

Sean Gallagher, Director Energy Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Dear Mr. Gallagher,

Inland Empire Waterkeeper objects to the Lake Elsinore Advanced Pumped Storage (LEAPS) project proposed by Elsinore Valley Municipal Water District and The Nevada Hydro Corp.

The California Public Utilities Commission states that it is, "...dedicated to ensuring that consumers have safe, reliable utility service at reasonable rates, protecting against fraud and promoting the health of California's economy." The proposed LEAPS project does not meet these standards as listed below:

LEAPS is not a safe source of energy: According to section 3.3.1 of the Draft EIS, the active Elsinore fault zone, the Willard fault, and the Wildomar fault would lie near or at the powerhouse locations and the Lake Elsinore intake pipe. The Elsinore fault is a major part of the San Andreas Fault system. A dam breach at either location (Morrell Canyon or Decker Canyon) would cause overbank flow in San Juan Creek, flooding campgrounds, residences, Ortega Highway and all the way to the ocean. Depths could be as high as 39 feet in some areas and will, "probably cause a loss of human life."

LEAPS is not a source of reliable utility service at reasonable rates: According to section 3.3.2 of the Draft EIS, Lake Elsinore has an unusually high evaporation rate, low annual rainfall, and a relatively small watershed area resulting in a shallow lake for most of the year. The proponents propose to purchase water to stabilize the lake. However, what happens if either files bankruptcy, or (as is becoming ever more likely), there was no imported water to purchase? For a multitude of reasons, this semi-arid area is not a suitable place for a hydroelectric project.

LEAPS is not good for our economy: According to Table 52 of the Draft EIS, the proposed project (both the FERC Staff Alternative and Project Proponent Alternative) would cost nearly \$90 million more annually to operate than the benefits it would generate.

In addition to the obvious financial concerns, we believe that Southern California's largest natural lake, its watersheds, the Cleveland National Forest, and the quality of life for people here will be impaired by the LEAPS project as it is currently envisioned. We have not written off the natural and aesthetic environment of the Elsinore Valley and our national forest, and we hope that the CPUC will not do so.

We urge you to examine the financial, environmental and quality-of-life detriments of this project.

Sincerely,