

June 21, 2015

**RE: Liberty Utilities 650 Line Upgrade – Partial Notice to Proceed (NTP) Request
Martis Tap Pole to Brockway Summit, including the Northstar Substation**

Greetings Mr. Rosauer,

Liberty Utilities recently completed permitting under NEPA, CEQA and TRPA jurisdiction for EIS/EIS/EIR level review of the 625/650 Upgrade Project. That review included Liberty Utilities North Lake 60kV Transmission System consisting of proposed upgrades to the 625 and 650 lines, as well as supporting substations to allow for ultimate upgrade to 120kV. As presented in the review and permitting process, this upgrade will occur over a period of time through a phased installation. For the upcoming 2015 summer construction window, Liberty Utilities will be rebuilding the 650 line between the Martis Tap and the Northstar Substation. Additionally, the substation civil work will be completed and the vegetation management will be completed between Martis Tap and the Brockway Summit.

In compliance with the Liberty Utilities 625 650 Mitigation Monitoring Compliance and Reporting Program (MMCRP), please accept this document as Liberty Utilities request for Partial Notice to Proceed with construction and vegetation management for the 650 line between Martis Tap and the Brockway Summit. For reference, a second Partial Notice to Proceed is also being submitted concurrently, under separate letter, for pretreatment of weeds for this same area.

The following information provides the details scope of work as required under the MMCRP.

ACTION REQUESTED FOR THIS PARTIAL NTP

Liberty Utilities is respectfully requesting Partial Notice to Proceed for the line construction work, substation rebuild and vegetation management on the 650 Project from the Martis riser pole to the Brockway Summit. We request this NTP on or before August 1, 2015.

PERMITTING REQUIRED

The following permits are required prior to the issuance of this NTP. Status has been provided for reference:

- Environmental Impact Statement/Environmental Impact Statement/Environmental Impact Report *(Completed)*
- California Public Utilities Commission Permit to Construct *(Complete)*
- U.S. Forest Service Record of Decision *(Pending final Signature - anticipated by June 26th, 2015)*
- U.S. Forest Service (USFS) Lake Tahoe Basin Management Unit (LTBMU) Special Use Authorization *(Not required for this NTP)*
- U.S. Forest Service (USFS) Tahoe National Forest (TNF) Special Use Authorization *(Pending final Approval – anticipated by July 15, 2015)*
- Tahoe Regional Planning Agency (TRPA) Land Use and Development Permit *(Complete)*
- U.S. Army Corps of Engineers Nationwide Permit 12 *(Pending final Approval – anticipated by June 26th, 2015)*
- California Department of Fish and Wildlife Streambed Alteration Agreement *(Application deemed completed, final permit to be issued no later than July 27, 2015)*
- State Water Resources Control Board General Permit for Stormwater and Waste Discharges *(Complete)*
- Lahontan Regional Water Quality Control Board Water Quality Certification 401 *(Pending final approval – anticipated by July 15, 2015)*

CPUC NTP SUBMITTALS

Multiple submittals to the CPUC are required prior to the issuance of the NTP. These submittals primarily show compliance with the above permits, the MMCRP and the Applicant Proposed Measures (APM) and Mitigation Measures (MM). An FTP site has been established for this submittal. All available submittals have been uploaded and are ready for review. A few items are still outstanding. These items will be submitted as quickly as possible.

The layout of the FTP is divided into the following categories to help with site navigation.

- 1_CPUC Submittals APM Tracking Table
- 2_APM Responses outside of Construction Operating Plan
- 3_Construction Operating Plan
- 4_Agency Consultation, Permits & Approvals
- 5_Studies, Surveys & Delineations
- 6_Project Mapping

Please use the APM Tracking table as the guide to explain how each APM will be addressed. The following items will help with FTP site navigation and reference:

- Mapping: The map book has been developed to be printed double sided. The pages provide two views for each page layout. The one on the left side is on a USGS base and includes the right of way and

environmental aspects, and the right side is based on aerial viewpoint and provides the construction details. We are happy to send anything in hard copy for reference.

- Construction Operating Plan: Compliance with the APM and MMs is provided as a written guide for implementation and monitoring. However, it should be noted that the Contractor is required to comply with all applicable AMPs as a requirement of his contract with Liberty Utilities.
- APM Table: is provided in raw word format to allow the Agency to add columns for tracking purposes as desired.

The following items are required for submittal prior to the issuance of the NTP and are either presented in the FTP, or will be shortly as outlined below.

- Mitigation Monitoring, Compliance, and Reporting Program *(Complete)*
- Traffic Control Plan *(Contractor to Complete – will be submitted no later than July 15, 2015)*
- Blasting Safety Plan and Explosives Permit *(Complete)*
- Noxious Weeds and Invasive Species Control Plan *(Complete)*
- Habitat Restoration Plan *(Complete)*
- Cultural Resources Protection, Monitoring, and Unanticipated Discovery Plan *(Complete)*
- Storm Water Pollution Prevention Plan *(In final review – anticipated for submittal by June 26th, 2015)*
- Dust Control Plan *(Contractor to Complete – will be submitted no later than July 15, 2015)*
- Dewatering Plan *(Contractor to Complete – will be submitted no later than July 15, 2015)*
- Hazardous Materials Contingency Plan *(Complete)*
- Timber Harvest/Tree Removal Plan *(Anticipated to be finalized by June 26, 2015)*
- WEAP Training Program *(Substantially complete – anticipated for submittal by June 26, 2015)*
- Final pre-construction notification list and 1-800 compliance hot line *(Substantially complete – anticipated for submittal by July 13, 2015)*
- Up-to-Date biological resource surveys *(Substantially complete. Studies are included in the FTP and will be updated with the recent studies complete immediately prior to construction. To date, no active bird nests have been identified.)*

DETAILS OF THE SCOPE OF WORK UNDER THIS NTP REQUEST

Tri Sage Consulting, acting on behalf of Liberty as their Engineer of Record, has completed the design for this scope of work, consisting generally of the replacement of existing wood poles between Martis Valley and Northstar Substation with steel poles to allow for future upgrade of voltage from 60kV to 120kV. The work includes the line construction between Martis Tap and the Northstar Substation, including the rebuild of the

Northstar line tap to a line fold, the vegetation management from the Martis Tap to the Brockway Summit, and the civil component of the Northstar Substation (with partial equipment installation), and installation of distribution under build, fiber and communication lines.

RIGHT OF WAY DESCRIPTION

The location for performance of work for this NTP is within Nevada and Placer Counties, between Martis Valley and the Brockway Summit in California. The permanent right-of-way width for this project is generally 40' (with an additional 12.5' of temporary construction easement allowed on both sides of the 40' easement for single circuit construction), and 65' feet permanent ROW with no additional temporary easement for double circuit construction. A portion of this alignment has reduced working easement identified as exclusion work zone of a 20' ROW through Martis Valley.

The alignment crosses both public and private lands. All easement and associated land owner details are provided as an appendix to the Project Mapping with specific ROW constraints detailed in the project documents.

This 2015 scope includes two Caltrans crossings of Highway 267 between Pole #291067 and Pole #291068, and Pole #291105 and Pole #291260. Limitations associated with the crossings can be found in the Caltrans crossing permit.

Right of Way access will be primarily overland travel. Detailed review of pole line access has been completed and is included in the project mapping. Additionally, details of roadway / access way improvements are presented in the Construction Operating Plan in Exhibit I.

GENERAL TRANSMISSION LINE WORK DESCRIPTION

Construction will consist of wood pole replacement with self-weathering steel structures. Structures consist in general of direct buried, guyed or self-supporting with concrete foundation structures.

New conductor will be 3 phase, 397.5 AA (Canna) for the 650 circuit and 397.5 AA (Canna) for the underbuild distribution circuit.

The project begins at pole # 291034 at the Northwest section of Martis Valley. The route continues generally south and east through Martis Valley to State Route 267. This area is an approximately 40-acre parcel managed by the US Army Corps of Engineers (USACE).

From the start of project (Pole #291034) to Pole #291039, existing 795AA (Arbutus) conductor on the transmission circuit and existing 397.5AA (Canna) conductor on the distribution circuit will be transferred onto the new structures. This is the only segment of the project where existing conductor will be re-used.

Due to natural resource concerns, the area between Pole #291040 and Pole #291080 has been established as an exclusion zone in which the construction Right of Way is limited to a 20 foot width. Through this area, the contractor will encounter wetland area as well as potential cultural resources. Work will be limited to low impact/disturbance track mounted type equipment (or similar) for pole hole digging, and structure sets via helicopter or low impact equipment. Based on permitting constraints through the 401 Water Quality Certification, equipment in this area will be limited to ground pressure less than or equal to 13psi. As an alternative, matting through the ROW is acceptable. The Contractor will be required to include a detailed description of access through this area in the overall project work plan. The project is currently out to bid. Final means and methods work through this area will be provided to the CPUC as reference. However, all compliance with regard to work through this area should be presented in the Construction Operating Plan found in the Project FTP site.

From Pole #291081, the Right of Way width is 40 feet. Work along this segment of the ROW continues south to Pole #291105. At pole #291105, the right of way heads west towards and into the Northstar Substation. Much of this alignment deviates from the existing alignment. This segment will consist of double circuit line within a 65' ROW. Along this Northstar alignment, the Contractor will be replacing the existing line tap with a new line fold configuration.

VEGETATION MANAGEMENT

Vegetation Management will be required to support this phase of the construction between Pole #291084 and the Northstar Substation. Additional Vegetation Management will be completed if possible up to the Brockway Summit. Work occurring between the Northstar Substation and the Brockway Summit will be limited this year to only vegetation management. This work will be completed under a Timber Harvest Plan. This plan is not currently submitted but will be shortly once completed.

GENERAL SUBSTATION WORK DESCRIPTION

Scope of work under this NTP for the Northstar Substation will be limited to civil and sub grade, installation of disconnect switches, CCVTs and lightning arrestors. This will include all concrete footings, steel structure installations, structure grounding, conduits, vault installation and installation of twelve (12) disconnect switches, six (6) lightning arrestors, five (5) CCVTs and associated grounding mats. Also included are the

primary jumpers from the 60 kV bus to the lightning arresters, CCVT's and the tops of the disconnect switches. Installation of the two (2) breakers and all control wiring and relay panels will be completed in 2016 under separate NTP. Work inside the Northstar Substation will be completed with the substation de-energized with the exception of the 14.4 kV inside of the switchgear building.

DISTRIBUTION UNDERBUILD, FIBER AND COMMUNICATION TRANSFERS

Distribution consisting of 14.4kV, 3 phase 2/0 conductor is currently underbuilt along the majority of the alignment. Contractor will be responsible for stringing new 397.5AA (Canna) wire in the underbuild position. No Neutral is required. Additionally, the Contractor will be responsible for transferring overhead existing tap locations and dip transition structures. The Contractor will also be responsible for restringing new tap locations and installing a new dip transition structure. The Contractor will also reframe existing transformer structures and dip transition structure.

Multiple communication lines exist throughout this line route. Liberty will coordinate with each communication entity with the intent of providing the communication tie overs under the Liberty contractor scope.

OUTAGE AND GENERATOR REQUIREMENTS

The outage coordination for this project will require extensive coordination between the Owner and the Contractor. Once awarded, a detailed review of the Contractor's Execution Plan will be completed with the Liberty Utility Regional Engineer to ensure that outages to customers will be limited as much as possible. Back up generation will be reviewed in detail at that time.

In summary, the outage will consist of the following boundaries:

- The 650 60kV power line will be taken out of service beginning on August 4, 2015 and ending on October 18, 2015.
- The 8600 underbuild distribution line will require sectionalizing during construction as follows: Between Pole #291034 and Pole #291105, the circuit can be de-energized. While this section of the circuit is out of service, the Contractor will be required to provide temporary generation to approximately six (6) locations.

- The 8600 underbuilt distribution line between Pole #291105 and the Northstar Substation will be required to remain in service during construction. A short outage will be taken to support final cut overs.
- The substation construction will be conducted between August 4, 2015 and October 18, 2015. During this time, the substation will be de-energized with the exception of the 14.4 kV inside of the switchgear building.

The rebuilt 650 Line must be energized at 60kV operation no later than October 18, 2015. This date is established based on historic load increases. If not energized by this date, Liberty will be at risk of load shedding and other related outages to customers that are not desired or acceptable. The Project Milestones have also been established based on meeting work window constraints within the Tahoe Basin and under Lahontan Regional Water Quality Control Board limitations.

REMOVALS AND SALVAGE

Removal of all existing structures prior to final energization will be completed, and all associated equipment that will be used for construction along the entire project route will be removed. This will include, but is not limited to: cross arms, insulators, conductor, guy wire, hardware, poles, etc. Pole removal shall consist of cutting the pole approximately 6 inches below grade and backfilling to allow for re-vegetation.

Liberty desires that material removed be re-used or recycled if possible. To support this, Liberty will work with the contractor to inspect all removed material for selection of items that can be re-used within their system. The Contractor shall recycle all conductor. The Contractor is encouraged to find a re-use for the removed poles. All materials that is ultimately determined for final disposal will be completed off-site in an approved landfill site. Staging of all waste material must be completed within proper handling and in compliance of all project APM and BMPs.

ENVIRONMENTAL

Several Applicant Proposed Measures (APMs) and agency required Mitigation Measures (MMs) have been established in accordance with the FEIR permitting process. These APMs and MMs must be adhered to at all times by the Contractor. Within compliance of these environmental constraints, several construction plans have been developed by Liberty. Throughout these plans, reference is made to APMs and MMs. The Contractor will be required to comply with all conditions in each permit, all APMs and MMs that are applicable to the 650 line construction, and all plans developed by Liberty. All construction specific plans that have been

developed are located in the Construction Operating Plan as presented in the FTP. Note that Liberty has the highest expectation of the Contractor to meet all environmental compliance. All personnel working on site will be required to attend mandatory Worker Environmental Awareness Program (WEAP) training. Training will be required prior to entering the ROW. Training will be provided by Liberty’s Environmental Monitoring Team.

MAJOR EVENTS AND POTENTIAL WORK/SCHEDULE CONFLICTS

It is noted herein that the following festivals and events will occur within the project region during the proposed construction timeframe.

- Northstar annual Lake Tahoe Autumn Food & Wine Festival (on property): September 11-13, 2015 (Friday-Sunday)
- Ironman (biking race along 267): September 20, 2015 (Sunday)
- Northstar Village’s Wine Walk on August 29, 2015 (Saturday) and Brew Walk on September 5, 2015 (Saturday)

MONITORING AND QUALITY CONTROL

Liberty Utilities will have environmental biological monitors, and construction quality assurance monitors on site for monitoring of work within compliance with all construction documents and project permits. Liberty has retained Insignia Environmental to verify compliance with the APMs set forth in the EIR EIS and the MMCRP. Additionally, a Telecommunication QA Inspector will be on site during all fiber/communication wire pulling.

SCHEDULE

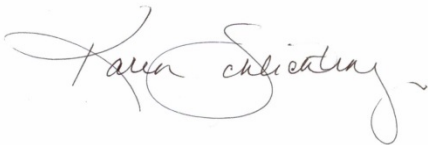
Description	Date*	Comments
Submittal of PNTP Request to CPUC for 650 Line work between Martis and Brockway	June 20, 2015	Work includes Vegetation Management
Submittal of Partial NTP Request to CPUC for Pre-Construction Weed Management	June 20, 2015	Partial NTP will be requested to allow for chemical application to weeds as a pre-construction treatment.
Receive Partial NTP for pre-construction weed treatment	July 10, 2015	
Complete Chemical Application of Weed Pre-Treatment	July 13 – 15, 2015	

All Partial NTP submittals for construction and vegetation management complete and submitted to CPUC	July 15, 2015	
CPUC Partial NTP Received for the 650 Line between Martis Tap and Brockway Summit	On or Before August 1, 2015	
650 Line Outage Begins – Construction Starts	August 4, 2015	During the outage beginning on August 4, 2015 at 7:00a.m, the 650 line between Martis Valley and Northstar will be de-energized.
Construction Complete / 650 line and distribution underbuild Re-Energized	October 18, 2015	All lines will be re-energized on October 18, 2015 at 5:00p.m. at the latest, or earlier if possible.
Site secured with BMP requirements and all equipment removed (contractor de-mobilized)	October 30, 2015	All ground disturbances must be completed no later than October 15, 2015 unless a waiver is obtained from Lahontan Regional Water Quality Control by the contractor.

Please let me know if you have any questions. As the above outstanding submittals are completed, they will be uploaded to the FTP and the CPUC and Dudek Environmental will be notified via email.

Liberty sincerely appreciates the efforts completed to date by the CPUC and we look forward to completing this project within the guidelines established.

Best Regards,



Karen Schlichting, PE
Tri Sage Consulting