

October 9, 2014 DPG 14-223

Kimberly D. Bose, Secretary Federal Energy Regulatory Commission 888 First Street, N.E. Washington, DC 20426

Subject: Potential Deviation from License Requirements, Project No. 2101-CA

Dear Ms. Bose:

Sacramento Municipal Utility District operates the Upper American River Project, FERC Project No. 2101. We have identified a potential deviation from Condition 1 of the Water Quality Certification, which is described in the enclosed letter. This notification is provided to you as required under Ordering Paragraph (H), Article 401(c), of the July 23, 2014 Order Issuing New License.

If you have any questions or wish additional information, please contact Mr. Dudley McFadden, Supervisor, Hydrology Group, at Dudley.McFadden@smud.org or (916) 732-5953.

Sincerely,

Christopher J. Moffitt

Manager, Power Generation

DM/vh

Enclosure





October 9, 2014 DPG 14-222

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

Subject: Upper American River Project (FERC Project No. 2101) Minimum In-

stream Flow Notification

Dear Ms. Evoy:

Due to the ongoing historic drought, beginning on or around October 23 the Sacramento Municipal Utility District (SMUD) will not, absent additional precipitation, be able meet the Dry year 1 cfs minimum instream flow below Buck Island Reservoir Dam, fixed by Water Quality Certificate Condition 1.B in the FERC license for Project No. 2101. Background on this issue was provided to Mr. Michael Maher of your staff by letter dated September 19, 2014, DPG 14-201 (enclosed). In short, SMUD was unable to store enough water in the reservoir during the spring runoff due to the water right curtailment notice of May 29.¹

Water Quality Certificate Condition 1 states, in part:

CONDITION 1. ...The minimum streamflows specified in the schedules may be temporarily modified if required by... operating emergencies reasonably beyond the control of the Licensee. If the streamflow is so modified, the Licensee shall provide notice to the Commission, USFS, USFWS, CDFW, and the Deputy Director as soon as possible, but no later than 10 days after such incident. The minimum streamflows specified may also be temporarily modified for short periods in non-emergency situations five days after notice to the Commission, and upon approval by the Deputy Director.

¹ On June 23, 2013, Executive Director Thomas Howard, after reviewing correspondence concerning voluntary agreements among SMUD and other entities demonstrating the lack of adverse impacts SMUD's planned water operations would have on senior right holders and the environment, sent SMUD staff an email concluding that said operations (including Buck Island storage) could take place despite the curtailment order. Although SMUD relied on this determination to promptly lower the tunnel inlet gate needed to maximize storage at Buck Island Reservoir, the amount of runoff that could be captured that late in the season was insufficient to fill the reservoir high enough to ensure instream flow compliance. Since sending the letter to Mr. Maher, approximately 1 inch of precipitation fell on September 27, which slightly extended the ability to meet the 1 cfs requirement.



Ms. Barbara Evoy DPG 14-222 October 9, 2014

SMUD construes the inability to store sufficient water due to the historic drought and the attendant water right curtailment to be an operating emergency reasonably beyond its control as the Project No. 2101 licensee, and is providing this notice accordingly.

If you disagree with this construction of Condition 1, please consider this letter a request for your approval to suspend the Buck Island release requirement unless or until future runoff enables SMUD to make or resume making the required release.

SMUD strives to always comply with its streamflow requirements, including during conditions such as this. In the event SMUD is unable to meet the minimum 1 cfs flow, SMUD will bypass the full natural flow into the Buck Island Reservoir until sufficient water is available to resume the prescribed minimum streamflow release at Buck Island Dam. In addition, we will notify you, the Federal Energy Regulatory Commission (FERC) and the other resource agencies listed below as soon as conditions change and SMUD can either meet or resume meeting the Buck Island minimum instream flow requirement.

Lastly, we are notifying the resource agencies listed below via a copy of this letter, and a copy of this letter will also be filed with FERC.

If you have any questions or wish additional information, please contact Mr. Dudley McFadden, Supervisor, Hydrology Group, at Dudley.McFadden@smud.org or (916) 732-5953.

Sincerely,

Christopher J. Moffitt

Manager, Power Generation Department

DM/vh

CC:

Laurence Crabtree, Forest Supervisor Eldorado National Forest 100 Forni Road Placerville, CA 95667

Susan K. Moore, Field Supervisor U.S. Fish and Wildlife Service 2800 Cottage Way, Rm W-2605 Sacramento. CA 95825

Anna Ewing, Senior Environmental Scientist Specialist California Department of Fish and Wildlife 1701 Nimbus Road Rancho Cordova, CA 95670



September 19, 2014 DPG 14-201

Addressees Listed Below

Subject: Notification of Low Natural Flow in Highland/Rockbound Creek

above Buck Island Reservoir, FERC Project No. 2101

Dear Interested Party:

The Sacramento Municipal Utility District (SMUD) operates the Upper American River Project, FERC Project No. 2101. Buck Island Reservoir is a component. This letter is notification that SMUD may not be able to maintain streamflow below Buck Island Reservoir later this year.

In Critically Dry years SMUD is required to notify you 30 days prior to our no longer being able to meet the minimum instream flow requirement below Buck Island Dam. This notification requirement is stated in Condition Number 1 of the Water Quality Certificate and Condition Number 27 of the US Forest Service Section 4(e) conditions² in the FERC license issued on July 23, 2014. Although the project is currently operating under a Dry water year type and in such years we ordinarily have enough water in Buck Island Reservoir to meet the minimum instream flow requirements, as explained in our letter to you dated June 5, 2014 (DPG 14-116), the State Water Resources Control Board, Division of Water Rights notified SMUD at the end of May 2014 that SMUD's water rights were being curtailed due to the historic drought. The curtailment prevented SMUD from timely installing the gates necessary to store all the water needed to meet the instream flow obligation. On June 23, we did receive Division of Water Rights authorization to store water based on agreements we reached with downstream water right holders and concurrence from the California Department of Fish and Wildlife (DFW). Although we were thereafter able to store sufficient water to meet our flow obligations for much of the year, the approval (despite substantial effort from SMUD, the Division of Water Rights, DFW, and the other parties involved) came too late to fill the reservoir sufficiently to ensure all flow releases will be made.

While it is normal to expect rainfall or snowmelt to occur into this reservoir over the next 30 days, there is a possibility that this will not occur. There is no other source of water available to fill this reservoir. We plan to release 1 cfs, no more and no less,

¹ Appendix A, Condition 1, part 1B, pp. 80-81

Interested Parties September 19, 2014 DPG 14-201

until the water level drops to the point where even with the release valve fully open the release will drop below 1 cfs.

The enclosed chart shows a time series of reservoir elevation. One trace is for the fall of 2013 and the other trace is for this year, 2014. The chart depicts the declining water level in the reservoir over time. The chart shows that, presuming no rainfall or snowmelt arrives, over the next several weeks, Buck Island Reservoir water surface will decline below elevation 6,424.7 ft on October 15, 2014. At this level, the fully open outlet valve will be releasing 1 cfs. Below this level, less than 1 cfs will be released. In the event the release falls below 1 cfs, we will comply with the terms of the FERC license and notify you.

If you have any questions concerning this notification please contact Mr. Dudley McFadden, Principal Civil Engineer, at <u>Dudley.McFadden@smud.org</u> or (916) 732-5953.

Sincerely,

R. Joe Davis

Power Generation Regulatory Compliance Program Manager

Enclosure

Addressees:

Laurence Crabtree, Forest Supervisor Eldorado National Forest 100 Forni Road Placerville, CA 95667

Anna Ewing, Senior Environmental Scientist Specialist California Department of Fish and Wildlife 1701 Nimbus Road Rancho Cordova, CA 95670

Susan K. Moore, Field Supervisor U.S. Fish and Wildlife Service 2800 Cottage Way, Rm W-2605 Sacramento, CA 95825

Michael Maher, Environmental Scientist State Water Resources Control Board 1001 I Street Sacramento, CA 95815

Buck Island Reservoir

