroyo toad, Gnatcatcher, Vireo and possibly others.
 - Surveys in adjacent areas for special-status species (bats, nesting raptors, and possibly others).

Recreation and Land Use

- Recreational use and access at the San Vicente Reservoir during construction.
- Assess land use and management plans as they affect land acquisition, easements and mitigation.

Aesthetic Resources

- Assess existing visual character of the upper reservoir area and overall project area.
- Assess visual effects of project construction and staging areas, including terrain alteration and grading, construction equipment operation, and lighting.
- Assess long term visual effects of the proposed upper reservoir, and the proposed transmission line.

Cultural Resources

 Cultural resource survey of the proposed Project's Area of Potential Effects (APE), including the upper reservoir area, gen-tie powerline corridor, and new access road.

Tribal Resources

- Consultation with affected tribes to identify locations requiring additional surveys.
- Survey results documented and reviewed with agency and tribal representatives.
- If applicable, a Historic Properties Management Plan will be prepared to identify appropriate measures of protection for identified cultural resource sites, including management and protection of Native American values.

Schedule and Next Steps

Near Term: 2016-2018

Mid Term: 2019

Long Term: 2020+

Co-Applicants:

- Consultation, Studies and Preparation of License Application
- •Deadline to submit study requests January 8, 2016
- •Submit Draft License Application to Federal Energy Regulatory Commission (FERC) in 2018

FERC and Public Review:

•Comment on Draft License Application in 2018

Co-Applicants:

- •Water Quality Certification Application to State Water Resources Control Board (SWRCB)
- •Triggering Formal California Environmental Quality Act (CEQA) Review
- •Joint NEPA/CEQA Scoping Meeting

FERC:

- •Determination of Ready for Environmental Analysis (REA)
- •Triggering Formal National Environmental Policy Act (NEPA) Review

Co-Applicants:

•Environmental Impact Report (EIR) Preparation and Public Comment Periods in 2020

SWRCB:

•Decision Regarding Water Quality Certification with EIR Certification in 2020

FERC:

•Decision on License ±2021

Comments – FERC Guidance

Pursuant to 18 C.F.R. 4.38(b)(5), a resource agency, Native American tribe or member of the public requesting studies must provide the co-applicants with written comments:

- (i). Identifying its determination of necessary studies to be performed or the information to be provided by the co-applicants;
- (ii). Identifying the basis for its determination;
- (iii). Discussing its understanding of the resource issues and its goals and objectives for these resources;

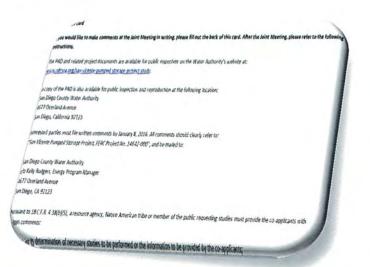
Comments – FERC Guidance (cont.)

Pursuant to 18 C.F.R. 4.38(b)(5):

- (iv). Explaining why each study methodology recommended by it is more appropriate than any other available methodology alternatives, including those identified in the PAD by the co-applicants;
- (v). Documenting that the use of each study methodology recommended by it is a generally accepted practice; and
- (vi). Explaining how the studies and information requested will be useful to the agency, Native American tribe or member of the public in furthering its resource goals and objectives that are affected by the proposed project.

Comments

- Comment cards
- Opportunity to comment
 - o postmarked by January 8, 2016



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Document Content(s)
P-14642 Joint Agency-Public Meeting Transcripts.PDF1-93