

July 26, 2021

Mr. Timothy Konnert Chief – West Branch Division of Hydropower Licensing Federal Energy Regulatory Commission Office of Energy Projects Washington, D.C. 20426

Re: FERC Preliminary Permit for Project No. P14994-000

Little Colorado River (LCR) Pumped Storage Project (PSP)

Subj: Progress Report for First 12 Months – Request to Surrender Preliminary Permit

Dear Mr. Konnert:

Thank you for your letter dated 23 Jun 21 regarding our progress report. As FERC is aware, our company has two preliminary permits for pumped storage projects on the Little Colorado River near the Grand Canyon – the Little Colorado River project (P14994-000) and the Salt Trail Canyon project (P14992-000). We also have a preliminary permit application under FERC review for the Big Canyon project, which we assume has been delayed due to COVID.

Since filing our preliminary permit application for the Little Colorado River project, we have been in contact with Navajo Nation representatives, equipment suppliers, engineering firms, construction companies, potential partners, potential investors, a radio station, reporters, and environmentalists. The Little Colorado River project would involve installing a dam on the Little Colorado River and we realize that the study requirements and eventual environmentalist opposition makes investing resources in this River project a very high risk. For this reason, we wish to formally surrender our preliminary permit for the Little Colorado River project (P14994-000).

The Big Canyon project in comparison will not install a dam on the Little Colorado River and has a much greater likelihood to be accepted by all stakeholders. For this reason, we will focus our resources on this project. Please call me at 602-696-3608 or email me at <a href="mailto:SWIrwin7@gmail.com">SWIrwin7@gmail.com</a> if you have any questions or comments.

With Regards,

Steve W. Irwin

Manager, Pump Hydro Storage LLC

cc: Justin Rundle, PHS LLC