Mr. Paul Williams, President  
Nevada Irrigation District  
P.O. Box 1019  
Grass Valley, CA 95945

Gentlemen:

Enclosed is the order designated Amendment No. 4, Instrument No. 7, in the above-entitled matter.

Quentin A. Edson  
Director, Office of  
Hydropower Licensing
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Nevada Irrigation District ) Project No. 2266-006
Northwest Power Company, Inc. ) Project No. 8840-000

ORDER AMENDING LICENSE (MAJOR) AND REJECTING
COMPETING APPLICATION FOR LICENSE FOR TRANSMISSION LINE ONLY

( Issued May 24, 1985 )

On April 2, 1984, Nevada Irrigation District (NID) filed
an application for amendment of its license for the Yuba-Bear
Project No. 2266, to construct, operate, and maintain the Bowman
transmission line to be located in Nevada and Sierra Counties,
California. 1/ 2/ The transmission line would connect the Yuba-Bear
project to Pacific Gas and Electric Company's (PG&E) interconnection
system at PG&E's Spaulding No. 3 Powerhouse (Project No. 2310). The
transmission line right-of-way would occupy 31.06 acres of Federal
land in Tahoe National Forest.

On July 3, 1984, notice of the application was published.
All comments, protests or motions to intervene were to be filed
by September 4, 1984. Comments have been received from interested
Federal, state and local agencies, none of which objected to the
issuance of the proposed amendment.

The license for the Yuba-Bear project was issued to
NID on June 24, 1963, for a 50-year term. 29 FPC 1256 (1963).
On December 17, 1982, the Director, Office of Electric Power
Regulation, issued an order amending license, authorizing
construction of two hydroelectric power plants located within
the licensed Yuba-Bear hydroelectric development; one to be
built at the existing Jackson Meadows Dam and the other at
the existing Bowman Dam. 21 FERC ¶ 62,450 (1982).

Authority to act on this matter is delegated to the Director,
Office of Hydropower Licensing, under §375.314 of the Commissi-
July 27, 1984)(to be codified at 18 C.F.R. §375.314). This
order may be appealed to the Commission by any party within
30 days of its issuance pursuant to Rule 1902, 18 C.F.R.
§ 385.1902 (1984). Filing an appeal and final Commission
action on that appeal are prerequisites for filing an appli-
cation for rehearing as provided in Section 313(a) of the Act.
Filing an appeal does not operate as a stay of the effective
date of this order or of any other date specified in this
order, except as specifically directed by the Commission.

DC-A-8
On August 29, 1984, Northwest Power Company, Inc. (Northwest) filed a "Motion to Intervene and Notice of Intent to Submit Competing Application for Transmission Line License." On December 27, 1984, Northwest filed a competing application for license for transmission line only (Project No. 8840-000) over a parallel but not identical route. Northwest's competing application for transmission line does not include a statement establishing Northwest's project to be as well adapted, or better adapted than NID's proposal ("best adapted" statement), pursuant to 18 C.F.R. § 4.33(d)(2). Pursuant to section 4.31(d)(2) of the Commission's regulations, 18 C.F.R. § 4.31(d)(2), (1984), Northwest's application is rejected as patently deficient because of its failure to comply with section 4.33(d)(2). Therefore, authorization to construct, operate, and maintain the proposed Bowman Transmission Line is granted to NID.

PROPOSED FACILITIES

The proposed facilities as described in NID's application filed on April 2, 1984, would consist of a 9-mile-long, 60-kV transmission line to connect the Yuba-Bear Hydroelectric Project (FERC No. 2266) to the Pacific Gas and Electric Company's (PG&E) interconnected electric system at Spaulding No. 3 Powerhouse (FERC No. 2310). The transmission line would transmit power from the Bowman Powerhouse, a part of Project No. 2266, to PG&E's system. The cost of the project is estimated to be about $1,209,000.

Northwest's application raises an issue concerning the propriety of competition with a licensee who wishes to amend its application to include a transmission line that qualifies as a "primary" line under Section 3(11) of the Federal Power Act, 18 U.S.C. 796(11). However, inasmuch as Northwest's application is patently deficient and must be rejected (see Modesto Irrigation District et al. v. FERC § 61,088 (1982)), this issue need not be decided at this time.

On May 6, 1985, Northwest filed a motion to include a condition that would require NID to transmit power from Northwest's Lower Haypress Creek Project No. 6028 and Haypress Creek Project No. 6061, through NID's proposed Bowman transmission line to PG&E's grid. In its January 29, 1985, motion to dismiss Northwest's competing application, NID agreed to include such a condition. NID's proposal has sufficient capacity to transmit the power generated by Northwest's Haypress projects. Such an approach would result in a single transmission line right-of-way and appears to be environmentally preferable. Therefore, Article 68 is being added to the license.
ENVIRONMENTAL CONSIDERATIONS

Section 4(e) Conditions Submitted by the U.S. Forest Service

There are some minor adverse impacts, caused by the proposed project amendment, on geology and soils, water quality, fishery, cultural, and visual resources. The U.S. Forest Service (Forest Service) has provided Section 4e comments that will provide adequate protection for these resources. Section 4e comments are provided in the following articles: Article 69 (Condition 2) requires the applicant to consult each year, with the Forest Service and the U.S. Fish and Wildlife Service, concerning the natural resources in the project area, and file a report on any recommendations made to the Federal Energy Regulatory Commission (Commission) so that changes can be made in the operation of the project; Article 70 (Condition 3) requires a study assessing water quality of the Bear River and the Middle and South Forks of the Yuba River; Article 71 (Condition 4) requires a plan to control erosion, sedimentation, and mass movement; Article 72 (Condition 5) requires a plan for the treatment and disposal of solid waste and waste water during construction; Article 73 (Condition 6) requires a plan for the prevention and cleanup of hazardous wastes and oil; Article 74 (Condition 7) requires a plan for the placement of spoil material; Article 75 (Condition 8) requires a cultural resource survey and mitigation plan if needed, and the reporting of any previously unrecorded archaeological or historical sites discovered during construction; Article 76 (Condition 9) requires a design and construction plan for the preservation and enhancement of visual resources; and Article 77 (Condition 11) prohibits the use of herbicides or pesticides without prior approval of the Forest Service.

Other Environmental Concerns

No Federally listed threatened or endangered species of plants or animals or critical habitat will be affected by the construction and operation of the transmission line.

FINDING OF NO SIGNIFICANT IMPACT

Approval of the application for amendment of license will result in minor adverse impacts to the visual resources consisting of contrasts between the transmission lines, support structures, the corridor, and the natural character of the area. Some minor erosion may occur and some vegetation will be disturbed during construction. The Applicant's proposed mitigative measures, the Forest Service's Section 4e comments, and provisions of the articles incorporated in the original order issuing license will adequately minimize any further adverse impacts.

5/ 16 U.S.C. §797(e)
In accordance with the National Environmental Policy Act of 1969, an Environmental Assessment was prepared on the application for amendment of license for the Bowman Project (FERC No. 2266). On the basis of the record, and Staff's independent environmental analysis, issuance of an amendment of license for the transmission line, as conditioned herein, will not constitute a major Federal action significantly affecting the quality of the human environment.

It is ordered that:

(A) Northwest Power Company's application for license for transmission line only for Project No. 8840-000 is rejected as patently deficient.

(B) Authorization is granted to the Nevada Irrigation District for the construction, operation, and maintenance of the proposed Bowman transmission line, as described in its application filed on April 2, 1984.

(C) Subparagraph (i) of Paragraph B of the license for Project No. 2266 is amended by adding the following:

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<tr>
<th>EXHIBIT NO.</th>
<th>FERC NO.</th>
<th>DESCRIPTION</th>
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<tr>
<td>G-1</td>
<td>2266-339</td>
<td>General Map</td>
</tr>
<tr>
<td>G-2</td>
<td>2266-340</td>
<td>Transmission Line</td>
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<tr>
<td>G-3</td>
<td>2266-341</td>
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<tr>
<td>G-4</td>
<td>2266-342</td>
<td>Transmission Line</td>
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(D) Subparagraph (ii) of Paragraph (B) of the license for Project No. 2266 is amended by adding the following:

Bowman Transmission Line: consisting of a 9-mile-long, 60-kV transmission line and appurtenant facilities to connect the Yuba-Bear Project to the Pacific Gas and Electric Company's interconnected electric system at Spaulding No. 3 Powerhouse of Project No. 2310.

(E) Exhibit G, designated and described in Ordering paragraph (B), is approved and made part of this license.

(F) Article 43 of the license for Project No. 2266 is amended by adding the following subparagraph:

(iii) For the purpose of recompensing the United States for the use, occupancy, and enjoyment of 30.46 acres of its lands for transmission line right-of-way, an amount as may be determined from time to time pursuant to the Commission's regulations.

(G) The following special articles are included in the license for Project No. 2266:

Article 67. The Licensee shall commence construction of the Bowman transmission line within two years of the effective date of this order and shall complete construction of the project within four years from the effective date of the license.

Article 68. The Licensee shall transmit power from Northwest Power Company, Inc.'s Lower Haypress Creek Project No. 6028 and Haypress Creek Project No. 6061 through Licensee's Bowman transmission line to Pacific Gas and Electric's interconnected system at the Spaulding No. 3 Powerhouse, Project No. 2310, upon payment of just and reasonable compensation by the Northwest Power Company, Inc. to Licensee.

Article 69. Each year on or about the anniversary date of this order, the Licensee shall consult with the Forest Service, the U.S. Fish and Wildlife Service, and other agencies deemed appropriate by the Commission with regard to measures needed to ensure protection and development of the natural resource values of the project area. Within 2 months following said meeting, the Licensee shall file a report with the Commission of any recommendations made by these agencies. The Commission reserves the right, after notice and opportunity for hearing, to require changes in the project and its operation which may be necessary to accomplish natural resource protection and development.

Article 70. Within 1 year following the date of issuance of this order and prior to the engaging of any construction or maintenance activity of a land-disturbing nature, the Licensee in cooperation with the California Regional Water Control Board and the Forest Service, shall complete a water quality study to assess the impact of the project on the water quality of the Bear River and the Middle and South Forks of the Yuba River and its tributaries and file the study with the Director, Office of Hydropower Licensing, along with comments from the above agencies. The Director may approve the study or require modifications. If the results of the approved study indicate that changes in project structures or operations are necessary to maintain water quality standards of the State of California, Licensee shall file with the Commission a mitigation schedule for implementing the specific changes in project structures or operations. At the same time, the Licensee shall send copies of the schedule to the agencies consulted.
After 60 days following the filing date, Licensee may commence activities consistent with the mitigation schedule, unless the Director, Office of Hydropower Licensing, instructs otherwise.

Article 71. Within 1 year following the date of issuance of this order, and before starting any construction or maintenance activity of a land-disturbing nature, the Licensee shall file with the Director, Office of Hydropower Licensing, a plan approved by the Forest Service for the control of erosion, stream sedimentation, dust, and soil mass movement.

After 60 days following the filing date, Licensee may commence activities consistent with the plan, unless the Director, Office of Hydropower Licensing, instructs otherwise.

Article 72. Within 1 year following the date of issuance of this order and before starting any construction or maintenance activity of a land-disturbing nature, the Licensee in consultation with the Forest Service and the California Regional Water Control Board shall file a plan for the treatment and disposal of solid waste and waste water generated during construction and operation of the project with the Director, Office of Hydropower Licensing, and the Commission's Regional Engineer in San Francisco, California, or their authorized representative. The plan shall address, at a minimum, the estimated quantity of solid waste and waste water generated each day; the location of disposal sites and methods of treatment; implementation schedule; areas available for disposal of wastes; design of facilities; comparisons between on and offsite disposal; and maintenance programs. The plan shall also contain evidence of agency concurrence.

After 60 days following the filing date, Licensee may commence activities consistent with the plan, unless the Director, Office of Hydropower Licensing, instructs otherwise.

Article 73. Within 1 year following the date of issuance of this order and at least 60 days before starting any construction or maintenance activity of a land-disturbing nature, the Licensee shall file with the Director, Office of Hydropower Licensing, a plan for oil and hazardous substances storage and spill prevention and cleanup approved by the Forest Service.

The plan shall require the Licensee, at a minimum, to maintain in the project area a cache of spill cleanup equipment suitable to contain any spill from the project; periodically inform the Forest Service of the location of the spill cleanup equipment on National Forest System lands and of the location, type, and quantity of oil and hazardous substances stored in the project area; and to inform the Forest Service immediately of the nature, time, date, location, and action taken for any spill.
After 60 days following the filing date, Licensee may commence activities consistent with the plan, unless the Director, Office of Hydropower Licensing, instructs otherwise.

Article 74. Within 1 year following the date of issuance of this order and before starting any construction or maintenance activity of a land-disturbing nature, the Licensee shall file with the Director, Office of Hydropower Licensing, a plan approved by the Forest Service for the storage and/or disposal of excess construction/ tunnel spoils and slide material. At a minimum, the plan shall address contouring of any storage piles to conform to adjacent land forms and slopes; stabilization and rehabilitation of all spoil sites and borrow pits; and also prevention of water contamination by leaching and runoff. The plan also shall include an implementation schedule and maintenance program.

After 60 days following the filing date, Licensee may commence activities consistent with the plan, unless the Director, Office of Hydropower Licensing, instructs otherwise.

Article 75. Within 1 year following the date of issuance of this order and before starting any construction or maintenance of a land-disturbing nature, the Licensee shall file with the Director, Office of Hydropower Licensing, a cultural resource survey and, if deemed appropriate, a mitigation plan approved by the Forest Service. If any previously unrecorded archeological or historical sites are discovered during the course of construction or development of the project, the Licensee shall stop construction activity and consult the Forest Service and a qualified archeologist.

Prior to starting excavation or removal of any archeological resource located on National Forest System lands, the Licensee shall file with the director, Office of Hydropower Licensing, a permit approved by the Forest Service for such excavation or removal.

After 60 days following the filing date, Licensee may commence activities consistent with the plan, unless the Director, Office of Hydropower Licensing, instructs otherwise.

Article 76. Within 1 year following the date of issuance of this order and before starting any construction or maintenance of a land-disturbing nature, the Licensee shall file with the Director, Office of Hydropower Licensing, a plan approved by the Forest Service for the design and construction of the project facilities in order to preserve or enhance its visual character. The plan shall consider facility configurations and alignments, building materials, color, conservation of vegetation, landscaping, and screening. Project facilities include, among other things, the diversion structure, penstock, powerhouse, transmission lines and corridor, and all access roads.
After 60 days following the filing date, Licensee may commence activities consistent with the plan, unless the Director, Office of Hydropower Licensing, instructs otherwise.

Article 77. Licensee shall not use pesticides or herbicides on National Forest System lands for any purpose without the prior written approval of the Forest Service. Each year on or about the anniversary date of this order, the Licensee shall file a pesticide and herbicide use plan approved by the Forest Service with the Director, Office of Hydropower Licensing. Exceptions to this schedule may be allowed only when unexpected outbreaks of pests require control measures that were not anticipated at the time the annual report was submitted. At that time the Forest Service may grant an emergency approval. The Licensee shall, within 1 month, file a copy of this approval with the Director, Office of Hydropower Licensing. Only those materials registered by the U.S. Environmental Protection Agency for the specific purpose planned will be considered for use on National Forest System lands. Label instructions will be strictly followed in the preparation and application of pesticides and disposal of excess materials and containers.

(H) This order is final unless a petition appealing it to the Commission is filed within 30 days from the date of its issuance, as provided in Section 385.1902 of the Commission's regulations, 18 CFR 385.1902 (1983). Failure of the Licensee to file a petition appealing this order to the Commission shall constitute acceptance of this order.

[Signature]

Quentin A. Edson
Director, Office of Hydropower Licensing