



FILED

12-30-08
08:00 AM

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of The Nevada Hydro Company for a Certificate of Public Convenience and Necessity for the Talega-Escondido/Valley-Serrano 500-kV Interconnect.

Application 07-10-005
(Filed October 9, 2007)

**ADMINISTRATIVE LAW JUDGE'S RULING
RELATED TO THE NEVADA HYDRO COMPANY'S NOVEMBER 12, 2008
PROPONENT'S ENVIRONMENTAL ASSESSMENT FILING**

Applicant, The Nevada Hydro Company (Nevada Hydro), filed the present application for a Certificate of Public Convenience and Necessity (CPCN) for the Talega-Escondido/Valley-Serrano 500-Kilovolt (kV) Interconnect Project (Project) on October 9, 2007. Despite repeated attempts, Nevada Hydro has failed to provide a Proponent's Environmental Assessment (PEA) that meets the requirements of the Commission's Information and Criteria List, General Order 131-D, and the Commission's PEA checklist which are the basis for evaluating PEA completeness and ensuring that sufficient information has been provided for Energy Division staff (Staff) to complete its analysis as required by the California Environmental Quality Act (CEQA).

Hence, Nevada Hydro is ordered either to file by February 17, 2009 a full amended application with a complete PEA that complies with all the Commission Energy Division deficiency requirements for conducting CEQA analysis; to provide in comments a compelling argument why the Commission should not dismiss the present application without prejudice; or voluntarily to request the Commission to dismiss the present application without prejudice.

Interested parties will be given an opportunity to reply to Nevada Hydro's comments, if any.

1. Background

Nevada Hydro filed the present application for a CPCN for the Project on October 9, 2007,¹ and subsequently filed a PEA.² The Commission's Staff issued a review letter on November 16, 2007 to Nevada Hydro explaining the deficiencies in the PEA (Attachment 1).

Nevada Hydro filed its Revised PEA on February 8, 2008.

On March 6, 2008, Staff issued a second review letter concluding that the February 8, 2008 Revised PEA was incomplete based upon a number of factors, including problems with the descriptions of the location, environmental setting and mitigation measures as those factors relate to required system upgrades, reasonably foreseeable future phases, and related projects (Attachment 2).

On July 29, 2008, Nevada Hydro filed a Second Revised PEA, and served a Notice of Availability to the service list in this proceeding.

On August 18, 2008, Staff issued a third review letter to Nevada Hydro noting that the PEA was incomplete, in that it still lacked sufficient details to allow a clear and comprehensive understanding of all aspects of the Project, and that the project description information was insufficient, vague, confusing or missing (Attachment 3). As a result, Staff requested that the deficient sections be replaced in a supplement, with the other sections remaining as filed.

¹ Nevada Hydro also filed a minor amendment to the application itself on November 2, 2007 to correct a typographical error.

² This PEA was titled a "Draft PEA" by Nevada Hydro but was formally filed in the present proceeding, and hence is the first PEA.

While preparing its response to the August 18, 2008 Staff review letter, Nevada Hydro requested an informal review of work in progress and provided Staff with a hard copy of its work in progress on September 24, 2008. After review of this informal document, Staff provided comments in a letter dated October 20, 2008 outlining deficiencies in the document.

On November 12, 2008, Nevada Hydro filed a Supplement to its July 29, 2008 Second Revised PEA, and served a Notice of Availability to the service list in this proceeding. That Supplement included additional elements to the Project, specifically both 115-kV and 12.5-kV lines, which were not part of the original application or project described in the prior environmental documents.

On December 5, 2008, Staff issued a fourth review letter³ to Nevada Hydro noting that the PEA was still incomplete, still lacked sufficient details to allow a clear and comprehensive understanding of all aspects of the Project, and that the Project description was still insufficient, vague, confusing or missing (Attachment 4). To avoid increasing confusion between the various submittals from Nevada Hydro, Staff recommended that the November 12, 2008 Supplement be modified and edited to address the deficiencies identified in that letter. Staff further recommended that the entire amended supplement be submitted, rather than providing a separate amendment to the Supplement.

2. Discussion

The present application remains incomplete more than 14 months after the initial filing, as the PEA has not been deemed complete. Nevada Hydro has filed environmental documents on four separate occasions, and none have met the

³ Although the letter is titled as the third review, it is actually the fourth overall.

basic requirements of CEQA. Staff has been very clear in what is deficient in Nevada Hydro's filings, and yet fundamental deficiencies remain.

No action can take place on the application until the application is complete. Substantial amounts of time and other resources have been expended by Staff, consultants, and interested parties in evaluating these incomplete documents.

In addition, as the Project description gains additional clarity, it appears that the Project has changed to include additional facilities not specifically set forth in the original application.

As a result, Nevada Hydro is ordered herein either to file by February 17, 2009 an amended application with a complete PEA that complies with CEQA regulations; to provide a compelling argument why the Commission should not dismiss the present application without prejudice; or to voluntarily request the Commission to dismiss the present application without prejudice.

If Nevada Hydro chooses to provide comments as to why the Commission should not dismiss the present application, any party who has filed comments or requested party status may respond to those arguments in reply comments due by February 26, 2009. The Commission may respond to such comments with a decision dismissing the application without prejudice.

Should Nevada Hydro opt to file an amended application, it shall comply with all Commission PEA requirements, including the attached Staff-identified deficiencies to ensure sufficient information for CEQA compliance. The amended application shall be a complete document (e.g., it should not just contain the amended sections). The PEA shall clearly define the scope of the Project and specify construction and upgrades of any and all facilities necessary for granting the requested CPCN in sufficient detail that the reliability and

environmental impacts of such construction and upgrades may be studied. It shall be filed and served in the same manner as a new application, and upon the service list in this proceeding.

Should Staff determine that Nevada Hydro's amended application and PEA remain seriously deficient in the description of the Project such that environmental review cannot be reasonably initiated, the Administrative Law Judge shall respond with a proposed decision to dismiss the application without prejudice. Filing of the amended application shall be deemed to be waiver of the comment period for such a proposed decision, and the Commission may take immediate action.

IT IS RULED that:

1. The Nevada Hydro Company's (Nevada Hydro) Supplement to Proponent's Environmental Assessment (PEA) of November 12, 2008 was deemed incomplete, for the reasons set forth in the deficiency review notice dated December 5, 2008.
2. By February 17, 2009, Nevada Hydro shall opt either to file a full amended application with a complete PEA; to file comments providing compelling arguments for why the present application should not be dismissed without prejudice; or to voluntarily request that the Commission dismiss the present application without prejudice.
3. Should Nevada Hydro elect to amend its application, the amended application shall comply with all of the Commission PEA requirements, and shall address all previous Staff-noted deficiencies in order to ensure sufficient information for conducting CEQA analysis. It shall clearly define the scope of the Project and specify construction and upgrades of any and all facilities necessary for granting the requested Certificate of Public Convenience and

Necessity, in sufficient detail that the reliability and environmental impacts of such construction and upgrades may be studied. It shall be filed and served in the same manner as a new application, and upon the service list in this proceeding.

4. If Nevada Hydro files an amended application and PEA which fails to substantially comply with this order, the Commission may act to dismiss the application without prejudice immediately.

5. If Nevada Hydro opts to file comments providing compelling arguments as to why the present application should not be dismissed, reply comments shall be accepted until February 27, 2009 from any party which has filed a protest or request for party status. Reply comments may be filed with an accompanying request for party status.

6. No motions, protests, comments or other action by any party, other than those described herein, will be considered absent showing of good cause.

Dated December 30, 2008, at San Francisco, California.

/s/ VICTORIA S. KOLAKOWSKI
Victoria S. Kolakowski
Administrative Law Judge

***** SERVICE LIST *****
Last Updated on 26-DEC-2008 by: AMT
A0710005 LIST

***** PARTIES *****

John Buse
CENTER FOR BIOLOGICAL DIVERSITY
5656 S. DORCHESTER AVE. NO 3
CHICAGO IL 60637
(323) 533-4416
jbuse@biologicaldiversity.org
For: Center for Biological Diversity

Ronald E Young, P.E., Dee
General Manager
ELSINORE VALLEY MUNICIPAL WATER
DISTRICT
31315 CHANEY STREET
LAKE ELSINORE CA 92531-3000
(951) 674-3146
ryoung@evmwd.net
For: Elsinore Valley Municipal Water District

Gene Frick
4271 BAGGETT DR
RIVERSIDE CA 92505
gfrick@cosmoaccess.net
For: Santa Ana Mountains Task Force of the Sierra Club,
and Friends of the Forest (Trabuco District) and the Santa
Rosa Plateau

Gregory Heiden
Legal Division
505 VAN NESS AVE, RM. 5039
San Francisco CA 94102 3298
(415) 355-5539
gxh@cpuc.ca.gov
For: DRA

Lee Reeder, Associate Director & Waterkeeper
INLAND EMPIRE WATERKEEPER
3741 MERCHED DRIVE, UNIT F2
RIVERSIDE CA 92503
(951) 689-6842
Lee@iewaterkeeper.org
For: Inland Empire Waterkeeper

Ruth Atkins
LINDA RIDENOUR
President
LAKE ELSINORE HISTORICAL SOCIETY
15237 LAKE TRAIL CIRCLE
LAKE ELSINORE CA 92530
(951) 678-1537
jaratkin@verizon.net
For: Lake Elsinore Historical Society

Stephen E. Velyvis
MILLER STARR REGALIA
5TH FLOOR
1331 NORTH CALIFORNIA BLVD
WALNUT CREEK CA 94596
(925) 935-9400
sev@mrsrlegal.com
For: Friesen Focus, Fernandez Trust, Joseph Fernandez &
Joan Fernandez

John Pecora
16336 GRAND AVENUE
LAKE ELSINORE CA 92530
(951) 678-3070
johnpecora100@ca.rr.com
For: John Pecora

Douglas Pinnow
7 VIA DEL LAGO
LAKE ELSINORE CA 92532
(519) 674-2598
doug.pinnow@ca.rr.com
For: Douglas Pinnow

Paul A. Szymanski
Attorney At Law
SAN DIEGO GAS & ELECTRIC COMPANY
101 ASH STREET HQ 12
SAN DIEGO CA 92101
(619) 699-5078
pszymanski@sempra.com
For: San Diego Gas & Electric Co.

Jennifer R. Hasbrouck
Attorney At Law
SOUTHERN CALIFORNIA EDISON
PO BOX 800
ROSEMEAD CA 91770
(626) 302-1040
For: Southern California Edison

Jennifer Hasbrouck
JANE LEE COLE, ESQ
SOUTHERN CALIFORNIA EDISON COMPANY
PO BOX 800
2244 WALNUT GROVE AVENUE, PO BOX 800
ROSEMEAD CA 91770
(626) 302-2863
jennifer.hasbrouck@sce.com
For: SOUTHERN CALIFORNIA EDISON COMPANY

***** SERVICE LIST *****
Last Updated on 26-DEC-2008 by: AMT
A0710005 LIST

Laura B. Renger
SOUTHERN CALIFORNIA EDISON COMPANY
2244 WALNUT GROVE AVENUE
ROSEMEAD CA 91770
(626) 302-1040
jennifer.hasbrouck@sce.com
For: Southern California Edison Company

Rexford Wait
THE NEVADA HYDRO COMPANY
2416 CADES WAY
VISTA CA 92081
(760) 599-0086
rwait@controltechnology.org
For: The Nevada Hydro Company

Arnold B. Podgorsky
WRIGHT & TALISMAN, P.C.
1200 G STREET, N.W., SUITE 600
WASHINGTON DC 20005
(202) 393-1200
Podgorsky@wrightlaw.com
For: The Nevada Hydro Company

Michael J. Thompson
Attorney At Law
WRIGHT & TALISMAN, P.C.
1200 G STREET, N.W., SUITE 600
WASHINGTON DC 20005
(202) 393-1200
thompson@wrightlaw.com
For: The Nevada Hydro Company

***** STATE EMPLOYEE *****

Fritts Golden
ASPEN ENVIRONMENTAL GROUP
235 MONTGOMERY STREET, SUITE 935
SAN FRANCISCO CA 94104
(415) 955-4775 X208
FGolden@Aspeneg.com

Marisa Mitchell
Environmental Scientist
ASPEN ENVIRONMENTAL GROUP
235 MONTGOMERY STREET, SUITE 935
SAN FRANCISCO CA 94104
(415) 955-4775 X 206
mmitchell@aspeneg.com

Susan V. Lee
ASPEN ENVIRONMENTAL GROUP
235 MONTGOMERY STREET, ROOM 935
SAN FRANCISCO CA 94104
(415) 955-4775 X 203
slee@aspeneg.com

Joseph A. Abhulimen
Division of Ratepayer Advocates
RM. 4209
505 VAN NESS AVE
San Francisco CA 94102 3298
(415) 703-1552
jaa@cpuc.ca.gov

Billie C. Blanchard
Energy Division
AREA 4-A
505 VAN NESS AVE
San Francisco CA 94102 3298
(415) 703-2068
bcb@cpuc.ca.gov

Traci Bone
Legal Division
RM. 5206
505 VAN NESS AVE
San Francisco CA 94102 3298
(415) 703-2048
tbo@cpuc.ca.gov

Clare Laufenberg
CALIFORNIA ENERGY COMMISSION
1516 NINTH STREET, MS 46
SACRAMENTO CA 95814
(916) 654-4859
Claufenb@energy.state.ca.us
For: California Energy Commission

Judy Grau
CALIFORNIA ENERGY COMMISSION
1516 NINTH STREET MS-46
SACRAMENTO CA 95814-5512
(916) 653-1610
jgrau@energy.state.ca.us

Robert Elliott
Energy Division
AREA 4-A
505 VAN NESS AVE
San Francisco CA 94102 3298
(415) 703-2527
rae@cpuc.ca.gov

***** SERVICE LIST *****
Last Updated on 26-DEC-2008 by: AMT
A0710005 LIST

Victoria S Kolakowski
Administrative Law Judge Division
RM. 5117
505 VAN NESS AVE
San Francisco CA 94102 3298
(415) 703-3201
vsk@cpuc.ca.gov

Chloe Lukins
Energy Division
AREA 4-A
505 VAN NESS AVE
San Francisco CA 94102 3298
(415) 703-1637
clu@cpuc.ca.gov

Nicholas Sher
Legal Division
RM. 4007
505 VAN NESS AVE
San Francisco CA 94102 3298
(415) 703-4232
nms@cpuc.ca.gov

Jensen Uchida
Energy Division
AREA 4-A
505 VAN NESS AVE
San Francisco CA 94102 3298
(415) 703-5953
jmu@cpuc.ca.gov

Michael Yeo
Division of Ratepayer Advocates
RM. 4103
505 VAN NESS AVE
San Francisco CA 94102 3298
(415) 703-5248
mey@cpuc.ca.gov

***** INFORMATION ONLY *****

Loulena A. Miles
ADAMS BROADWELL JOSEPH & CARDOZO
601 GATEWAY BLVD., SUITE 1000
SOUTH SAN FRANCISCO CA 94080
(650) 589-1660
lmiles@adamsbroadwell.com

Philippe Auclair
11 RUSSELL COURT
WALNUT CREEK CA 94598
(925) 588-9109
philha@astound.net

Jacqueline Ayer
2010 WEST AVENUE K, NO. 701
LANCASTER CA 93536
(949) 645-7193
AirSpecial@aol.com
For: Jacqueline Ayer

Yvonne Baner
43434 BUISNESS PARK DRIVE
TEMECULA CA 92590
(951) 440-6648

Robert Banoczi
GAIL BANOCZI
38275 VIA HUERTA
MURRIETA CA 92562

John Brown
BEST BEST & KRIEGER
3750 UNIVERSITY AVENUE, SUITE 400
RIVERSIDE CA 92502
john.brown@bbklaw.com

Bob & Mary Boem
MARY BOEM, KATHLEEN BOEM
42890 AVENIDA PERRIS
MURRIETA CA 92562

Gregory M. Murphy
BURKE WILLIAMS AND SORENSEN, LLP
444 SOUTH FLOWER STREET, SUITE 2400
LOS ANGELES CA 90071
(213) 236-2835
gmurphy@bwslaw.com

Jennifer Porter
Policy And Outreach Manager
CALIFORNIA CENTER FOR SUSTAINABLE
ENERGY
8690 BALBOA AVENUE, STE. 100
SAN DIEGO CA 92123
(858) 244-1180
jennifer.porter@energycenter.org

CALIFORNIA ENERGY MARKETS
425 DIVISADERO ST. SUITE 303
SAN FRANCISCO CA 94117-2242
(415) 963-4439
cem@newsdata.com

***** SERVICE LIST *****
Last Updated on 26-DEC-2008 by: AMT
A0710005 LIST

Keith E. Card
19050 ALBORADO
MURRIETA CA 92562

Linda Coppola
1311 PAJERO DRIVE
CORONA CA 92882

Susan Davis
37961 CALLE DE LOBO
MURRIETA CA 92562

Donald C. Liddell, Pc
DOUGLAS & LIDDELL
2928 2ND AVENUE
SAN DIEGO CA 92103
(619) 993-9096
liddell@energyattorney.com
For: DOUGLAS & LIDDELL

Mrs. Charles T. Feeney
38835 AVENIDA LA CRESTA
MURRIETA CA 92562

Julie L. Fieber
FOLGER LEVIN & KAHN LLP
275 BATTERY STREET, 23RD FLOOR
SAN FRANCISCO CA 94111
(415) 365-7823
jfeiber@flk.com

Jerry Foster
20047 CORTE FLORENIA
MURRIETA CA 92562

Christine A. Giralдин
40080 VIA CABALLOS
MURRIETA CA 92562

Dick & Jan Harris
JAN HARRIS
38557 VIA MAJORCA
MURRIETA CA 92562

Tally Hoffman
43455 CORONA CALA CAMINO
MURRIETTA CA 92562
(957) 677-0010

Michael & Joann Juha
JOANNE JUHA
PO BOX 1024
WILDOMAR CA 92595

Ed & Gert La Faso
GERT LA FASO
43200 TENAJA RD.
MURRIETA CA 92562
(951) 894-2999

Gayle Larsson
RANCHO CAPISTRANO
17721 RODEO ROAD
LAKE ELSINORE CA 92530-7527

Steve Fulgham
LCPOA
39100 VISTA DEL BOSQUE
MURRIETA CA 92562

Richard Lee
555 BIRCH STREET
LAKE ELSINORE CA 92530

John Lloyd
23164 CANNERY RD.
WILDOMAR CA 92595

Harriet Michlin
38632 VIA MAJORCA
MURRIETA CA 92562-9316

Arthur F. Coon
MILLER, STAR & REGALIA
1331 NO. CALIFORNIA BLVD., FIFTH FLOOR
WALNUT CREEK CA 94596
(925) 935-9400
afc@msrlegal.com
For: Friesen Focus LLC, The Fernandez Trust and Joseph
and Joan Fernandez

MRW & ASSOCIATES, INC.
1814 FRANKLIN STREET, SUITE 720
OAKLAND CA 94612
(510) 834-1999
mrw@mrwassoc.com
For: MRW & Associates Inc.

***** SERVICE LIST *****
Last Updated on 26-DEC-2008 by: AMT
A0710005 LIST

Paul S. Nash
20855 AVENIDA CASTILLA
MURRIETA CA 92562

Annie & Alan Omens
41955 AVENIDA LA CRESTA
MURRIETA CA 92562
(951) 304-9898
annie.omens@gmail.com
For: protest letter

Garry Brown
Executive Director & Coastkeeper
ORANGE COUNTY COASTKEEPER
3151 AIRWAY AVE. SUITE F-110
COSTA MESA CA 92626
(714) 850-1965
Garry@coastkeeper.org

Case Coordination
PACIFIC GAS AND ELECTRIC COMPANY
PO BOX 770000; MC B9A
SAN FRANCISCO CA 94177
(415) 973-4744
regrelcpuccases@pge.com

Kasia Smolen
PACIFIC GAS AND ELECTRIC COMPANY
77 BEALE STREET, MC B9A
SAN FRANCISCO CA 94105
(415) 973-4784
kmsn@pge.com
For: PACIFIC GAS AND ELECTRIC COMPANY

Harold Ramser
AMALIA RAMSER
39100 AVENIDA LA CRESTA
MURRIETA CA 92562

Linda Ridenour
33628 BRAND AVE
LAKE ELSINORE CA 92530
(951) 678-2300
merllr@verizon.net
For: LAKE ELSINORE HISTORICAL SOCIETY

Kevin O'Beirne
SAN DIEGO GAS & ELECTRIC COMPANY
8330 CENTURY PARK COURT, CP32D
SAN DIEGO CA 92123
(858) 654-1765
ko'beirne@semprautilities.com
For: SAN DIEGO GAS & ELECTRIC COMPANY

Kelly Smith
39100 VISTA DEL BOSQUE
MURRIETA CA 92562

Jane Lee Cole
SOUTHERN CALIFORNIA EDISON
2244 WALNUT GROVE
ROSEMEAD CA 91770
jane.lee.cole@sce.com
For: SOUTHERN CALIFORNIA EDISON

Case Administration
SOUTHERN CALIFORNIA EDISON COMPANY
LAW DEPARTMENT, ROOM 370
2244 WALNUT GROVE AVENUE, ROOM 370
ROSEMEAD CA 91770
(626) 302-4875
case.admin@sce.com
For: SOUTHERN CALIFORNIA EDISON COMPANY

Jane Lee Cole
SOUTHERN CALIFORNIA EDISON COMPANY
2244 WALNUT GROVE AVE.
ROSEMEAD CA 91770
jane.lee.cole@sce.com

Dan Matrisciano
Acting Chairman
SOUTHWEST RIVERSIDE COUNTY FIRESAFE
COUN
C/O RIVERSIDE COUNTY FIRE STATION 75
MURRIETA CA 92562
(951) 698-8338

Anne Strum
23863 NUTWOOD WAY
MURRIETA CA 92562

Lori Swingle
38000 VIA BAYA
MURRIETA CA 92562
For: LCPOA member

Phyllis Taylor
27325 VIA CAPRI
SAN JUAN CAPISTRANO CA 92675

David Kates
THE NEVADA HYDRO COMPANY
2416 CADES WAY
VISTA CA 92081
(760) 599-0086
dkates@sonic.net
For: THE NEVADA HYDRO COMPANY

A.07-10-005 VSK/hkr

***** SERVICE LIST *****
Last Updated on 26-DEC-2008 by: AMT
A0710005 LIST

Paul C. Lacourciere
THELEN REID BROWN RAYSMAN & STEINER
101 SECOND STREET, SUITE 1800
SAN FRANCISCO CA 94105
(415) 369-7601
placourciere@thelenreid.com
For: Nevada Hydro Company

William C. Thralls
ANDREA THRALLS
38351 VIA MAJORCA
MURRIETA CA 92562

Jack R. Warren
21285 AVENIDA INSOOK
MURRIETA CA 92562
(951) 894-5001

Bob Winn
21410 AVENIDA DE ARBOLES
MURRIETA CA 92562-9102

Kevin Woodruff
WOODRUFF EXPERT SERVICES, INC.
1100 K STREET, SUITE 204
SACRAMENTO CA 95814
(916) 442-4877
kdw@woodruff-expert-services.com
For: WOODRUFF EXPERT SERVICES, INC.

(END OF SERVICE LIST)