SCOPING MEETING KILARC - COW CREEK

HYDROELECTRIC PROJECT LICENSE SURRENDER

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Wednesday, April 10, 2013

Millville Grange Hall Palo Cedro, California 6:00 o'clock p.m.

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Meeting Presented by:

Erin Ragazzi, State Water Resource Control Board Jeff Parks, State Water Resource Control Board

Also Present:

Lauri Warner Herson, Cardno Entrix Ammon Rice, Cardno Entrix Shruti Ramaker, Cardno Entrix Steven Towers, Quercus Consultants Elisabeth Towers, Quercus Consultants

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MS. RAGAZZI: So I would like to welcome everyone this evening. We're here tonight for a Scoping Meeting for the Kilarc-Cow Hydroeletric Project. And we're going to go through some logistics, and then go over some of the handouts, and then we'll hear comment.

So I'm Erin Ragazzi, and I work with the State
Water Resources Control Board down in Sacramento. And a
couple of logistics. You all found seats, or you're finding
seats quickly. If you need to go to the restroom during
this event, feel free to get up and leave, you don't need to
sit there and wait for a break or anything. You go out this
door over here to your left, you turn left, and then
immediately right, and both restrooms are right there.

I'm holding my phone because we all have electric gadgets in our life these days. If you can silence them or turn them off that would be greatly appreciated so we don't have any distractions, that would be great.

And over here to my right we have Cheryl. Cheryl is our recorder this evening. She's here to transcribe what folks say so that we have an accurate representation of the comments that you folks have tonight. So when you come up

to give a comment, please make sure you speak into the microphone right over there at the podium. There is also a mic so that people in the back of the room can hear as well, it's a wireless mic, so you don't have to turn it on or off.

Cheryl has asked that you please, please speak slowly so that she can capture the information that you're saying. And also if you could say your name at the very beginning and spell it, that would be greatly appreciated. I know you guys are filling out some comment cards, but sometimes you can't read people's writings on a comment card, so it would be great still if you could say your name and then spell it out for her.

So there are a few handouts that everybody should have grabbed when they came in. There is three of them actually. First one is an Agenda, what we're going to do tonight, we're going to go through these logistics, and I'm going to handle that. And then I'm going to pass it over to Jeff Parks, and Jeff is going to give a presentation this evening about the Scoping process. And then we're going to open it up to comments for folks. And then we'll be talking about the closing and next steps, next steps being that the draft EIR will be out for public comment, and that will be the next opportunity that folks have to weigh in on this Project.

But tonight we're here to get your actual

comments. So you have the agenda and meeting ground rules. You have an overview of the Project. And then you have this speaker comment card. This is probably the most important one for you to look at right now. So if you know you want to comment already, please fill it out and place it in the basket right over there. If you're not sure if you want to comment, as Jeff is talking and you decide you want to you comment, or at any point in time you decide you want to comment, please fill out this card. And if it is after the presentation, you can slip it to me right over there and we'll give you a cue to provide comments.

So did everyone sign in? Who -- who signed in this evening? Great. Okay.

So we just talked about filling out the speaker card. Depending on the number of folks that want to comment, we may need to limit your comment time. So it is important if you want to comment to put your card over there. If we do limit -- if we do have to limit people's comment time, at the end people talk more quickly or don't have as much to say and, you know, if time allotted at the very end we're more than happy to have folks come back up and provide any comments or thoughts if they have any at the end.

See he's getting ahead of me, he's pressing a button over there.

Okay. So the purpose of the meeting tonight is really to get your comments. So we're going to provide some information just as background, what the purpose of tonight's meeting is to solicit your comments, not for us to get into a huge dialogue back and forth and answer anything more than procedural type of questions. So really we're soliciting your input so that we can prepare our draft Environmental Impact Report.

And to that end, we really want to respect everybody's voice and respect all the speakers, and all points of view are valid. So we really want to hear from you tonight.

And with that, I think I get to turn it over to Jeff.

MR. PARKS: Good evening. I'm Jeff Parks. I think I've seen most of you before. I have been on this Project since the end of 2007, so I was at the Scoping Meeting here for what FERC did. I was at the -- from the roll out of the license surrender application that came out from PG&E, so it's good to still see all of you here.

So tonight, as Erin said, mainly what we're trying to convey tonight is what we're going to be doing in the CEQA process. You know, one of the biggest things about CEQA is transparency and -- and openness. It was designed really to make sure that the public was aware of decisions

that people were making and the impact that those decisions have on the environment. So hopefully I will be conveying that in the right way tonight.

So our mission is to preserve, enhance and restore the quality of California's water resources and ensure their proper allocations and beneficial use for the benefit of present and future generations. I promise I won't be reading all those lines. But just in general, that's -- that's kind of our -- our Mission Statement of the State Water Board.

Just so you know, I'll also be posting this presentation on our Web site afterwards, so you know there are links on here, and I'll make sure to send out a notice. If anybody -- one reason we're asking for everybody's e-mail address back there is we're planning on sending a reminder notice after this meeting that will contain a link to our web site and also a reminder of when written comments are due.

So if you don't know what the State Water
Resources Control Board does, we have authority for both
water rights and water quality. The people that are here
tonight, we're out of the Division of Water Rights. We
happen to be doing a Water Quality Program, but the main,
you know, if you were looking at us structurally we're -we're coming out of the Division of Water Rights assistance.

One of the main things we do when we're making any kind of decisions at the Water Board is protecting and enforcing the different water uses, or sometimes referred to as beneficial uses of water. The -- there is also regional boards. So there's -- there's our State Water Board, and the regional boards. And out of those come descriptions of each watershed and the beneficial uses of the water

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associated with all those.

So a lot of times, especially in a process like this, we end up being the entity that -- that has to balance the different uses of water as opposed to other state and federal environmental agencies that may have a specific fish or water goal in mind.

So why are we here tonight? As most of you are aware, PG&E submitted an application to surrender its hydropower project. That was submitted in 2007, and 2008, 9. And our role in this is that before FERC, the Federal Energy Regulatory Commission, before they can issue any kind of order having to do with these hydropower projects, they first must obtain a 401 Water Quality Certification from the State Water Board. The 401 refers to the section of the Clean Water Act we're using our authority under.

So what comes out of that Water Quality

Certification? Hopefully we are providing conditions that

protect water quality and balance those beneficial uses that

we're discussing, and also considers the existing water rights in the system.

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So the California Environmental Quality Act, CEQA, that's what this Scoping Meeting is really for. This is something -- this is a state law that Reagan actually signed into law when he was Governor. It's what a State Water Board must do before we make any kind of discretionary decision.

And in this case, the discretionary decision is that Water Quality Certification that PG&E applied for from the State Water Board for this Project. In this case PG&E, because it's not a public agency, cannot be the lead agency, which is basically the party that develops the CEQA document. So in this case the State Water Board is the lead. So the State Water Board is the one that's developing this document, and the other parts of that as well. That means that a State Water Board decides what level of review this Project will get.

In our Notice of Preparation we decided that we're going to go to -- straight to an Environmental Impact Report. There is a lot of different levels of review that CEQA can apply to a project. We decided because of the interest in this Project that it was -- it was prudent to go straight to an Environmental Impact Report. And ultimately this -- this report and the decisions that we make based on

this report will reflect the State Water Board's independent judgment.

So one of the things that we'll use this
Environmental Impact Report for is creating what's called
either the CEQA findings or findings of fact. We will be
using the -- the assessment that we made in the
Environmental Impact Report to create our findings of what
we think the impacts on this Project will be, what
mitigation measures may be necessary or may already be part
of the Project. And ultimately that is what we'll use as
our rationale for the Water Quality Certification action
that we will take.

And -- and so, you know, as I just said, if we issue a certification, the conditions that we would put in that certification would be justified by the CEQA findings which are based on the Environmental Impact Report.

The other part of this, and the important part of why we're here, is that FERC must make the conditions in our Water Quality Certification a mandatory part of any order that they issue for this Project. So it's a big responsibility for us in this project and why we're taking this very seriously, because this will become a -- a permanent part of whatever action is taken on this Project.

So that's not to say that we can preempt federal law. We can't change any federal laws, it's additive. But

in many cases California environmental law is more stringent than some federal laws, so a lot of times in these projects we're the ones that are putting the most, you know, the -- the condition that, I don't want to say trumps, that overrides other people's conditions.

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So the -- the Kilarc-Cow Hydroelectric Project itself, I'm not going to go into much details, I think people have seen what the Project actually is. So it's -- it's owned by PG&E. It's a hydroelectric project. It consists of two different developments, that's the Kilarc side on Old Cow Creek, which consists mainly of the diversion off of Old Cow Creek, and the canal structure that leads to the Kilarc forebay and to the -- the actual powerhouse. And the Cow Creek development on South Cow Creek, which is similar in diverting water from Mill Creek and South Cow Creek into a canal structure, and ultimately into the South Cow powerhouse.

So PG&E submitted a license surrender application to FERC. The proposal at this point in the Project that is before us is what PG&E has put in their license surrender application. So at this point that Project is to -- is to remove all generating -- remove all generating -- I want to say appliances, that's not the right word.

MEMBER OF THE AUDIENCE: Infrastructure.

MR. PARKS: Yeah, infrastructure from the

powerhouses, infill the canals, infill the forebays, and to the extent necessary recreate the streams and remove diversion structures. The intent as I take PG&E's decommissioning plan is to, you know, return the Project to -- or return the Project to pre-Project conditions to the extent possible.

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So the development of documents within the CEQA process, when we started this, the State Water Board signed an agreement with PG&E and Cardno Entrix. We selected Cardno Entrix as our -- as our consultant for this Project. It's something that you may not be aware, Cardno Entrix did work on some of the re-licensing studies for this Project. One of the things that we did was we have a completely separate staff from Cardno Entrix working on its environmental documents. Just wanted to make sure everyone was aware of that since it is the same company, we did make sure that there is a complete separation of staff.

Cardno Entrix is the one that did the developing of the documents and writing them, but they're doing it under the sole direction of the State Water Board. The -- the reason PG&E is -- is in this agreement is because PG&E is the one that is compensating Cardno Entrix for the work. But I just want to make sure that's understood the way that works, PG&E is actually paying for the work to be done, but Cardno Entrix is doing all the work under the sole direction

of the State Water Board. 1 In this case I'm the Project manager for this 2 3 Project. And since we're mentioning Cardno Entrix, if I can just introduce some of the Cardno Entrix folks that will be 5 working on the Project. If you can introduce ... 6 MS. WARNER HERSON: I'm Laurie Warner 7 Sure. 8 Herson, I'm the CEQA/NEPA Lead for the water group of Cardno Entrix. So we are definitely separate from the hydro group 9 within the Cardno Entrix company. 10 With me I have Shruti Ramaker, who is a planner 11 and public outreach specialist; and Ammon Rice, who is also 12 assisting in coordinating and managing the Project and some 13 of the logistics, including this meeting tonight. So this 14 is just the core team, we have many more working on the 15 Project. 16 All right. So... yes, Erik. 17 MR. PARKS: I'm sorry, but could you go back a 18 MR. POOLE: slide. 19 20 MR. PARKS: Yes. MR. POOLE: Something you just said is --21 Is there any way you can come up so MS. RAGAZZI: 22 23 Cheryl can capture your thoughts. THE COURT REPORTER: Your name is? 24

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MR. POOLE: My name is Erik, E-R-I-K, Poole,

P-O-O-L-E. 1 Sorry. When the -- Jeff, when you had the 2 previous slide up ---3 4 MR. PARKS: Uh-huh. MR. POOLE: -- you said something about what your 5 understanding of PG&E's intent was with the decommissioning 6 7 Project were to --MR. PARKS: Uh-huh. 9 MR. POOLE: -- to return to pre-Project 10 conditions. I just -- do you --11 MR. PARKS: I understand your concern. MR. POOLE: Can you explain that, or -- or can 12 you tell us what -- is that your agency's assumption? 13 you have a definition of what those pre-Project conditions 14 15 were, or ... 16 MR. PARKS: I don't mean to speak for PG&E in 17 this, I mainly --18 MR. POOLE: Yeah. MR. PARKS: My assumption, and this is my personal 19 20 assumption, not the State Water Board's assumption, is that 21 the Project, when it was agreed to be decommissioned, that part of the understanding from the agencies and the public 22 23 that was involved at that time was that a key part of that 24 was removing the -- all the features of the Project.

maybe pre-Project was not the right term for that. But it

was -- it was the removal and the -- to create a condition 1 where the Project facilities would -- would not be a --2 MR. POOLE: It would obliterated. They're --3 they're going to be gone completely; right? 4 They will be gone, yes. But it's MR. PARKS: 5 to -- it's to create a condition where none of the 6 facilities will be an ongoing liability, or an ongoing -- it 7 would involve any kind of ongoing maintenance on the part of 8 PG&E. 9 Again my assumption of the -- of the -- I don't 10 want to speak for PG&E on the Project or why they made their 11 decision. 12 I believe that's going to be 13 MR. POOLE: significantly different from what the conditions were prior 14 to PG&E licensing this Project with FERC, or starting any of 15 So I just wanted to try to make sure that that 16 distinction is held in mind as we go through this process, 17 18 because it's a -- it's a significant one for all of us that will -- that will still be here, depending on the state of 19 the Project facilities after this, but... 20 MR. PARKS: So that's a good distinction, and I'm 21 sorry if I --22 23 MR. POOLE: I just wanted to get on it before it got down on the record too far, so 24

MS. RAGAZZI:

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And Let's try to hold -- let's try

1 and hold discussion. If we have clarifications --

MR. ALBRECHT: Is the slide show going to be part of the transcript?

MS. RAGAZZI: Yes.

MR. PARKS: Yes.

MR. ALBRECHT: Okay.

MR. PARKS: So this is -- this is from the -- the CEQA guide book that's written, and this is what we use as advise for how we -- how we go about developing CEQA documents.

As I've said, a big part about CEQA is disclosure. It's full disclosure to people making decisions and to the public about what the significant effects of a project activity can be, identifying ways that it can be mitigated or if, you know, there is ways that significant impacts can be avoided, preventing environmental damage with the same kind of ideas with mitigation measures or simple avoidance. Disclosure, again it -- it sounds repeating, but overall it's disclosure, making sure that the public is aware of what's going on, that the decision-makers are aware of what is going on.

And I'm glad you guys are here tonight because a big part of this is making sure that the public participates, and that we do our due diligence to make sure that the public has a chance to participate.

So as we stated, we've decided to already prepare an Environmental Impact Report. We've identified in the notice of preparation what areas we imagined the Environmental Impact Report to cover. Doesn't mean that it's exclusive to that list, we can always add things based on the comments that are made tonight. And it's really designed to identify what those significant impacts may be, and what mitigation measures there can be made to reduce those.

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One thing, you know, we've already identified the alternatives that were presented in FERC's Environmental Impact Statement, we will look at those as well. We'll be evaluating them under the light of CEQA. And one of the things that we will be looking at is looking at how they meet the Project objectives, which at this point the Project of course is what PG&E has asked for, and the feasibility of each alternative. And that final determination will be made when we issue those findings that will be based on the EIR.

The other thing we must do when we -- when going through the process is any comments that are made on the draft EIR, which will be the next step of that, which is we must respond to any comments that are made and basically express how we addressed them in the final EIR.

So this is the real basic order of what's going on. Right now we're collecting oral comments tonight.

There's another approximately two weeks until April 22nd, which is a Monday, when -- that's the deadline for collecting written comments to us. The intent was to, you know, if -- if new things come up after this meeting to make sure there is extra time to be able to send written comments to us.

The next step is hopefully this summer we will be able to issue a draft Environmental Impact Report. That will include a public comment window, usually at least 30 days, if not more. And then as I said, the next step is issuing a final Environmental Impact Report that will address the comments being made in the draft Environmental Impact Report.

MR. ELY: Mr. Parks, I notice in this order of event the word "studies" is not mentioned. Will the State be doing any studies should they be necessary to flush out what the FERC has done.

MR. PARKS: If -- if we find it necessary when we're looking at the information we -- we get from the scoping tonight and from the comments that we receive, we'll evaluate whether we need to do additional studies related to this project. So as I said, the draft EIR will -- will have a -- a public review and comment period.

One thing that we tried really hard to do is the State Water Board will also release a draft of what the

Water Ouality Certification would be at that point, with the 1 2 3 4 5 6 7 8 9 10 11

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draft Environmental Impact Report, so that you can see where we're heading with both the Environmental Impact Report and whatever decision we're -- we're ultimately making. means that you'll have the opportunity to comment on both of those at the same time, which is also the purpose of doing that so that, you know, disclosure, transparency, we want to make sure everyone sees where we're headed and what we're doing. And with all things the State Water Board does, there's -- there's the allowance for Petitions for Reconsideration when we make final decisions.

And so the next step is making your comments tonight and sending any other comments you have to me. said, if you provided your e-mail address I'm going to send all this information around again after this meeting. please make sure you get comments in by April 22nd to me. And also feel free to give me a call if you have any questions about what's going on with this process, or about your comments, or how to submit them. I will do my best to -- to aid in helping you submit comments.

MR. FLETTER: I'm not sure if I'm going to make a verbal comment or a written comment, but there is no address on this at this point on here.

MR. PARKS: If you just want to wait I will be handing out the -- the -- I'm sorry, Laurie has some copies of the Notice of Preparation which has my address on there, so if you need the address to send it to.

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MS. WARNER HERSON: Also, Jeff, we did bring another version of the comment card that has the address at the bottom in case people need that just on the comment card. So -- oh, of course, can you hear me now.

So we do have other comment cards that have the address, and I can provide those if anybody desires to mail them back. Okay.

MR. PARKS: So please see Laurie after. And as I said before, we're going to post this on our web site. I will also send out a notice to everyone who has provided their e-mail to make sure they know where to find that.

After we gather the comments tonight, which are being, you know, transcripted, I'll be working with Cardno Entrix to develop this draft document, and there will be another public comment period. And this is probably not very helpful to try to write down, so when this comes around this will provide a link to our web page. And we also have a subscription-based service that if you go to this site and sign up, whenever we take actions on projects like these we send it to everyone who signed up for this. So if you want to receive anything on these in the future, we highly advise signing up for these -- or I'm sorry, subscribing to this list.

process, the CEQA process? 2 MR. STANTON: Do I need this? Excuse me. 3 mentioned that you were going to be the one taking the phone 4 calls and reading the e-mails. Is it solely you, or do you 5 have a staff that is going to assimilate some of this 6 7 information as well? Well, in one aspect anything you send 8 MR. PARKS: me is public so, you know, I will be working with my manager 9 10 and any other staff that I need to work with at the State Water Board to consider any comments that have been made. 11 Does -- does that answer your question? 12 MR. STANTON: I thought you mentioned that you 13 would take phone calls. 14 MR. PARKS: Yes. 15 MR. STANTON: Did I -- okay. Is -- are you the 16 only one that will take phone calls or will other people on 17 18 your staff take phone calls. MR. PARKS: I -- the reason I would try to take 19 most of them is because I have the most knowledge about what 20 21 has happened on this Project, and other people you talk to may not have the immediate background, but you can speak to 22 anyone at the Water Board. 23 MR. STANTON: You are going to be very busy. 24

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So does anybody have any questions about the

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MR. PARKS: I have talked to people on the phone

before, so I have no problem speaking to anybody on the 1 2 phone. MR. STANTON: Great. Thanks. 3 MR. PARKS: So if there's -- if there's no other 4 questions about the process, we are going to move onto 5 public comments. 6 MS. RAGAZZI: So just want to check really quick, 7 does anyone else want to submit a comment card at this point 8 in time? Okay. Laurie will grab it from you. I'm just 9 10 trying to get a -- does anybody else -- who else thinks 11 they're probably going to want to talk? I'm just trying to figure out a timing here. We can let people filibuster or 12 we can be hard about it. 13 Okay. Okay. We'll go ahead and get started so we 14 can make the most efficient use of the time. 15 Bob Rynearson. And, yes, if you 16 MR. PARKS: could please come over here to the podium, there's a 17 18 microphone there for the transcriber as well, so... 19 20 PUBLIC COMMENT PRESENTED BY BOB RYNEARSON 21 ---000---22 23 MR. RYNEARSON: This might be real quick. 24 Bob Rynearson, I'm land manager with Beaty & Associates, and 25 we're a member of what is known as the German Ditch

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Association which provides water to residences as well as a lot of agricultural uses in the Whitmore area. And I don't even know how much this applies to the EIR, but PG&E several years ago had promised that there -- they had some water rights in that Association, they had promised that they would surrender those rights to the Association, and I just want to make sure that, you know, if they need -- if that needs to be dealt with in the EIR, that that's covered. I'm not even sure if it needs -- needs to be.

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But also we've never really seen anything kind of in writing from them where they deeded over any of those, and so -- and I -- I don't know if you -- if anybody from PG&E is here that has an answer.

MR. PARKS: I don't expect PG&E to answer tonight, but that's my understanding of the disposition of those water rights as well.

MR. RYNEARSON: Okay. So I guess my comment then is to make sure that whatever happens in the EIR whether -- so we don't lose those rights because it didn't get covered.

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MR. PARKS: Kelly Sackheim.

THE REPORTER: Would you spell your name.

MS. SACKHEIM: Yes. S-A-C-K-H-E-I-M.

THE REPORTER: And the first name?

MS. SACKHEIM: Kelly, just Y, K-E-L-L-Y.

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PUBLIC COMMENT PRESENTED

BY KELLY SACKHEIM

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I have been following this process -- I have been following this process since the kick-off meeting in February of 2007. And first and foremost I want to thank the California State Water Resource Control Board, and Jeff Parks in particular, for taking the actions necessary to truly represent the interests of the citizen-stakeholders in a proceedings where other government agencies and special interest groups have been leveraging their resources to obtain an irreversible outcome before all the facts have been considered.

And I wrote everything down so that I could speak a little bit more efficiently, but I'm going to diverge for a moment. I picked up, as Erik Poole did, on the comment about the Project is being viewed in light of PG&E's objective. And, um, while that certainly would be one of the alternatives, I have some background in doing reclamation with mining companies, and under California law for reclamation there are in fact two options.

One is the objective that was expressed by PG&E, which is to attempt to restore a situation to pre-Project

conditions. An equally valid option is to provide for future beneficial use of the resources. And I think in this case, especially where we're talking about an activity that has gone on for over a hundred years and many things have changed around the site, and many stakeholders have come to depend on much of the infrastructure that was established for this particular reason.

Looking at alternatives that compare, PG&E's primary objective was also stated, which is that PG&E not remain liable for the ongoing maintenance of its infrastructure. But at the end of the day, PG&E's broadest goal of license surrender is to be able to walk away from the facility. And we really look forward to seeing alternatives that would provide for the future beneficial use of the resources by the stakeholders.

And as I said, I represent the citizen-stakeholders. And this evening, the Water Board has provided citizen-stakeholders to present the facts that will yield a different outcome, specifically the preservation of facilities that can be put to beneficial new use after PG&E is granted its license surrender by the FERC, instead of the wasteful destruction of facilities and associated opportunities when there is no evidence that alleged benefits will be obtained as a result of the dismantling.

This evening, the Water Board will hear the facts:

No. 1, there are many benefits of preserving specific PG&E facilities that are proposed for destruction.

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No. 2, there are specific plans and entities who are committed to implementing the plans to ensure the benefits of preserving specific PG&E facilities are realized, so the question of feasibility does come into play.

Finally No. 3, the rush to dismantle facilities is unnecessary because there are no certain or immediate benefits, and the dismantling option is not foreclosed by allowing re-use to be attempted to occur first.

Personally I am committed to supporting the preserving of many of the Kilarc Development facilities. I'm not alone. There are many who seek to collaborate in this effort. In fact, there are multiple competing proposals to beneficially re-use the Kilarc Development facilities. These proposals should be evaluated as alternatives to the proposed destruction of the PG&E facilities that is currently recommended by FERC staff.

And I know that Dick Ely and I will be submitting further detail as regards to these alternatives and plans so that they can be evaluated in the Water Board EIR.

The alternative that I propose is several elements that will -- I will briefly outline now, and I'm identifying in part the supporters and what the benefits and the

beneficiaries would be of this particular alternative.

As many people are aware, Dick Ely and I are a small hydroelectric power developers. We also operate sites with a keen interest in protecting and enhancing the natural environment and habitats. And this afternoon we were having a conversation about the habitats that have been created by the infrastructure using the water resource really would not exist without the unnatural infrastructure that's been put in place. It's been 100 hundreds years they've existed.

We started before the beginning, and I'm just going to move talking about the Project elements that we're proposing. It really evolved over the last six years based on our growing understanding of what is the so-called "environmental baseline" for this Project and what the Project could become.

No. 1, there is no reason that would preclude the FERC from authorizing a third party to resume generation of electricity with the same or similar facilities currently used by PG&E. There has been a lot of talk about that alternative being off table. Three megawatts of water could continue to be generated at Kilarc. FERC staff have repeatedly affirmed that PG&E could simply lock the door and walk away and allow a third party to move forward to restore operations, so long as the environmental consequences are deemed acceptable. Power generation is the first beneficial

use of the water for which the Water Board will be providing Water Quality Certification.

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No. 2, Davis Hydro has proposed the implementation of a research facility, utilizing the Kilarc Canal as a laboratory, as well as the buildings to the powerhouse, where valuable learning about anadromous fish could take place, at the same time more fish are propagated. The benefits -- the benefits to anadromous fish would be a beneficial use of the water for which the Water Board will be providing Water Quality Certification.

Finally No. 3, with the collaboration of the Fall River Valley Community Services District, which is having a board meeting tonight so nobody could be present, preliminary permit applications have been submitted to the FERC for the implementation of an open-channel turbines hydroelectric project in the Kilarc Canal that would provide an opportunity for research and development of more efficient and cost-effective turbines that could be replicated worldwide in small channels. The benefits of power generation that may be implemented worldwide using this developing technology would be a beneficial use of the water for which the Water Board will be providing Water Quality Certification.

So these three efforts are complementary. They have committed individuals and organizations that are

prepared to implement them. In addition to the direct benefits that would be derived from new activity, the following benefits of the Project would not be terminated if the facilities were not destroyed as FERC staff currently recommends.

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As most of you know, the Save Kilarc committee was established by the late Glenn Dye. I've seen references in the FERC record as early as 2002 that reflect certain benefits. And when there is discussion about the participants at the time when PG&E's objective was developed in collaboration with an agreement with agencies, the participants were limited. It's not that Glenn Dye wasn't there saying let's maintain it, it's that his voice was not incorporated into the discussion.

Over 700 community members signed one petition to save the Kilarc Reservoir. And as reflected in subsequent petitions, comments, attendance at many meetings, and especially tonight, I'm sure that the community does not want to see the PG&E facilities destroyed.

What would be saved if the facilities were allowed to remain in operation?

No. 1, recreational fishing at the Kilarc Reservoir would be preserved.

No. 2, Kilarc Reservoir would continue to be a source of water for fire fighting and groundwater recharge.

No. 3, habitats that have served a variety of species for over 100 hundreds years would not be destroyed on the speculation that steelhead that have never been observed to ascend Whitmore Falls would miraculously take advantage of the marginal new habitat that would supplement the habitat that existed during the same timeframe, while rainbow trout that could have been a source of population were stocked for over 50 years until it was decided to stock only barren fish that could not corrupt any native population that similarly has never been proven to exist.

I thank you for your attention, and look forward to additional comment from my fellow community members.

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MR. PARKS: Betsy Bivin.

PUBLIC COMMENT PRESENTED

BY BETSY BIVIN

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MS. BIVIN: Hi. My name is Betsy Bivin, B-I-V-I-N.

I know that the EIR is going to be a separate document, but in the EIS I noticed some what I consider to be grave errors, and what appeared to be ground truth wasn't done -- by the way I have a Bachelors in Geography from the University of California at Santa Barbara, with a minor in

environmental studies, and did some EIR and EIS work back in my youth.

My concern was that not enough ground truth was done with the EIS study. I'm hoping with the EIR we'll see more ground truth, people actually out in the field. I would -- I also would hope that possibly the hydrologists, biologists, et cetera, would use the community to help them with their study because we have particular knowledge of things that you may not see in a five to seven day period that we could help point out.

In regards to the EIS, I know that again this is going to be a new document, but, um, the areas of concern I have, that I feel there are some inaccuracies are under geologic and soil resources. In that regard, should Kilarc be -- the infrastructure removed, is the area of effect greater than this Project area itself. In other words, will we see erosion downstream, will that be addressed in the EIR with -- and that would be a hydrologist concern.

The other thing, the water resources, some of their data looked a little bit iffy. In some of the cubic feet per second data that they had just didn't seem to make sense, and they were supposed to -- that was during the draft, and then the final said they were going to re-address it. Well, they didn't.

Fisheries. The Whitmore Falls, I'm not going to

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reiterate to much, but we all know that fish are not going to get over the Whitmore Falls. They never have. never will. And that is a big issue with -- in the EIS. would hope that would be addressed in the EIR.

Botanical resources looked rather iffy again, with biologists out, botanists, maybe do a -- have a -- the community aid and assist in any way we can in pointing out species that might be of interest.

The -- under the wildlife section, oh, sorry, I love the way they address the Mule Deer. Well, it's not Mule Deer, they're Columbia Whitetail.

The other thing is that area in the Kilarc region is a migration area. That I've observed in one day to see 50 deer cross in that region. Nothing was addressed regarding the migration. This is a major migration trail for the Columbia Blacktail Deer.

Also there is a heard of elk. I believe they're Roosevelt Elk, but I could be wrong, I've never seen one, but people have, and they exist up there. And I imagine this is one major, or possible water source, because other people I know have see them in the Miller Mountain region. They weren't -- that was not addressed in the EIS.

Also, raptors, Bald Eagles, I don't know about anybody else, I have see them there feeding off the lake, and Osprey. In the EIS it said this could be mitigated, we didn't see any. Well, they exist.

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Recreational resources, I don't feel that in the EIS they properly mitigated the handicapped access. Kilarc has some of the best handicapped access for people in wheelchairs to be able to go out and fish in this area.

MEMBER OF THE PUBLIC: The best. The best.

MS. BIVIN: It is the best. And I have a nephew that's in a wheelchair and that is where we go, that is where we take him, because he can't get to Grace and Nora, and it is the best. And it was not -- I -- I feel they did not take that into consideration well either.

And lastly, there are some archeological sites that are not necessarily within the scope of this current Project, but that are possibly upstream and downstream. And I went out with an Elder from Redding Rancheria, and on a scale of one to ten they found an area that they called a nine that is off of South Cow Creek road, a major village. My concern is, if we have greater erosion with the taking down of the infrastructure what archeological sites might be impaired. These were from the Yana Tribe, I believe, that went into hiding and they were thought to be extinct, but they weren't.

Anyhow, if you guys would be so kind as to do a better job than the EIS it would be greatly appreciative, because this document was poorly written, poorly studied,

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poorly done in my opinion.

And I thank you.

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MR. PARKS: In general, my suggestion is that if you have information that you feel that is -- will be something that we don't have, please try to submit those to us. We appreciate any information you can give us, and please by April 22nd.

Dick Ely, did you want to speak?

PUBLIC COMMENT PRESENT

BY DICK ELY

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MR. ELY: Thank you, Mr. Parks.

This group is incredibly indebted to you because we have no other voice in Washington. As was previously stated, the EIS on the table done by FERC is -- was appalling, deficient, unbelievably poorly studied, and it's an embarrassing situation. I happen to write the first EIS in the United States a few years ago, quite a few years ago, and I have never seen one as bad as that. I say this with great trepidation because I'm involved currently I think in seven different hydropower projects, and whatever FERC says I have to do. So it is extremely difficult for me to criticize the F-E-R-C, but this is the situation where for

reasons best known to FERC they have done an appalling job in numerous ways.

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The EIS was based on a biological opinion, as we know, and I have commented on that. I would like to resubmit my comments on the biological opinion, if you would be so kind. I think that opinion in itself was deficient, and therefore the staff back in Washington looking that over didn't have much choice but to produce a completely deficient document.

The particular areas I would like you to focus on is a matter of scope. The FERC is completely deficient in addressing a federal scope, even though they're a federal agency supposedly interested in national impacts, national perspective, and yet when you examine their documents they almost categorically never extend beyond the Project boundaries. Project boundaries here are a particular problem, because most of the benefits and most of the impact of this Project are outside of the FERC project boundaries.

Mr. Parks, I ask you as a representative of the State to focus on State impacts, not necessarily the narrow confines of the Project boundary, but rather what happens downstream, upstream, in the air as a result of the substitute generation, the delays and other alternative energy, the temperatures of the water that get washed downstream, and the biology that is affected by the stream.

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As most of you don't know, I'm heavily involved right now in studying genetics and epigenetics, primarily focusing on fish. The primary biologist in this State, who I know very well, Peter Moyle, I asked him, I said Peter, I'm a hydropower developer, I got that tattooed across my forehead, and I talked to Mike and other folks that can't kind of get past that. He said -- I said, with that perspective, Peter, what do I do up here? What can I do -what is the best thing I can do with this Kilarc Project for the fish? And there's probably nobody in this State that knows better than he, unless someone can correct me, and he said Dick there's no way we're going to go back to pre-man. There is no way we can go back to conditions, no way we want to go back to conditions. What we have to do if we are going to support these fish is do the best we can and with what we got assuming humans are here.

Well, I was offended, because like a lot of people we kind of like to have, you know, if we're -- if we're going to do away with this hydropower project we would like to go back to pristine conditions. Well, that's not how he sees it. He sees very clearly that we have to do the best under the conditions of man being in place. And part of that in place, as he pointed out to me, is this Project, because it already exists.

Returning to the biological -- the comment on the

bio-opinion forming the basis, I hope you will extend beyond that and consider outside of the Project boundaries the effects of the Kilarc Project. The temperature of the water is directly affected, it was introduced as physical evidence in the -- in the oral hearings before the F-E-R-C when they came to visit, and very kindly several times it was brought up and presented and completely ignored in their EIS. It's not often in an EIS that you ignore physical evidence. FERC has just done that.

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I request that you not do that, and instead the primary -- a primary impact of this particular site is to inject downstream cold water below the falls where there's a large amount of habitat, where there are multiple anadromous species, and where we need cold water is the limiting factor, one of the major limiting factors in that area, and it's essentially completely ignored in the EIS.

Fire was mentioned. The -- the impact of maintaining those roads, the fire barriers, the availability of water at altitude is essential for maintaining a -- a low level of fire prevalence in the area. Fire makes one hell of a mess in streams and hurts the fish. By reducing the fire prevalence we increase the ability of fish to survive in this area. It would be grateful if that would be -- at least be considered in terms of a -- a thing to be studying.

One of the suggestions that has been made, and I would like to reinforce it just at least for discussion, is that the South Cow is quite different than the Kilarc. The issues are quite different. The valid concerns of the people in the South Cow are essentially completely different than those at the Kilarc.

I submitted to FERC a request that they basically split the issue and come up with a process that allowed the two -- the two different sites to be addressed separately.

I asked that for your consideration as representing the State, or for discussion tonight, there may be -- may be people that object to it, they think it should be handled in one.

I think by bringing the two essentially completely different sites into one venue, we complexify the -- complexify both the discussion, we complexify the -- the fisheries issues, the study issues, and will probably make much more difficult a unified solution that is optimal in both places.

I also asked as part of that in the -- in another filing for the -- for the EIS process to be restarted. I have no interest in complaining about, pounding on the staff back at FERC. It is obviously deadly in my -- in my approach. But for somehow they were given a job of -- of -- of handling the data that was submitted through a

consultant -- or from a consultant on this Project, and they basically did not extend that much. I think that was a major mistake. And I again have asked FERC, and perhaps the State could ask FERC to in effect go back and restart the EIS procedure under the aegis of splitting the Project into two different projects. Giving them a path out of that, I would like to resubmit my request for splitting the Project in half.

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Finally, I hate being negative. I do not like bashing agency people who are doing the best they can under the conditions that they have to work. I think it's highly destructive, and I don't like to do it, and I find myself in a very distasteful position at this moment.

About two years -- in fact according to the date in front of me, over two years ago we submitted what was called the "Kilarc Project" which had to respond to the area limitations of what would you do in the immediate Project area. As Kelly indicated, that -- that included a lot of sort of research and production and various other things in the canal area, research stuff, laboratories going on in the converted transformer building downstream, and a number of other things within the Project area.

Since then we formed what's called the Kilarc Foundation. And we think that the best use of this facility is a compound use to support both the community, the fish,

and have an outreach through the Foundation, nonprofit institution, to do both research, habitat improvements and restoration statewide, with most of the profits of the facility. These I have discussed with a number of people, I believe yourself, sir, and I think we will be submitting more specific details on that as we go along. We're very open to the structure, we've been talking to different organizations that would -- that would handle that.

I am -- I am -- I'm essentially 70 years old, I'm not interested in a project that's going to be going on for many years. I would like to set up an institution that serves the fish, serves the community, and preserves what we got and benefits the statewide from that -- from that facility.

With that in mind, I would like to resubmit an outline of basically the part of that Project that would gone on within the Project. We will expand that into submission within your -- within your 22nd.

Once again, I thank you for being here. And I thank you possibly if you could to pick up the mantle of the State, represent the community again before FERC. Given the job that they have done, I -- I think under your direction and aegis we have -- we have a better chance than FERC has given us.

Thank you very much for your comments and time.

MR. PARKS: David Albrecht.

PUBLIC COMMENT PRESENTED

BY DAVID ALBRECHT

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MR. ALBRECHT: Good evening. My name is Dave
Albrecht, and I'm a land owner on South Cow Creek. The
South Cow Diversion Works resides on our family's property
by right of a deeded easement of 1907.

I have given written comments to Jeff Parks tonight, and there is copies of those comments to PG&E, U.S. Fish and Wildlife, Fish and Game, and the National Marine Fisheries. That's basically two pages of text and seven pages of pictorial documentation on the changes at the dam over the last two years since the FERC EIS issued in August 2011.

By 4-22 I will be submitting additional material concerning issues on the dam removal. This is a very general comment, but a successful outcome to any endeavor is dependent on honest and straightforward description of the issues at hand. The basic criteria for doing this should be that those without firsthand knowledge of any particular area can have a reasonable and true understanding of that area and the issues involved.

Like we've had a lot of documentation up to now. 1 Mistakes happen in all documentation. It is a fact of 2 life. However, failure to identify and hard document those 3 errors and -- and put them on a hard copy checklist as to 4 5 when and how they will be addressed and -- is how mistakes are easily forgotten, swept under the rug, and perpetuated 6 7 into the next process cycle. This is extremely important with respect to areas where physical infrastructure removal 8 will be undertaken. And even more so in those areas such as 9 10 the creeks. 11 I look forward to the CEQA document having such a checklist. 12 13 Thank you. 14 ---000---MR. PARKS: William, is it Fadrell, 15 16 (pronouncing)? 17 MR. FARRELL: Is it Farrell? 18 MR. PARKS: Farrell, sorry. Farrell. 19 PUBLIC COMMENT PRESENTED 20 21 BY WILLIAM FARRELL 22 ---000---F-A-R-R-E-L-L. 23 MR. FARRELL: Okay. I too am glad that you are here. We've been 24 25 going through this for quite sometime. I'm not going to go

into very much detail of what I'd like to be responding to, but I do want you to put a face with the written letter I'm going to be sending you too.

Also my wife and I have 440 acres out there. We have a mile and a half of creek in South Cow Creek. nesting Bald Eagles, and if you doubt they aren't there, I'd would like to show them to you, and I'd be happy to take you on a tour. It's a wonderful spawning area that has lots of possibilities. There's lots of environment there thanks to the Abbott Ditch.

So, I will be sending in a written form here soon.

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MR. PARKS: Matt Myers.

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PUBLIC COMMENT PRESENTED

BY MATT MYERS

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Matt Myers, California Department of Fish and Wildlife, formerly known as the Department of Fish and Game.

So I would like to resubmit our scoping comments so you have them underneath the Fish and Wildlife name. also verbally state that our position hasn't changed. still support the 2005 MOU and the PG&E prepared surrender

application. And we'll be submitting comments on draft EIR.

And any other further comments we will be submitting by mail.

Thanks.

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MR. PARKS: David White.

PUBLIC COMMENT PRESENTED

BY DAVID WHITE

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MR. WHITE: David White with the National Marine Fishery Service. I'm a FERC Coordinator and a Fish Passage Engineer. I have been involved with this Project since 2003. And we have been submitting our -- our thoughts and reviews of the various alternatives that have been filed in this proceeding, and will -- and have resubmitted several of those documents tonight and would ask that they be included in your review process. We will also be filing written comments in response to the EIR and DEIR.

I -- I just want to say, and keep my comments short because we have submitted them in writing, that the National Marine Fishery Service has carefully and thoughtfully reviewed each of the alternatives that were submitted, and I've spoken with some of you at length and am interested in your thoughts and -- and listen as well as I

1 can.

From our perspective, the decommissioning plan is the best alternative for maximizing conservation benefits for anadromous fish. So we also have the same position with respect to anadromous fish that we did when we signed the MOU with PG&E for decommissioning.

Thank you.

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9 MR. PARKS: James Fletter, did you wish to speak?

MR. FLETTER: I just left a document with you.

MR. PARKS: Okay.

Is there anyone else that didn't fill out a card that wishes to speak? No?

MR. RAGAZZI: Yes.

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PUBLIC COMMENT PRESENTED

BY ERIK POOLE

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MR. POOLE: My name is still Erik Poole.

I just have three quick areas that I would like to comment on. One is that I appreciate the State Water Board's reexamination of a no action alternative. And I would like to suggest that, not to get too deep into the logic of what "no action" really means, but I would like to suggest that -- that the Board consider the option of PG&E

locking the door and walking away from the facility, that accomplishes decommissioning which is the object here that we're all trying to do is get PG&E out.

But consider that no action alternative would be either the assumed presence of a new operator, or just a ghost operator that the facility was with going on the way it has been going on, been being operated by PG&E, all other things being equal. That's -- that's the only -- that's the only true no action alternative that I've been able to define for myself in this.

This is -- this is a situation where PG&E is trying to remove itself from a very intricate, both physical, and business, and community situation. So I would suggest that -- that for your Board to consider when you're looking for a no action alternative. I think it also gives the best baseline to compare each and every action that is contemplated by PG&E's decommissioning plan against, because there are myriad of actions in this -- in this decommissioning plan. Some -- some well described, some less well described, some not described and -- and hidden due to several reasons.

My next two comments are sort of on that. The -I would ask the State Water Resource Control Board when
considering scope, to take up fully and completely your role
in the -- in the legal and the law aspects of the State of

California, as well as the environmental impacts, and so -- and water quality side of your -- your Board's mandate.

I think that the community tried repeatedly to get FERC to take up the fact that this Project is in a fully adjudicated watershed, and that there were impacts not only to other parties of the adjudication, but to the adjudication itself that weren't contemplated in PG&E's decommissioning plan. And FERC ignored those and claimed that since FERC is a federal body, and that's a California legal issue, they couldn't touch it. It -- it must be considered, and it will be considered one way or another either by the Court's alone, or by the Water Board and the Courts together.

That adjudication was created at the behest of the community, and the behest of the State Water Board. The community had problems with water use, the Water Board had to deal with it over and over. The Water Board said, hey, this thing has got to get adjudicated. You wrote a water use and supply report that informed that adjudication, and the adjudication stands today. It's -- it's part and parcel of your Board, it's part and parcel of -- of how this watershed needs to be managed. And it is the fundamental agreement between the community and the -- the water -- among the community and the agencies and the State at this point. So please do not -- do not miss this opportunity to

1 bring it fully into scope, consider it at this point.

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The other thing about scope, this was brought up with FERC, and FERC also seemed to ignore this, foreseeable impacts from the proposed decommissioning plan should be considered, not just those impacts that are listed within the decommissioning plan. So there are very simple foreseeable impacts to the -- to the actions contemplated in the decommissioning plan.

For instance, if you no longer divert water from Old Cow or South Cow, all of the environment along the existing canals, around the forebays, any tailrace is significantly impacted. Any use of any of that water that's ongoing now is significantly impacted. FERC severely restricted their scope on this and didn't consider the fact that several hundred acres on the South Cow Project, or adjacent to the South Cow Project area would be severely impacted by the -- the actions considered in the decommissioning plan as it's written.

So those were my three points. And I will also submit further comments in writing before your deadline.

Thank you again for being here today.

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MR. PARKS: All right. Is there anybody else that wishes to speak?

We'll, if that's the case, then I think we're

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going to close this meeting. Again, I highly suggest that if anybody has any information that they feel was not included, or that we just don't have, please submit it to us. Feel free to call me. I'm very open to helping anyone provide information to us if they're having trouble. And I will enjoy seeing everybody's comments on the 22nd.

And thank you all for coming tonight.

(The meeting was adjourned at 7:20 p.m.)

1	STATE OF CALIFORNIA)
2) ss.
3	COUNTY OF SHASTA)
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7	I, CHERYL K. SMITH, Certified Shorthand
8	Reporter, do hereby certify:
9	
10	That I acted as such Shorthand Reporter in the
11	above-entitled matter; that I took down in shorthand notes
12	the proceedings given and had at said time and place;
13	
14	That I thereupon caused my stenographic notes to
15	be transcribed by computer-assisted transcribing, and that
16	the foregoing 49 pages constitute a full, true and correct
17	transcript thereof.
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19	DATED: April 22, 2013.
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23	- CHLISTE
24	CHERYL K. SMITH, CSR 5257
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