

## **Peabody Trout Creek Reservoir**

August 9, 2012

Dear Interested Party:

Please find enclosed a compact disk that contains two documents regarding the proposed Peabody Trout Creek Reservoir Project ("Project"), including a Pre-Application Document ("PAD") and a Notice of Intent ("NOI"). Peabody Trout Creek Reservoir LLC ("PTCR") is applying for a Federal Energy Regulatory Commission ("FERC") hydropower license for a proposed multi-purpose water storage project in Routt County, Colorado. As the Applicant, PTCR prepared and filed the PAD and NOI with FERC, triggering the formal commencement of the licensing proceeding. The PAD provides FERC and other entities with existing, relevant, and reasonably available information pertaining to its proposed Project to help identify issues, information needs and required studies, and in order to prepare documents analyzing PTCR's hydropower license application.

The proposed Trout Creek Reservoir Project is located approximately 15 miles southwest of Steamboat Springs, Colorado. As presently proposed, the Project would include a proposed dam and reservoir on Trout Creek, a tributary to the Yampa River, which would have a surface area of approximately 385 acres and a reservoir volume of approximately 11,720 acre-feet. Water stored in the reservoir would be used to generate hydropower expected to average approximately one million kilowatt hours per year. Additionally, the reservoir would support residential development, recreation, and fish habitat, as well as provide a source of supply for water to support mining operations in northwest Colorado. The PAD contains additional Project information as well as information regarding baseline environmental conditions at the site, and a preliminary analysis of potential environmental impacts.

The licensing, permitting, and development of the Project will be a lengthy process involving many government agencies and other stakeholders. In the near future, FERC will hold a public meeting in the vicinity of the Project area. The meeting will be announced in local news media. Additionally, interested parties can access the Project website at <http://www.peabodytroutcreekreservoir.com> for project information, including information on future planned public meetings.

PTCR believes that an open and inclusive application development process provides the best outcome for licensing. We appreciate your interest in the Project and look forward to a collaborative and positive Project licensing experience for all stakeholders. Please contact David Merritt, Project Manager with URS Corporation (PTCR's consultant), at [David.Merritt@URS.com](mailto:David.Merritt@URS.com), or call 970-384-4738 to discuss or request additional information.

Sincerely,



Brian Yansen

Director of Real Estate Development  
Peabody Trout Creek Reservoir LLC