

October 10, 2017

VIA ELECTRONIC MAIL (Nathan.Fisch@waterboards.ca.gov)

Mr. Nathan Fisch
State Water Resources Control Board
Division of Water Rights – Water Quality Certification Program
P. O. Box 2000
Sacramento, CA 95812-2000

Re: Mitigated Negative Declaration for Pacific Gas and Electric Company's Poe Hydroelectric Project, FERC Project No. 2107

Dear Mr. Fisch:

Pacific Gas and Electric Company ("PG&E") hereby respectfully submits comments on the September 8, 2017 Initial Study Document/CEQA Checklist/Proposed Mitigated Negative Declaration ("MND") issued by the State Water Resources Control Board ("SWB") for PG&E's Poe Hydroelectric Project, FERC Project No. 2107 ("Poe" or "Project"). The MND was prepared in response to PG&E's June 20, 2017 application for a water quality certification ("WQC") for the Project pursuant to Section 401(a)(1) of the Clean Water Act ("CWA") (33 U.S.C. § 1341(a)(1)), in association with its application for new license for the Project currently pending before the Federal Energy Regulatory Commission ("FERC").

PG&E compliments the SWB and its staff on the quality and thoroughness of the MND. PG&E believes that the conclusions it reaches on the extent of the Project's potential impacts under the new license are well documented and generally correct. PG&E offers the following minor comments, revisions, and clarifications on the draft MND.

COMMENTS

A. Page iv (description of "Proposed Project")

PG&E requests that the description of the "Proposed Project" be revised to more fully reflect the fact the Project is an existing FERC-licensed project and that PG&E's proposal before the SWB is for a WQC to continue to operate the Project under a new FERC license, subject to certain new conditions. PG&E suggests that the description of "Proposed Project" be revised to read as follows:

The Proposed Project primarily consists of continued operation of Poe Dam, Poe Reservoir, Poe Powerhouse, Big Bend Dam and Reservoir, and recreation facilities under a new FERC license, as modified by the new license requirements, including United States Forest Service and SWB WQC conditions. The existing Big Bend Dam and Reservoir and existing recreation facilities at Poe Powerhouse, Poe Beach, Bardees Bar and Sandy Beach are not included in the existing FERC license but are proposed to be included in the new license by PG&E, FERC, and other relicensing participants. By including Big Bend Dam and recreational facilities in the Proposed Project, the footprint will increase from its existing 313 acres to 340 acres. Under the Proposed Project, PG&E would continue to operate the facility to provide baseload and peaking power production.

The above revision to “Proposed Project” will make the description more consistent with other references to the Proposed Project in the MND (*e.g.*, at pp. iii, 17, and 31).

B. Page 5, 1st ¶ under § 3.1.2.1 (reference to Hardhead)

PG&E suggests that the sentence referencing Hardhead be revised to read as follows: “Hardhead, a California species of special concern and a Forest Service Sensitive Species, is known to occur in the Existing Project area.”

C. Page 5, 1st ¶ under § 3.1.2.1 (discussion of Sacramento perch)

The sentence discussing Sacramento perch should be revised to reflect the fact that this species has been located upstream in Lake Almanor but has never been documented within the Poe project area. PG&E suggests that the sentence be revised to read as follows: “Sacramento perch (*Archoplites interruptus*), another California species of special concern, is known to occur upstream in Lake Almanor but has never been documented within the Poe project area and has the potential to occur in Existing Project waters if individual fish move downstream.”

D. Pages 6-7, Table 1 (references in Table)

Table 1 (“Fish species known or likely to occur in waters of the Existing Project”) lists Spotted bass, Brown bullhead, and Sacramento perch even though the Table’s footnote indicates that these species were not captured in surveys conducted by PG&E in the Poe project area. According to the footnote, these species were included because they are known to occur in upstream areas “and thus may occur in waters associated with the Proposed Project.”

As noted above, Sacramento perch has never been documented within the Poe project area; the same is true for Spotted bass and Brown bullhead. For this reason, PG&E recommends that these three species be deleted from Table 1. If the SWB elects to retain these three species in Table 1, it should move Sacramento perch to under the “Native Species” heading, since it is native to the NFFR, not introduced.

E. Page 8, 2nd ¶ under § 3.1.2.2 (discussion of foothill yellow-legged frogs)

The sentence discussing foothill yellow-legged frogs should be revised to recognize its various listings. PG&E suggests that the sentence be revised to read as follows:

Foothill yellow-legged frogs (*Rara Boylii*) (FYLF), a California species of special concern, a current candidate for listing as threatened under the California ESA, and a Forest Service Sensitive Species, were documented in several locations in the Existing Project area during 1999-2006 surveys.

F. Page 8, 2nd ¶ under § 3.1.2.2 (reference to American peregrine falcon)

The reference to American peregrine falcon in the first sentence should be expanded to indicate that, while one adult American peregrine falcon was found during the surveys, no evidence of peregrine falcon breeding was observed. PG&E suggests that the following be added at the end of the first sentence: “, although no evidence of American peregrine falcon breeding was observed in the Poe project area.”

G. Page 9, 1st ¶ under § 3.1.5.1 (hydrology)

The second sentence of this paragraph references the fact that a substantial snowpack develops during the winter at higher elevations. For clarity, PG&E suggests that this sentence be modified to indicate that the referenced higher elevations occur outside of the Poe Project’s footprint. PG&E suggests that the following be added at the end of this sentence: “outside of the Poe Project footprint.”

H. Page 21, 1st ¶ under Table 1 (Water Year Type)

The referenced paragraph (Water Year Type) is from Part 1 of Condition 24 of the USFS’ May 28, 2007 Final § 4(e) Conditions for the new license for Poe. That paragraph specifies that the Water Year Type, which establishes the amount of minimum instream flows that must be provided, shall be determined based on the predicted, unimpaired inflow to Oroville and spring snowmelt runoff forecasts “each month from January through May,” which means that the first change in water year type (and hence change in minimum flow releases) can occur in January. However, this is inconsistent with the existing license for PG&E’s upstream Rock Creek-Cresta Project (FERC Project No. 1962), which specifies that the water year type determination (and hence change in minimum instream flow releases) for that project are to be based on forecasts “each month from March through May” (*see* 97 FERC ¶ 61,084 at p. 61,446 (2001)), meaning that the first change in water year type (and hence change in minimum flow releases) can occur in March. Because Rock Creek-Cresta and Poe are operated in series and the minimum flow releases from Rock Creek-Cresta affect the ability of PG&E to provide minimum flow releases at Poe, the determinations of Water Year Types for each project must be based on the same monthly forecasts, with the first change in minimum flow releases occurring in the same month (March). For this reason, PG&E will be discussing with the USFS the need for it to revise Part 1 of Condition 24 to change the reference to months therein from “each month from January through May” to “each month from March through May.”

PG&E also notes that the comparable proposed condition in SWB's June 14, 2017 Draft WQC (Draft Condition 2) is also inconsistent with the Rock Creek-Cresta license, since it specifies that the Water Year Type determinations are to be based on February-May forecasts. While PG&E inadvertently neglected to point this issue out in its July 14, 2017 comments on the Draft WQC, PG&E requests that, as a result of these instant comments, the SWB revise Draft Condition 2 to change the referenced forecast months from "February, March, April, and May" to "March, April, and May."

I. Page 29, 5th full ¶ (riparian monitoring plan)

This paragraph discusses the requirement to develop and implement a riparian monitoring plan included in the FERC Staff Alternative, which requires surveys in years 1-4 and at sampling intervals thereafter to be determined during development of the plan. Draft Condition 11 of the SWB's June 14, 2017 Draft WQC also specified a riparian monitoring plan with surveys conducted in years 1-4, and at five year intervals thereafter.

PG&E believes that conducting surveys in years 1-4 is inappropriate. Because riparian processes are long term and changes occur slowly, it will likely take at least until year 4 to adequately assess change, and annual variability may confound the analysis. PG&E instead recommends an initial baseline-monitoring year following approval of the plan, followed by monitoring every 5 years thereafter. PG&E made this suggestion in its July 14, 2017 comments on the Draft WQC (at p. 10, regarding proposed Condition 11) and will be making a similar comment to FERC. If the SWB decides to retain the requirement of surveys in years 1-4, it should nevertheless modify Condition 11 to specify that surveys in years following the first four years be "in accordance with the FERC Staff Alternative." This change would avoid inconsistent requirements between the FERC Staff Alternative and Condition 11 with respect to the timing of out-year surveys.

J. Page 56, Mitigation Measure GS-1 (approval of Construction Activities by the State Water Board (Turbidity and Total Suspended Solids))

This measure would require PG&E to submit detailed plans outlining all construction activities to the SWB for review and written approval.

PG&E has serious concerns with this measure. Requiring prior SWB review and written approval of detailed plans for all construction activities could hinder the ability of PG&E to timely complete construction activities and therefore put it at risk of being in non-compliance with FERC-imposed construction deadlines. In addition, going through this process for each construction activity would substantially increase costs to PG&E and eventually its customers. Further, it appears that this requirement is unnecessary given other conditions that will be included in the new license. First, Condition 4 of the USFS' May 28, 2007 Final § 4(e) Conditions requires PG&E to consult annually with the USFS on resource measures. It is PG&E's experience that these meetings are attended by stakeholders, including representatives of the SWB, and that upcoming construction projects are identified and measures to address any anticipated environmental impacts from such projects are addressed and agreed upon by PG&E, the USFS, and other stakeholders. Thus, the SWB will have an opportunity to get the type of

measures contemplated by Mitigation Measure GS-1 adopted for each construction project as appropriate as a result of this process. Second, under proposed Condition 8 of the Draft WQC, PG&E will be required to prepare and submit to the SWB for review and approval a Recreation Improvement and Monitoring Plan that must include construction details for all of the recreation improvements to be implemented during the first three years of license implementation. This will provide the SWB with the opportunity to impose the type of measures contemplated by Mitigation Measure GS-1 as to the construction of these recreation improvements, which constitute the bulk of the planned construction activities during the term of the new license. As a result of these two conditions, potential construction impacts would be reduced to less than significant. PG&E therefore requests that Mitigation Measure GS-1 be eliminated.

K. Page 95 (reference to 2nd Cultural Resource Measure)

The description of this measure indicates that PG&E will be preparing a final HPMP in consultation with appropriate federal, state, and local agencies. The SWB may wish to revise this description to reflect the fact that PG&E will also be consulting with interested Indian tribes in preparing the final HPMP.

CONCLUSION

PG&E would like to thank the SWB for the opportunity to submit these comments on the MND and welcomes the opportunity to discuss them with the SWB. If you have any questions regarding these comments and/or would like to schedule a meeting to discuss them, please contact Annette Faraglia at arf3@pge.com or (415) 973-7145 or John Klobas at john.klobas@pge.com or (530) 335-5653.

Respectfully submitted,



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Company

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