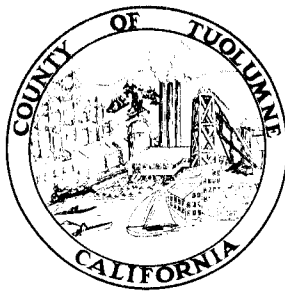


Tuolumne County
Administration Center
2 South Green Street
Sonora, California 95370



TV FERC 2130
Alicia L. Jamar, Chief Deputy
Clerk of the Board of Supervisors

Telephone: (209) 533-5521
Facsimile: (209) 533-6549
www.tuolumnecounty.ca.gov

**BOARD OF SUPERVISORS
COUNTY OF TUOLUMNE**

Elizabeth Bass, *First District*
John L. Gray, *Fourth District*

Randy Hanvelt, *Second District*

Evan Royce, *Third District*
Richard H. Pland, *Fifth District*

June 5, 2012

Richard J. Doble, Sr. License
Coordinator
Hydro Licensing
Mail Code N11C
PO Box 770000
San Francisco, CA 94177

Barbara Evoy, Deputy Director
Division of Water Rights State Water
Resources Control Board
PO Box 100
Sacramento, CA 95812-0100

Re: Request for variance from State Water Resources Control Board
Pinecrest Lake elevation on Labor Day 2012; Spring Gap-Stanislaus
Hydroelectric Project, FERC Project No. 2130.

Dear Mr. Doble and Ms. Evoy:

The Tuolumne County Board of Supervisors shares in the concerns presented by the Tuolumne Utilities District (TUD) in regards to the ability to withdraw water from the Pinecrest Lake Reservoir (see attached letter). TUD provides potable water to residential, commercial, industrial and agricultural customers within the County, a population of approximately 55,000. They do not transfer or import water out of the County or its service area; 95 percent of TUD's water supply is derived from a contract with Pacific Gas and Electric (PG&E) for water delivered from Pinecrest Lake and Lyons Reservoir. There is no other alternative source of water for the community, other than these two reservoirs.

Lyons Reservoir does not provide enough water to sustain the TUD consumptive, recreational and environmental needs in years with low runoff and an early end of spill without early supplemental releases from Pinecrest Lake. TUD is estimating that the end of spill will be similar to 2007, except that this current year is predicted to be drier than 2007. End of spill occurred on June 3, the earliest end of spill on record. TUD implemented a Stage 2 water conservation notice on March 1st, but even with current water conservation in place, TUD will require supplemental water delivery from Pinecrest prior to Labor Day in order to meet basic health and human service needs, including fire protection, within the County.

STATE WATER RESOURCES
CONTROL BOARD
2012 JUN - 8 AM 10:22
DIVISION OF WATER RIGHTS
SACRAMENTO

Mr. Richard J. Doble
Ms. Barbara Evoy
June 5, 2012
Page 2

Due to the severity of the situation and the impact to residents of Tuolumne County our Board supports the request from TUD to the State Water Resources Control Board for variance on lake elevation. Furthermore, it is imperative that action be taken immediately to reduce the potential impact on our residents, as we share in the concern that our County may be in jeopardy of running out of water.

Sincerely,



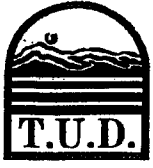
Richard H. Pland, Chairman

cc: Pete Kampa, Tuolumne Utilities District
Kristin Olsen, State Assemblymember
Tom Berryhill, State Senator

I hereby certify that according to the provisions of Government Code Section 25103, delivery of this document has been made.

ALICIA L. JAMAR
Clerk of the Board

By: 



TUOLUMNE UTILITIES DISTRICT

18885 NUGGET BLVD. • SONORA, CA 95370
(209) 532-5536 • FAX (209) 536-6485
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May 11, 2012

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Division of Water Rights
State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812-0100
cc: Les Grober, Assistant Deputy Director
Erin Ragazzi, WQ Cert. Env. Program Manager I
Jeff Parks, WQ Cert. WRCE

Subject: Request for variance from State Water Resources Control Board Pinecrest Lake elevation on Labor Day 2012; Spring Gap-Stanislaus Hydroelectric Project, FERC Project No. 2130.

Dear Addressees:

Purpose

The purpose of this letter is to request an immediate variance from the above-referenced Water Quality Certification. Without the requested variance, the primary drinking water supply of Tuolumne County, and the health and safety of over 55,000 people will be at risk.

Background

The Tuolumne Utilities District (TUD) provides water supply to a majority of the County of Tuolumne, a population of over 55,365. TUD serves potable water within the County to residential, commercial, industrial and agricultural customers. TUD does not transfer or import water out of the County or its service area. Ninety five percent of TUD's water supply is derived from a contract with Pacific Gas and Electric (PG&E) for water delivered from Pinecrest Lake and Lyons Reservoir. TUD has no alternate source of water supply for the community, other than water delivered from these two Reservoirs.

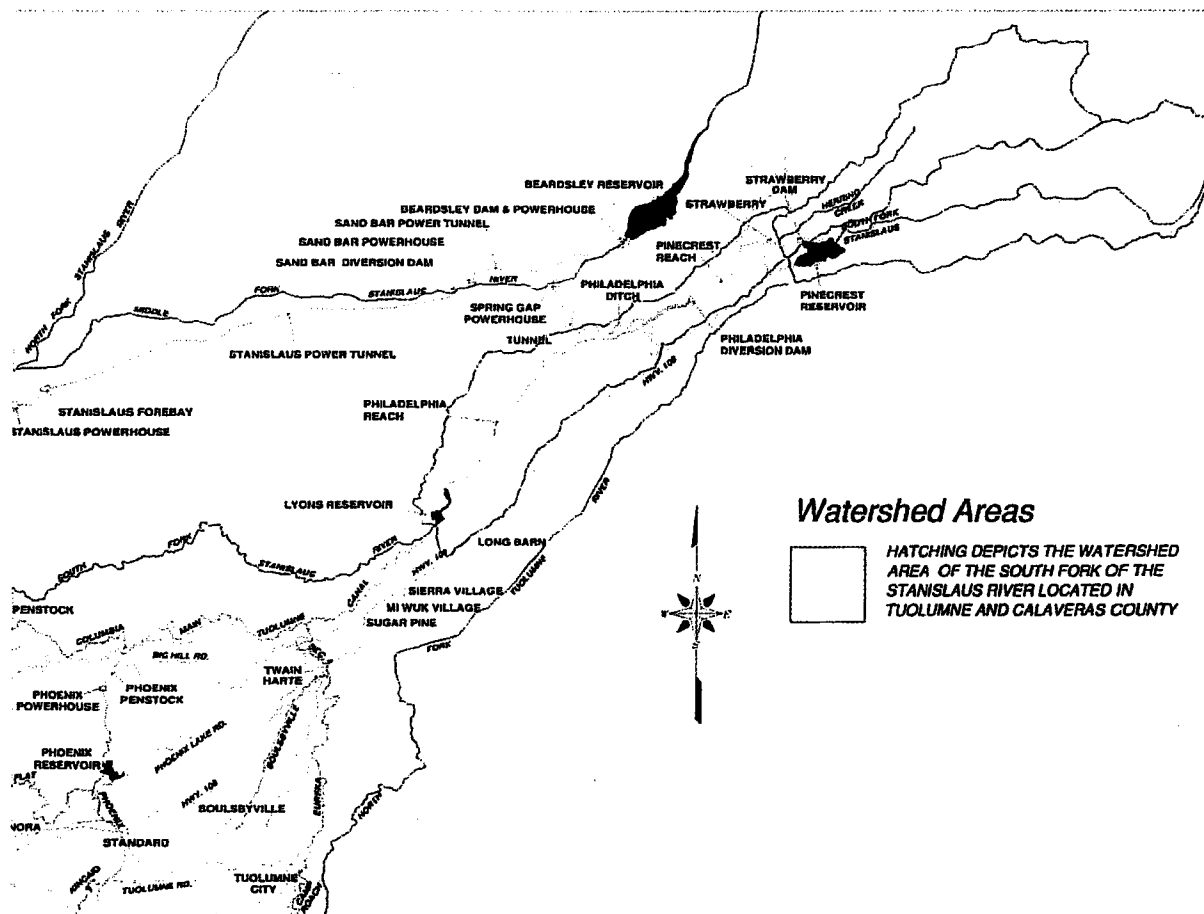
Under the current conditions of the State of California Water Quality Certification for the Spring-Gap-Stanislaus Hydroelectric Project, Federal Energy Regulatory Commission, (FERC), Project No. 2130, Condition No. 4, it states that "...in years that Pinecrest cannot be maintained above target elevation 5,608 feet, water releases during the period from the end of spill through Labor Day shall only be made to meet the minimum stream flow schedule and the Spring Gap Powerhouse demand." Condition #5 outlines that until the state water board issues a decision modifying the target elevation, the licensee may propose modification to condition #4.

Request

TUD is requesting a variance from Condition #4 to allow the withdrawal of water from Pinecrest Lake for domestic purposes between the period from the end of spill and Labor Day. Although this year is not a Critically Dry year, the end of spill timing may be one of the earliest on record and will result in conditions equal to or worse than those experienced in a Critically Dry Year. Even though TUD and its customers are conserving water, without water delivery from Pinecrest Lake, conservation will not be enough to compensate for the unusual early end of spill.

Description of Reservoir Operations

PG&E uses water stored in Pinecrest Lake and Lyons Reservoir for power generation purposes at the Spring Gap and Phoenix Powerhouses. Flow for the Spring Gap Power House is diverted at the Philadelphia Canal from the South Fork Stanislaus River located on the Philadelphia Reach below Pinecrest Reservoir. Water for the Phoenix Powerhouse is delivered via the Tuolumne Main Canal from Lyons Reservoir. TUD receives domestic water through a contract with PG&E delivered via the Tuolumne Main Canal from Lyons Reservoir. During the summer months, hydro-electric power generation water is set to a minimum flow. First TUD receives water from storage at Lyons Reservoir and then later in the summer receives water supplemented from Pinecrest Lake. In normal years, the volume of water in storage in Lyons Reservoir is enough to support domestic supply spanning the time frame between July 1st and Labor Day. An end of spill date earlier than July 1st results in significant water shortages to TUD and the need to receive supplemental water supply from Pinecrest before Labor Day.



Very Dry Conditions

TUD is particularly vulnerable in drought or early snow melt off conditions. The amount of water that can be held in storage in Lyons Reservoir is not enough to sustain the TUD consumptive, recreational and environmental needs in years with low runoff and an early end of spill without early supplemental releases from Pinecrest Lake. The end of spill date at these Reservoirs is predicted to be unusually early similar to what occurred in 2007. The end of spill in 2007 was June 8th and that water year required deliveries of supplemental water from Pinecrest Lake starting in early August. The current water year is predicted to be dryer than in 2007, and TUD will require delivery of domestic supply water from Pinecrest Lake prior to Labor Day even with significant water conservation in place by TUD and all of its customers. This is true even though the current water demand by TUD and its customers is less than it was in 2007 due ongoing conservation and system improvements.

The current snow water content readings from automated gaging stations located near the Pinecrest watershed are some of the driest on record. The May 9, San Joaquin Valley Water Type Index is 2.2. An index of 2.1 or less is considered Critically Dry. Long range weather forecasts do not appear favorable for the remainder of the year and based on these dry conditions, TUD is certain that supplemental water delivery from Pinecrest will be necessary prior to Labor Day. If supplemental water is not available from Pinecrest Lake due to the Certification's minimum lake level restriction, TUD will not be able to meet basic health and human service needs, including fire protection, within the County.

Modified Pinecrest Lake Level

TUD is requesting a variance to condition #4 to allow Pinecrest Lake to be drawn down to 5606.0 feet in elevation at Labor Day this season.

The reason this is necessary is that Lyons Reservoir capacity is too small to support domestic supply for more than 72 days, the time frame between end of spill and Labor Day even with customer conservation. It is predicted that the end of spill this year may be as early as June 1 representing about 92 days between the end of spill and Labor Day this year. The timing of the end of spill further impacts Lyons Reservoir due to the ramp up restrictions listed.

Storage Volume at Lyons

The storage volume at Lyons Reservoir can support domestic supply for about 65 days of normal water usage. With significant water conservation measures implemented, this storage volume at Lyons Reservoir can support domestic supply for about 72 days. An end of spill to Labor Day time frame greater than 72 days results in a water shortage to Tuolumne County unless water is allowed to be drawn from Pinecrest Lake prior to Labor Day.

End of Spill Compared to 2007

The current snow pack and climate conditions are dryer than in 2007. The end of spill in 2007 was approximately June 8th, therefore it is expected that the end of spill will be as early as June 1 this year. This will be the earliest end of spill date since 1974. Without support from Pinecrest Lake prior to Labor Day, Tuolumne County would be out of water for about 20 days.

Ramp up Restrictions

Further impacting this condition is the 'ramp up' restrictions which prohibit changes in river flow rate greater ten CFS per week for withdrawals out of Pinecrest Lake. This restriction impacts Lyons reservoir

as it takes three weeks ramp up time to catch up to the withdrawals out of Lyons during the September time-frame. Therefore, the 'ramp up' must start prior to Labor Day and prior to Lyons falling below a minimum of 1,700 acre-feet of storage.

Pinecrest Lake Level

If Pinecrest Lake is allowed to be lowered to approximately 5606.0 feet, it is estimated Lyons Reservoir could be held to just reach a minimum of 1,200 acre-feet. These forecast figures are based on PG&E curtailing water flow to the Philadelphia Canal for this season, TUD implementing significant water conservation and accounting for current climate and forecast information. Due to the nature of forecasting uncertainties, especially evaluating four months in the future, TUD wishes to express that this planning is respecting the Pinecrest Lake Level as much as possible and leaves little room for error in water supply to Tuolumne County.

Water Planning

In an effort to prevent this water emergency from happening, and at the first signs of a dry year in January, TUD has been working closely with PG&E to reduce flows in the main canal and curtail flows for hydro-electric power generation. The TUD Board also enacted Phase II water conservation on March 1st and TUD and its customers have been effective in reducing water demands significantly and will continue this level of conservation until the fall. However, regardless of all water conservation measures in place, TUD cannot maintain water supply to its customers without supplemental water delivered from Pinecrest before Labor Day.

On December 16, 2011, and pursuant to the provisions contained within the Certification, PG&E requested a modification of the State Water Resources Control Board's minimum lake level restriction. The request outlined what we are currently experiencing, which is an early end of spill in a water year would result in the need for water delivery to TUD prior to Labor Day. If the modified lake level had been approved as detailed in PG&E's request, this emergency request would not be necessary and our community would not be faced with the potential for severe health and safety hardship.


Time is of the Essence

Because of the severe impact to our customers; TUD is requesting a response to this letter by **May 25, 2012**. We would provide more time if we could, but if our request is denied, we will need time to appeal the decision directly to the State Water Resources Control Board.

In Closing

Snow pack and related water planning is unusual this year and validates the rationale used by TUD and PG&E in submittal of the modified lake level request. The need for domestic water for our communities is paramount to the residents, visitors and businesses in Tuolumne County. We request that you grant our request for a lower level in Pinecrest on Labor Day 2012 to 5606. If you or your staff have any questions, need additional information or would like to discuss this matter further please contact me at (209) 532-5536 ext. 480 (office), (209) 770-1545 (mobile) or pkampa@tudwater.com.

Sincerely,


Peter J. Kampa
General Manager