



TUOLUMNE UTILITIES DISTRICT

18885 NUGGET BLVD • SONORA, CA 95370
(209) 532-5536 • Fax (209) 536-6485
www.tudwater.com

DIRECTORS

James Grinnell
Kent R. Johnson
Ronald D. Kopf
John Maciel
Ron W. Ringen

April 13, 2015

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

RE: Response to Mitigated Negative Declaration for Pacific Gas and Electric Company's Pinecrest Lake Level Modification Project

Dear Mr. Parks:

On behalf of the Board of Directors of the Tuolumne Utilities District (TUD) and the 44,000 residents of Tuolumne County, we would like to express our strong support for the Mitigated Negative Declaration (MND) that examines Pacific Gas and Electric Company's (PG&E) Pinecrest Lake Level Modification Project (Project). The Project proposes that PG&E be allowed to lower the surface elevation of Pinecrest Lake, until and including Labor Day each year, from the current minimum elevation of 5,608 feet to a range of minimum elevations between 5,606 feet and 5,600 feet, depending on the water year type as defined in the existing certification.

TUD would like to thank PG&E and the State Water Resources Control Board (SWRCB) for their efforts and time for completing this important MND for the Project. TUD strongly supports both the Project and the MND because we believe the Project strikes a fair balance between the community's needs for recreation, the tourism that it brings to the County, and the consumptive needs of our water supply for our treated water customers and agricultural users. In addition to those discussed in the MND and the request to modify the lake level, there are additional reasons why the SWRCB should approve the MND and the Project it supports as written.

Why Had TUD Requested this Change?

There are several reasons that, through PG&E, TUD has requested a change to the Lake Level at Pinecrest Lake. The first and most noticeable reason is climate change. Just in the past five years we are seeing a striking change to the snow levels in the Sierra Nevada region. It is apparent that the elevation of the snow pack is moving to much higher elevations. The higher snow pack influences how we prepare our hydrologic models for water forecasting, which includes an examination of End of Spill at Lyons Reservoir, and which ultimately determines how we operate our system. "End of Spill" is a point in time that occurs after the snow has melted and flow in the Stanislaus South Fork River has subsided to where the flow out of Lyons exceeds the flow into it. Lyons Reservoir, when filled to a maximum capacity, has only 65 days of supply for the current TUD system. In the last 15 years, the average End of Spill date was June 29th. The years 2012 and 2014 had dramatically early End of Spills at June 11th and June 1st, respectively. Today, 2015 it appears that an even more dramatically early End of Spill will occur. We are currently unable to predict if the End of Spill will occur at all. Due to occurring climate change however, we are seeing earlier snow-melt conditions take place which is

creating a longer time span between the End of Spill and Labor Day. The longer time span means TUD must rely for a longer period on water just from Lyons. As noted above, because Lyons only holds a maximum of 65 days' worth of supply for TUD, TUD could run out of water in August if Lyons cannot be supplemented with water from Pinecrest. We must expect that these conditions will continue or worsen in the coming years. During these "early End of Spill" water year types, TUD would likely need to draw water from Pinecrest Lake prior to Labor Day.

Another reason for the request is demand. In our community there are over 135 existing water companies. Most of these companies rely on groundwater. The County has already seen over 140 well failures in our community impacted by the fourth year of the drought. TUD is supporting these customers, who have no other water source, by partnering with the County and allowing water to be hauled to them. The District is also trying to connect these homes to our existing system wherever possible. TUD expects that many of these homes will stay on TUD's system, and smaller community water companies will also need the support of surface water supply in the future.

TUD Past and Future Operations

As a water supplier, TUD believes it must take steps to be absolutely sure that it can deliver water to all of its customers in all water year types. Therefore, we make realistic conservative assumptions and estimates when we are creating our hydrologic models. In the past few years, through PG&E, TUD has had to request a modified lake level for Pinecrest Lake because TUD simply could not be sure it could provide a reliable water supply for 44,000 residents and maintain the existing Pinecrest level of 5,608 on Labor Day. Due to significant operational changes by both PG&E and TUD, TUD did manage to maintain water deliveries and a high lake level, but making these changes is not a long-term solution when minor changes to the lake level requirements can be made with minimal and fully mitigatable impacts. Even with the ability to reduce the lake level below 5,608, TUD has and will continue to support the recreational values of Pinecrest Lake by keeping the lake as high as possible on Labor Day while maintaining water deliveries. Considering the long term nature of this permit, the District needs the operational flexibility to meet the future needs of all of its customers and the recreational interests at Pinecrest Lake.

In addition to providing greater water security to TUD and its customers, it is worth emphasizing that a minimally reduced lake level will enhance some of the recreational needs at Pinecrest. By implementing the mitigation measures that are outlined in the MND document, the beach area will be increased, thus reduce crowding that is currently experienced on the beach area on a busy weekend during the summer.

We would like to thank the State Board and staff for developing a balanced approach to the lake level at Pinecrest. TUD believes that the MND meets all the requirements of CEQA and more than adequately address the minimal impacts of the Project.

Sincerely,



Thomas L. Scesa
General Manager

CC: TUD Board of Directors
Richard Doble, PG&E