

STATE OF CALIFORNIA  
STATE WATER RESOURCES CONTROL BOARD

In the Matter of Permit 15013	}	Order: WR 75-1
through 15024 Issued on		Sources: Stanislaus River
Applications 11792, et al.,		and Tributaries
CALAVERAS COUNTY WATER DISTRICT,		Counties: Tuolumne, Calaveras,
Permittee.		Stanislaus, and San Joaquin

ORDER GRANTING EXTENSIONS OF TIME, REVOKING  
A PERMIT AND DIRECTING FURTHER HEARING

BY BOARD VICE CHAIRMAN ROBIE AND MEMBER MAUGHAN:

The time to commence construction work under Permits 15013 through 15024 expired on January 1, 1972. Petitions for extensions of time were filed by the permittee on May 12, 1972. A public hearing was held before the State Water Resources Control Board on March 26, 1974, to determine whether extensions of time should be granted or the permits revoked. Permittee and interested parties having appeared and presented evidence, the evidence having been duly considered, the Board finds as follows:

1. The original development contemplated under the subject permits was to be financed entirely by the sale of power. When the permits were issued in 1966, there was no market for the power to be produced by the project and for several years little work was accomplished on the project. The applicant has been negotiating with the Northern California Power Agency, an association of municipal corporations, Sierra Pacific Power Company, Pacific Gas and Electric Company (PG&E),

Sacramento Municipal Utility District (SMUD), and certain individual municipalities for the purchase of the hydroelectric power to be generated at the project (permittee's petitions; files of Application 11792 et al.). These negotiations were not successful partly due to the applicant's failure to obtain a federal power commission license (RT 5).

2. Due to increased energy demands and escalating costs of power developed from fossil fuel, the permittee's prospective power customers have shown new interest in the power benefits of the project. The PG&E has a market for the power to be produced and, if the project is shown to be feasible, is willing to purchase power from the permittee provided its cost does not exceed the costs of power produced by alternative sources of generation (letter of May 15, 1974, from PG&E Vice President, Planning and Research, to permittee). SMUD can use the power produced by permittee's project as the hydroelectric power would complement a base-load facility, such as its Rancho Seco Nuclear Plant, and is interested in contracting for its purchase (letter of May 10, 1974, from General Manager, SMUD, to permittee).

3. The permittee filed a motion for reconsideration of the decision denying its application for a federal power license. If the outcome of the reconsideration is not favorable to the permittee, it will file a new application (RT 59). In February 1973 the Federal Power Commission requested the permittee to file an environmental impact statement (permittee's Exhibit B). On March 20, 1974, the permittee awarded a contract to EDAW, Inc., for the

preparation of the preliminary work on an environmental impact statement (RT 64). The draft environmental impact statement is to be completed about the middle of 1975 while the final environmental impact statement is to be completed about the middle of 1976 (RT 106, 107, permittee's Exhibit F).

4. The permittee is considering alternative projects as well as its original North Fork Stanislaus hydroelectric project (permittee's Exhibit D). A decision cannot be made on which alternative should be constructed until certain information is obtained in the preparation of the environmental impact statement (RT 22, 29). The decision on which project permittee will construct will be made some time late in 1975 when a definitive project report will have been completed (RT 110) (permittee's Exhibit F).

5. Permittee now realizes that power revenues alone will not pay for the project (RT 23). Permittee intends to construct a first-stage water project in the event hydroelectric power facilities are not feasible (RT 40). The permittee has applied for a PL 984 loan from the federal government. There has been delay in such applications due to a review by the Department of Interior of its guidelines for PL 984 loans (letter of April 29, 1974, from Bureau of Reclamation's Regional Director to the Board's Chairman).

6. The permittee has spent \$334,532.33 on work related to the subject permits (RT 14).

7. The project covered by Permit 15014 (Application 12537) is not an integral part of the multi-purpose development covered by the other permits. Also, the project has

a time schedule which differs from that in the other permits. Even if excess revenues were to be generated by a power producing project to finance this separate irrigation project, the time of availability of such funds, and thus the time for the commencement of the project, is too indefinite to warrant further extension of time.

From the foregoing findings it is concluded:

1. That Permit 15014 should be revoked.
2. That the time for commencement of construction under Permits 15013 and 15015 through 15024 should be extended for a further hearing when the draft environmental impact statement is complete, but not later than September 1, 1975. The purpose of this hearing will be to consider whether further time should be allowed for formulation of the details of a definitive project.
3. That the permittee should be placed on notice that if additional time for formulation of details of a definitive project is allowed, as a result of the hearing under paragraph two next above, the Board may later amend the permits to conform with the definitive project and with current conditions. Because the permits were issued nearly 10 years ago, and because there has been neither substantial financial commitment nor commencement of construction as provided in the permits, further hearing, fully noticed with opportunity for protestants to be heard, will be held regarding the definitive project prior to amendment of the permits. Amendments may include conditions to protect the environment based on

the current laws and knowledge regarding the environment, conditions to protect vested rights and the public interest, and new quantity limitations consistent with the project formulated although the availability of unappropriated water will not be an issue.

IT IS SO ORDERED.

Dated: January 16, 1975

We Concur:

W. W. ADAMS  
W. W. Adams, Chairman

RONALD B. ROBIE  
Ronald B. Robie, Vice Chairman

ROY E. DODSON  
Roy E. Dodson, Member

MRS. CARL H. (JEAN) AUER  
Mrs. Carl H. (Jean) Auer, Member

W. DON MAUGHAN  
W. Don Maughan, Member