

LAKE ELSINORE: Water district turns back on hydroelectric project

By Michael J Williams
For the Californian

Elsinore Valley Municipal Water District will cut its ties to a controversial hydroelectric power project targeted for Lake Elsinore's western shore, board directors decided Thursday afternoon.

The board voted 4-0, with Director Judy Guglielmana absent, to terminate its 14-year-old developer's agreement with Vista-based Nevada Hydro Co., a private firm that intended to develop the project with the district's backing.

Elsinore Valley's action occurred two days after the Federal Energy Regulatory Commission dismissed the water district's and Nevada Hydro's joint application for the Lake Elsinore Advanced Pumped Storage project, which includes a hydroelectric plant targeted for the lake front and a reservoir planned in the overlooking mountains.

The idea was that water from the reservoir could be released during the day to power turbines generating electricity in the plant below and at the same time pump water into Lake Elsinore to keep it at a stable, healthy level. Water would be pumped back up the mountain to restock the reservoir at night when electricity costs are lower.

While opponents to the commission's decision have 30 days to protest, Elsinore Valley's legal advisors recommended terminating the contract now, board Director Phil Williams said.

"Because of the FERC denial, our legal counsel said they can't build it without a permit, so therefore we should terminate the agreement," Williams said. "We will continue to look at legal options one way or the other as this process goes through, but if FERC doesn't give it a permit, there's nothing we can do."

Nevada Hydro spokesman David Kates could not be reached by phone early Thursday night at his office in Santa Rosa.

With the water board's action, longtime opponents of the project had reason to celebrate for the second time in three days.

"Outstanding," said former district board member John Lloyd upon learning of the decision. "That is excellent. I think that's the smartest thing they've done as far as LEAPS goes in many years."

Lloyd, a Wildomar resident, consistently opposed the project through his tenure on the board from 2007 through 2010.

"From my perspective, I finally get some closure out of the whole thing," he said. "There will probably still be a battle in the legal system, but as far as the community having to worry about this as a problem, I think it's pretty much gone."

Linda Ridenour of Lakeland Village, where the plant would have been built, has been another persistent critics over the years. Opponents have accused the district of wasting at least \$4 million in ratepayers' money on studies and legal costs on a project they contended would be a financial and environmental boondoggle.

"Isn't that great?" she said of the board's decision. "Now, we'll finally be able to say, 'Forget that.' Of course, they're going to have to eat the \$6 million or \$4 million, or whatever they've spent. Sometimes it's better not to throw good money after bad."

In addition to building the reservoir in the rugged mountains above Lake Elsinore, the project would have required the installation of a 30-mile power line through the Cleveland National Forest and other natural lands to convey electricity from the plant to the state's energy system.

"It is our forest, and it belongs to the American people," Ridenour said. "A private company shouldn't be able to come along and take our land for profit."

The proposed power line remains under the purview of the California Public Utilities Commission after Nevada Hydro applied for permission to build the transmission conduit potentially as a stand-alone project. That annoyed district officials who say the agency has nothing to gain without the benefits of the lake stabilization.

Ultimately, the disagreement and other differences of opinion between the district and its development partner led federal energy officials to conclude the hydroelectric project was going nowhere.

By law, Williams said, the water district is prohibited from being involved with the power line proposal if it's not going to be connected to the hydroelectric project.

"We can't be involved in lines only, so we had to protect our ratepayers and not be involved with that," he said. "That's why we did the termination."

Williams said he feels bad for the investors who through the years continued to believe in the project.

"Anytime I see anybody invest their life, blood and family wealth into a project and it doesn't go, I feel for those people," he said. "I have empathy for them. There were just a lot of times and circumstances where the dominoes didn't fall the way of Nevada Hydro."