

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

* * * * *

POTTER VALLEY PROJECT

DOCKET NO. P-77-285

* * * * *

Ukiah Valley Conference Center
200 South School Street
Ukiah, California 95482
Wednesday, June 28, 2017

The above entitled matter, came on for public
meeting, pursuant to notice, at 9:00 a.m.

MODERATOR: JOHN MUDRE, FERC

1 P R O C E E D I N G S

2 (9:00 a.m.)

3 MR. JOHN MUDRE: Can everybody hear me now? I
4 apologize for the delay. My name is John Mudre. I'm on the
5 staff of the Federal Energy Regulatory Commission. I want
6 to welcome everyone for coming. Thank you for coming today.

7 We are here for what's called a scoping meeting
8 and we want to hear what you people think are the important
9 issues. Next to me is Alan Michnick. He's a wildlife
10 biologist with FERC. And as you signed in, that's Carolyn
11 Clark, and she's with the Office of General Counsel.

12 So, we're with the Federal Energy Regulatory
13 Commission. It's an independent regulatory agency,
14 five-member Commission. Usually, supposedly, but right now
15 we only have two Commissioners and as of June 30th, we'll be
16 down to one, but several people have been nominated for
17 these positions, but they haven't been confirmed yet.

18 These Commissioners are appointed by the
19 President, confirmed by the Senate, and the President
20 designates who the Chairman is. So the Federal Energy
21 Regulatory Commission regulates electric power, natural gas,
22 oil pipelines and federal hydroelectric projects.

23 The hydropower program consists of three parts.
24 We have the licensing route, which is us. We have a
25 licensing administration and compliance group that, once a

1 license is issued, they ensure that all of the various
2 conditions of the license are followed. And then we have a
3 dam safety program that is independent of licensing that
4 ensures public safety at the various FERC licensed projects.

5 We're here today to identify potential
6 environmental effects, issues, concerns and opportunities
7 associated with relicensing of the Potter Valley Project,
8 and any alternatives. We want to identify information and
9 study needs we use to develop operational and environmental
10 recommendations.

11 So we want to talk about existing conditions at
12 the Project, resource management objectives, existing
13 information, study needs, the process plan for the
14 relicensing and the cooperating agency status.

15 Our agenda for today -- I'm going to give a
16 brief introduction about the licensing process, then PG&E is
17 going to provide a brief description of the Potter Valley
18 Project, status of the proceeding, and then we get to the
19 important part, which is to get the agency and public
20 comments. And then we may discuss other issues after that.

21 So I think everyone is signed in. We have
22 sign-in sheets. We have a court reporter over here. His
23 role is to make transcripts so we have an accurate record of
24 people's comments and the transcripts will be available on
25 the Commission's website in a couple of weeks, or if you

1 need them sooner, you can speak with the court reporter.
2 Before you speak, you should say your name for the court
3 reporter and if it's one that's difficult to spell, maybe
4 spell it for him, so we can get it accurately into the
5 record.

6 This relicensing process is going to be
7 conducted using the Integrated Licensing Process, ILP. It
8 was created in 2003 and it's the default process for
9 relicensing. It was designed to identify issues early on
10 and develop the studies necessary to provide the information
11 needed to issue the license. And the process has
12 established timeframes, which can be annoying because
13 sometimes they're pretty short.

14 This box shows basically the eight different
15 steps in the process. I'll speak briefly about each one.
16 The PG&E filed their Notice of Intent to relicense the
17 Project and the PAD on April 6th. The PAD, the
18 Pre-Application Document, identifies and contacts potential
19 stakeholders, gathers available information and again, then
20 the applicant files a Notice of Intent and PAD and all of
21 that's already been done.

22 The purpose of the PAD is to bring together all
23 existing relevant and reasonably available information about
24 the Project. It provides the basis for identifying issues,
25 data gaps and study needs. And it's in the form of a NEPA

1 document and it serves as the foundation for future
2 documents.

3 Then the next step in the process is scoping and
4 this is a requirement of NEPA, the Natural Environmental
5 Protection Act. So we hold scoping meetings early within 90
6 days of the NOI and PAD being files. There's a process plan
7 in the PAD and it can be refined to integrate other agency
8 processes and milestones.

9 So the purposes of scoping is to identify
10 significant issues for analysis, to identify resources that
11 may be cumulatively affected, to identify reasonable
12 alternatives for analysis, and to identify issues and
13 resources that don't really require detailed analysis.

14 Our NEPA documents, we have different categories
15 for resource issues and I'll just mention, there's a lot
16 more detail in Scoping Document 1, which should have been
17 sent to everyone. There are some copies in the back. And
18 it's also available on our FERC website. I'll mention that,
19 too, that we have some handouts in the back about how to
20 file comments, a little bit about the process, the licensing
21 process, and some other information related to electronic
22 communications.

23 But getting back to the resource issues that
24 we're going to be looking at -- geology and soils, water
25 resources, aquatic resources, terrestrial resources,

1 threatened and endangered species, recreation, land use,
2 aesthetic resources, socio-economic resources, cultural
3 resources and developmental resources.

4 Scoping Document 1, which I mentioned, it has
5 the BA preparation schedule, it's actually an EIS of the
6 proposed outline for the EIS, a list of comprehensive plans
7 that we need to consider during the process. It has an
8 official mailing list from FERC, FERC's official mailing
9 list. The process plan and schedule that lays out the dates
10 for all the various steps along the way. And it contains
11 information on how to provide comments on SD-1.

12 Then after we receive those comments, we'll
13 review all the comments and issue a Scoping Document 2,
14 which addresses the comments and makes any necessary
15 changes.

16 The next step in the process is the development
17 of study plans. The applicant prepares a proposed study
18 plan and the stakeholders meet to discuss the studies and
19 resolve any issues relating to what studies are needed or
20 how studies should be conducted.

21 Following that period, the applicant will submit
22 a revised study plan to FERC, and then FERC will approve the
23 study plan, but there may be modifications to the study plan
24 and so we may make some changes to it based on comments
25 we've received or other study requests that the applicant

1 didn't adopt.

2 We have specific criteria that must be addressed
3 in requesting a study. The goals and objectives of this
4 study must be laid out. Relevant resource management goals
5 must be discussed, as well as public interest
6 considerations. We have to look at existing information and
7 see if existing information is enough, so we have to explain
8 why existing information may not be enough, as part of your
9 study request.

10 You have to discuss the nexus and how the nexus,
11 which is how the project is causing these effects, the
12 relationship between the project and any effects that people
13 want studied. And discuss how the results would help inform
14 a licensing decision.

15 They have to discuss the method of the study
16 that you're proposing and how it's consistent with accepted
17 practice. And then also discuss the effort, cost and if
18 there's a need for an alternative study.

19 Again, then FERC approves the study plan, we do
20 have a dispute process, that if stakeholders with mandatory
21 conditioning authority do not like our determination and
22 think we should change it somehow, there's a process built
23 in for dispute resolution.

24 But after everything is settled, the applicant
25 conducts the studies. One year and sometimes, maybe two

1 years, after the first year of studies, the applicant files
2 the study reports for stakeholders to review, and there's
3 comments on those. But then the applicant prepares their
4 preliminary licensing proposal.

5 What we like to see in license applications are
6 implementable plans to minimize post-licensing plans. The
7 application should contain detailed plans for implementing
8 any proposed environmental or other measures, such as water
9 quality monitoring plans, recreation plans, historic
10 properties management plans, and having these things in the
11 application itself ensures timely implementation or needed
12 measures, and reduces the workload following license
13 issuance.

14 After all that, the applicant files their final
15 application with FERC, and FERC's staff then reviews the
16 application for adequacy to make sure that all of the
17 required information is in there. Once it is, we accept the
18 application and issue a notice saying that the application
19 is ready for environmental analysis, an REA notice.

20 We ask for comments, recommendations and
21 conditions and then the agencies will file recommendations
22 and conditions and some of these conditions are mandatory.
23 In other words, FERC does not have any discussion to change
24 them. And some examples would be 4(e) conditions from the
25 forest service or conditions contained in a water quality

1 certificate that's issued by the water board.

2 But we do prepare our EIS and the EIS serves as
3 the basis for our recommendations to the Commission as to
4 whether and under what conditions the project should be
5 relicensed. The Commissioners will review the project
6 record and then make the licensing decision.

7 Just to mention intervention. You can file to
8 intervene in the proceeding, which makes you a party to the
9 proceeding, and if you're an intervenor, then you can
10 request a rehearing of the license. In other words, if you
11 think we did something wrong, you can file for rehearing,
12 and then the Commission takes another look at it and what
13 your comments are and makes a decision on rehearing.

14 Some of the initial process items that are
15 coming up is, we're going to issue a study plan
16 determination on February 15th of 2018. Studies would be
17 conducted in 2018 and perhaps 2019. Again, the preliminary
18 licensing proposal or draft license application is due from
19 the applicant in November of 2019, and the final license
20 application must be filed by the Commission by April 14th,
21 2020.

22 So it's kind of a long process, but there's a
23 lot of information to look at, and things to think about.
24 Upcoming milestones or comments on the PAD, SD-1 and study
25 requests are due on August 4th of 2017, and these are some

1 of those milestones that can be annoying at times, because
2 again, the periods of time are short and they need to be
3 adhered to.

4 We'll issue our scoping document, too, on
5 September 18th, 2017, and on that same date the applicant
6 will file their proposed study plan. After that, I think
7 within 30 days, sometime in October, we'll hold the study
8 plan meeting to discuss the proposed studies and any
9 recommended studies from stakeholders. We don't know what
10 date that is yet, but it's going to be sometime, probably in
11 the middle of October, and people will be kept informed of
12 where that occurs.

13 And I think that's about it for me. Right now
14 we're gonna go -- are there any questions right now? Okay.
15 Right now, we're gonna let PG&E make their presentation on
16 just the basic operation of the project and their potential
17 proposed studies.

18 Actually, before we do that though -- sorry. Is
19 Parker here? Parker Thaler? Parker Thaler is with State
20 Water Resources Control Board. He's gonna give a very brief
21 talk about what their role is in the process.

22 MR. PARKER THALER: I'm Parker Thaler. I'm with
23 the State Water Resources Control Board, and I'm a Senior
24 Environmental Scientist. I'm also joined by Meiling Roddam
25 who is an Environmental Scientist with the State Water

1 Board.

2 Our goal in the FERC process is to evaluate the
3 project as proposed for the protection of water quality
4 objectives and the balance of beneficial uses of water,
5 which includes a wide variety of items like cold water
6 spawning habitat for anadromous fish, recreation, both
7 contact and non-contact, irrigation for agricultural,
8 domestic and hydropower.

9 And we do this via the issuance of a water
10 quality certification, which would contain conditions that
11 are mandatory and would be implemented at the issuance of a
12 FERC license and that process for the water quality
13 certification comes later in FERC relicensing.

14 After the filing of a final license application
15 by PG&E, but in 2013 the State Water Board reached a
16 memorandum of understanding with FERC that laid out better
17 coordination between both of our agencies and part of that
18 is the state water board participates early in the FERC
19 process, so we're here reviewing the PADs and will be a
20 commenter like everyone else, and we look forward to
21 collaboratively working with PG&E and others in developing
22 studies and trying to address everyone's needs throughout
23 this process. Thank you.

24 MR. JOHN MUDRE: Thank you, partner. I'll
25 mention a matter or two -- I'll mention our FERC website.

1 It's www.FERC.gov, and if you go to that site, there's lots
2 of information about the licensing process.

3 One of the best features that we have is
4 something called our eLibrary and that stores all of the
5 letters or comments that we receive from stakeholders and
6 also any issuances that the Commission makes, all the
7 letters, all the information that's part of the record for
8 this proceeding is available on the eLibrary website.

9 And the other good feature about that is that we
10 have a eSubscription, and if you register to the eSubscribe,
11 then you'll automatically get an e-mail every time that a
12 document comes in relating to this project, or if we issue a
13 document about this project, you'll get an e-mail saying
14 that this document was issued on such-and-such date and has
15 a brief description of what it is and also a link that you
16 can just click on that link and it'll take you directly to
17 the document and you can read it or print or whatever you
18 want. So I think -- anything you guys want to add?

19 MS. BARBARA RENICK: I think you made a
20 reference to the native tribes because of the ancestral
21 protection laws?

22 MR. JOHN MUDRE: I did mention cultural
23 resources, one of the resource areas that we look at in our
24 environmental document. But also, separate from that, we
25 sent letters out to seventeen tribes that may be affected by

1 this project and we're meeting tomorrow with the Round
2 Valley Indian Tribes as part of our --

3 MS. BARBARA RENICK: You're meeting tomorrow
4 with seventeen tribes, did you say?

5 MR. JOHN MUDRE: No, just the Round Valley
6 Indians.

7 MS. BARBARA RENICK: Oh, Round Valley.

8 MR. JOHN MUDRE: Yeah, they're the ones that
9 responded -- we sent seventeen letters and then followed up
10 with several phone calls and we received one request for a
11 meeting from the Round Valley Indian Tribes, which is just
12 downstream of the Project. And we received a response from
13 another tribe that we're gonna have a telephone conference
14 with later on. So it's definitely an important part of the
15 process. And with that, I'll turn it over to PG&E.

16 MR. PAUL KUBICEK: All right, well, good
17 morning. My name is Paul Kubicek. I'm an aquatic biologist
18 for PG&E with long-term involvement on the Potter Valley
19 Project. It is a pleasure to be here today to provide you
20 with an overview on the project.

21 For those of you that were involved with the
22 tours that we had yesterday of the project, you'll find a
23 lot of similarities in what I'm about to present, but bear
24 with me, please. We want make sure that everybody in
25 attendance today has an opportunity to get a good basic

1 understanding of the project.

2 Towards the end of my presentation, I will
3 provide some information on the history of the project,
4 including the relicensing history. And at the very end,
5 I'll be discussing a little bit about the potential studies
6 that could be implemented as part of this relicensing
7 process.

8 So some basic facts on the project, Potter
9 Valley Project is a small hydroelectric project with 9.2
10 megawatt capacity. That's sufficient power for about 7,000
11 homes. It's important to note that this is an interbasin
12 diversion of water from the Upper Eel River Watershed to the
13 Upper Russian River Watershed by way of the east branch
14 Russian River.

15 The project was initially constructed in 1908,
16 so it's been in operation for a good long time, well over a
17 100 years. And it's operated under FERC License Number 77.
18 Just to get you oriented a little bit on the project here,
19 I've got a couple of maps.

20 What we see here are the two water drainages
21 that we're dealing with. We've got the Eel River drainage
22 to the north and we've got the Russian River drainage to the
23 south. Eel River is basically flowing in a northwest
24 direction to the Pacific Ocean, while the Russian River is
25 flowing in a southwest direction. They're separated by a

1 single ridge here, the headwaters of the two watersheds, and
2 that's where our project is located.

3 Focusing in a little bit closer on the project
4 area, the project consists of Scott Dam on the Upper Eel
5 River, which forms Lake Pillsbury, our storage reservoir.
6 Water is released downstream for about twelve miles to the
7 diversion point, which is at Van Arsdale Reservoir that's
8 formed by Cape Horn Dam. From there the water is brought
9 the single ridge that separates the two watersheds into the
10 Potter Valley Powerhouse.

11 Water from there is released into the east
12 branch of the Russian River which flows into Lake Mendocino.
13 And Lake Mendocino is formed by Coyote Dam, which is an Army
14 Corps of Engineers dam, and the water in that reservoir is
15 managed primarily by the Army Corps of Engineers in the
16 Sonoma County Water Agency.

17 Zeroing in a little bit closer, this is the
18 immediate project area. Again, like Pillsbury here, our
19 storage reservoir with the release down to the diversion
20 point and down to Potter Valley.

21 You'll note here there's a number of green
22 symbols up around Lake Pillsbury. Those are a number of our
23 recreation facilities that include day campgrounds, day use
24 facilities and boat launches. We also have a recreation
25 facility here at Trout Creek on the Eel River between the

1 two dams which is a camp ground and day use area.

2 What I want to do now is take you on a tour of
3 the project through a series of photos. Here's an aerial
4 shot of Lake Pillsbury. We've got the Rice Fork arm here
5 and the main stem Eel River arm here. What's missing from
6 this photo is the northern lobe of the reservoir. Here's
7 Scott Dam, which forms Lake Pillsbury.

8 A close-up of Scott Dam shows us that there are
9 two ways to get water out of the reservoir. Either through
10 the needle valve at the bottom of the reservoir, which is
11 taking cold water from the lower layers of the reservoir, or
12 when the reservoir is full, we can take water off of the top
13 of the reservoir through a series of gates. There are a
14 series of radial gates in the middle of the dam, as well as
15 a series of slide gates to either side of the dam.

16 The needle valve is automated and can be
17 controlled from the Powerhouse. There's also one slide gate
18 that is automated. It can be controlled from the
19 Powerhouse. The rest of the gates are operated manually by
20 operators that have to go onsite to do that. I'd like to
21 note that there is no fish ladder at Scott Dam. This is the
22 upstream limit of anadromous fish migration.

23 And the fish species that we're primarily
24 dealing with in the Eel River are the Chinook Salmon and
25 steelhead which are both listed as threatened under the

1 Endangered Species Act. A number of other important native
2 species are out there including the Pacific Lamprey, which
3 is another anadromous species.

4 Moving downstream, here's a photo of the Eel
5 River between the two dams. It's an open canyon area, a
6 moderate stream gradient, and carries a lot of good flow
7 from the storage reservoir down to our diversion point.

8 Here's an aerial shot of Cape Horn Dam. You've
9 got the dam itself here under some winter conditions with a
10 lot of water spilling over the dam. And we've got a fish
11 ladder that is traced by that path there. Fish coming up
12 the Eel River enter the fish ladder here and continue up
13 over the dam to get into the twelve miles of river and
14 tributary streams between the two dams for spawning
15 purposes.

16 The California Department of Fish and Wildlife
17 operates a facility here known as the Van Arsdale Fishery
18 Station. It's what was originally put in place as an
19 egg-taking station for steelhead to propagate steelhead.
20 It's no longer used for that purpose, but it has been used
21 long-term for the counting of both adult salmon and
22 steelhead that are ascending the Eel River.

23 And the records are excellent. We've got
24 steelhead records that go all the way back to 1922, and
25 we've got salmon records that go back to the 1950s for sure,

1 and a little bit before that, but in the early years the
2 department was not interested in the salmon because again,
3 it was primarily an egg-taking station for steelhead, thus
4 we don't have the early salmon counts from this station.

5 Going downriver on the Eel River, below Cape
6 Horn Dam, we've got a low gradient open canyon area that
7 ascends downstream, a very warm canyon area, I might add,
8 with the water temperatures increasing very rapidly as you
9 move downstream to an equilibrium point not too far below
10 the project.

11 Going back up to Van Arsdale Reservoir, here is
12 the intake for our Powerhouse. There's a set of trash racks
13 here to prevent large debris from entering the intake. Once
14 through the initial intake there are two parallel channels
15 that extend back to the tunnel that takes water to Potter
16 Valley Powerhouse.

17 There's a fish screen in each one of these
18 parallel channels. The fish screen is a inclined-plane
19 screen made out of wedge wire material. It prevents the
20 young salmon and steelhead that are migrating to the ocean
21 from being entrained and taken to the Powerhouse and to the
22 Russian River System.

23 At the tail-end of these two channels, the fish
24 that are screened out, end up in Archimedes screw pump,
25 which is a large rotating cylinder with internal veins,

1 taking a slice of the water, including the fish, raising
2 them up in elevation so that they can then be dropped into a
3 fish return channel that takes the young fish down around
4 the reservoir and dam and puts them into the fish ladder so
5 that they can continue their downstream migration.

6 The water that's diverted over to Potter Valley
7 Powerhouse goes through a tunnel initially that's about a
8 mile long. It then enters a wood stave conduit. In fact,
9 there are two different wood stave conduit sections. They
10 were initially put in place in 1908, made out of redwood.
11 One of those is still functioning. The other one was
12 replaced just this past year and was replaced in kind.
13 Another wood stave conduit, this time using cedar.

14 As we get to Potter Valley, the conduit drops
15 water into two steel penstocks that you see partially buried
16 here that run down the slope into Potter Valley. There's
17 about a 450-foot elevation difference between the Eel River
18 and the Russian River at this point. And so it was an ideal
19 location for building a hydroelectric project. You had both
20 the water and the head and a very short distance between the
21 water source and the Powerhouse.

22 Here's an aerial shot of Potter Valley
23 Powerhouse. The penstock is coming in from this direction
24 over here. There are three units in the Powerhouse, thus
25 three different exit channels from the Powerhouse.

1 Here's where these three channels merge into the
2 single tailrace, and this is the beginning of the east
3 branch of the Russian River. And as I said earlier, the
4 east branch flow goes down to Lake Mendocino, where it's
5 regulated by Army Corps of Engineers and Sonoma County Water
6 Agency.

7 I'd like to talk a little bit about the project
8 history now. Hit upon some highlights. Cape Horn Dam, the
9 diversion and the Powerhouse were all constructed in the
10 period 1905 to 1908, and as I mentioned earlier, the
11 project's been operating since then.

12 Scott Dam was added later on in 1921 to provide
13 storage for the system, take advantage of the high winter
14 flows that we had, so that the water could be released
15 during the dryer season. Water's been used for irrigation
16 for a very long period of time, dating all the way back to
17 1924.

18 Potter Valley Irrigation District had its
19 initial contract with PG&E fore water at our tailrace
20 beginning of 1926. And there's still a contract in place
21 whereby Potter Valley Irrigation District takes water from
22 our tailrace. They could take up to 50 cubic feet per
23 second during the summer irrigation season. PG&E acquired
24 the project in 1930, and have been operating it ever since.

25 So let's turn to relicensing history. The

1 initial license for the project was issued in 1922 after the
2 completion of Scott Dam and the formation of Lake Pillsbury.
3 It was a 50-year license that was issued, meaning that it
4 would expire in 1972. There was a protracted relicensing
5 process that began in 1970 and ran up through 1983. That
6 included a study agreement that was reached in 1979 amongst
7 stakeholders in both the Eel and Russian River Watersheds to
8 study the fishery resources of the Upper Eel River and begin
9 making some determinations on stream flow releases that
10 would be needed for protection of those resources.

11 There was a three-year fishery study conducted
12 from 1979 to 1982 that led to a settlement agreement amongst
13 those same stakeholder parties in 1982. And that became the
14 basis for the new FERC license that was issued in 1983. The
15 elements of that settlement agreement, which included
16 minimum flow releases for the project were incorporated into
17 that new FERC license issued in 1983.

18 And by the way, the study agreement actually
19 called for more than study. It called for a series of study
20 flows to be released. And this was a big step in the
21 protection of anadromous salmon in the Upper Eel River
22 because we went from a situation where there was a minimum
23 flow release requirement of just two cubic feet per second
24 below [inaudible] dam prior to 1979.

25 And with the study of flows in place, we were

1 mimicking the natural hydrograph and basically following the
2 pattern and timing of the flow conditions within the river
3 to create a more natural situation. And ever since the
4 study flows were started in 1979, we've continued with the
5 mimicking of the natural hydrograph through changes in
6 various study regimes based on the results of fishery
7 studies that have been conducted over the years.

8 So the 1983 license required a ten-year fishery
9 study to evaluate the new flows that have been put into
10 place. That study was conducted in 1985 to 1996. And while
11 the agencies and PG&E were working on determining if some
12 changes in the flow regime should be made based on the
13 results of that study, both Chinook Salmon and steelhead
14 were listed under the Endangered Species Act.

15 So that prompted the National Fishery Service to
16 develop a biological opinion evaluating the impacts of the
17 project and they developed, as part of that biological
18 opinion, something called the reasonable and prudent
19 alternative or an RPA, which contained recommendations for
20 changes in the flow regime, as well as other mitigation
21 measures.

22 And so FERC in 2004 accepted the RPA from NMFS
23 biological opinion, incorporated that into an amended FERC
24 license, and that's the current license that the project is
25 operating under. So it incorporated the RPA and what it was

1 doing was addressing the various beneficial water uses in
2 both the Eel and the Russian River System.

3 So taking a look at what the primary water use
4 drivers were through that process, first it was power
5 production. Obviously, the project was built for that
6 purpose, and that was an element of consideration through
7 the development of the RPA flows. Next would be Eel River
8 Fishery's protection. I had mentioned earlier that we've
9 got the Chinook Salmon and steelhead resources, as well as
10 other native species that need protection there.

11 Then the Russian River side, there was
12 irrigation, primarily a part of irrigation district at
13 Sonoma County Water Agency, among other parties. And
14 there's also the fishery's protection element of the water
15 in the Russian River system.

16 And then finally, there was the element of
17 recreation. Primarily associated with Lake Pillsbury and
18 maintaining storage levels in Pillsbury for that purpose.
19 So the current project operations are all related to the
20 amended FERC license from 2004, as well as the RPA from the
21 National Marine Fisheries Service.

22 And a very important element of that is the RPA
23 flow regime that's basically designed to protect the various
24 beneficial uses including habitat for the listed salmon and
25 steelhead. It's a very complex regime. Flows can be

1 adjusted on a daily basis, based on inflows to Lake
2 Pillsbury.

3 As I mentioned earlier, the flow regime mimics
4 the natural hydrograph in terms of the pattern and timing of
5 natural flow conditions out there so that the various
6 species can respond to appropriate cues. And these RPA
7 flows have been based on years of study and modeling.
8 Studies that have been going on since 1979 have provided us
9 with a wealth of information that we have. And there's been
10 a lot of muddling that's going on in terms of water for
11 fish, as well as water for all the other beneficial uses.

12 In terms of protection mitigation and
13 enhancement measures, the existing PM&E measures are taken
14 from the requirements that we have under the amended FERC
15 license and the RPA. For the protection of, not only fish
16 and wildlife, but also cultural land and recreation
17 resources.

18 And again, an important element of the PM&E
19 measures is that RPA flow regime. Associated with that RPA
20 flows, the minimum flow requirements, it is a block water
21 element. There's 2,500 acre-feet of water that is made
22 available on an annual basis for the agencies, the resource
23 agencies to make decisions on use for fishery's protection.

24 Another element that's important here from the
25 fishery standpoint is the maintenance of the Cape Horn Dam

1 fish ladder that allows for passage of adult salmon and
2 steelhead into the watershed between Cape Horn Dam and Scott
3 Dam, and then also the operation maintenance of the fish
4 screens at the diversion that prevents young salmon and
5 steelhead from being diverted out of the system.

6 In terms of proposed PM&E measures, we have no
7 additional measures being proposed at this time, although we
8 realize that additional measures may be developed through
9 the FERC relicensing process which we're embarking upon at
10 the present time.

11 What I have here is a slide that shows the
12 potential relicensing studies that PG&E has identified in
13 the pre-application document that we produced a few months
14 back. I'll just run through the list to give you an idea of
15 the types of studies that are here. If you have not already
16 read through the pre-application document, I recommend
17 highly that you do so.

18 That document was our effort to summarize all
19 the information that's available about the project and the
20 resources, the effects of the project. And within that
21 pre-application document we've identified several potential
22 studies that can be used here as a starting point for our
23 discussions on relicensing studies to inform the whole
24 relicensing process.

25 We've broken down those studies into five

1 different categories, aquatic resources, terrestrial
2 resources, cultural resources, land management and
3 recreation. And I know you really can't read those very
4 easily up there. Again, I refer you to the PAD to get more
5 details on these, but let me just run down the list within
6 each of those categories.

7 We've got, under aquatic resources: Potential
8 studies including hydrology and project operations,
9 modeling, water temperature, water quality, geomorphology,
10 instream flow, Lake Pillsbury fish habitat, fish passage,
11 fish entrainment, fish populations, special status
12 amphibians and aquatic reptiles, macroinvertebrates and
13 special status mollusks.

14 Under terrestrial resources, we've got two basic
15 categories of studies: Botanical resources and wildlife
16 resources.

17 Under cultural resources, again, two basic
18 categories: Cultural resources, tribal resources.

19 Land management, two elements: Project roads
20 and trails assessment and visual resource assessment.

21 And finally for recreation, there are three
22 elements: Recreation facility assessment, reservoir
23 recreation opportunities and white-water boating flow
24 assessment.

25 So those are the potential studies that we

1 identified. Let me just give you a little bit of
2 information on the approach we took to identify these
3 potential studies. We first looked at the arena of
4 potential resource issues. And we based our list of
5 resource issues on our knowledge of the project, our
6 knowledge of known issues that have been brought forth by
7 our own people, as well as many of you over the years as
8 we've evaluated the project operations.

9 We then took those resource issues and evaluated
10 them against project nexus. What is the connection between
11 the resource issue and project operations? We then looked
12 at relevant information. How much information is available?
13 Related to these resource issues that have been identified.
14 And as I mentioned earlier, there's a lot of information
15 available for a number of resource issues, particularly the
16 aquatic issues on this project due to the large amount of
17 [inaudible] that's been conducted over the years.

18 We then evaluated the existing relevant
19 information against the resource issue to determine what
20 information gaps may exist. What are the gaps that we might
21 want to fill in order to inform the relicensing process?
22 And we found that there are really two different categories
23 of items there.

24 We've got in some cases some of these resource
25 issues, we don't have much information that exists. And in

1 those cases we would be looking at the potential to conduct
2 studies to develop new information to fill those identified
3 significant information gaps.

4 On the other hand, as I already mentioned, we've
5 got a lot of information available in certain resource
6 areas. And we see, in those areas, the opportunity to
7 conduct additional analyses of the existing data to augment
8 the existing information and fill those data gaps. So keep
9 in mind those two categories as we go through our
10 determination on resource studies for the project.

11 And so that concludes my overview of the project
12 and where we are right now. And I guess I would just like
13 to conclude by saying that we're looking forward to working
14 with all the stakeholders here in the development of study
15 plans for the project to inform the relicensing process. So
16 with that, I guess I'll pass it back to you, John.

17 MR. JERRY ALBRIGHT: [inaudible] recreational
18 mentioned several times, and most of it's pertaining to the
19 water for Lake Pillsbury and Scott Creek. Is there any
20 consideration to downstream as far as recreation?

21 MR. PAUL KUBICEK: That's always a question that
22 can come up and be evaluated. And so we're always looking
23 for recreational opportunities associated with the project.
24 As you mentioned Trout Creek. We do have that down there
25 and is providing a good recreational opportunity in that

1 area. But it's certainly a potential to be evaluated as
2 part of this process.

3 MR. JOHN MUDRE: And I might add with that,
4 certainly, that's the type of information, concerns we would
5 like to see people comment on, so when you go by your
6 scoping comments, that's the really the form for bringing
7 these items to our attention. Right now, I'll get to the
8 questions here in a minute.

9 If anyone came in a little late and hasn't
10 signed in, I think there are sign-in sheets in the back of
11 the room, one for just who's here in attendance, and another
12 sheet for individuals that are willing to speak and provide
13 us oral comments today. Again, you can also file written
14 comments that are due August 4th.

15 Was there another question? Don?

16 MS. DAWN ALVAREZ: Dawn Alvarez with the Forest
17 Service. And this is really for Paul and PG&E. It wasn't
18 clear to us whether the potential studies that were in the
19 PAD or studies that you guys are proposing to do? Or if
20 they're just the wide sweep of potential studies that could
21 be done, so therefore, we weren't sure what study requests
22 we need to make or modify from that potential list. If you
23 guys could address that, that would be helpful. And then
24 we're gonna have meetings before, requests are due, but we
25 would like to put our application all that.

1 MR. JOHN MUDRE: Let me just say that, in the
2 SD-1, we did have a list -- it said List of Proposed
3 Studies, but in the paragraph above that, it explained that
4 who's a potential proposed studies, and I think I made a
5 mistake in not putting potential proposed studies in that
6 table, which may have lead to some confusion and your
7 question today. We'll let Paul briefly answer the question.

8 MR. PAUL KUBICEK: Very simply, the answer to
9 the question would be that we identified those studies as
10 being potential studies. When we went through this process
11 of trying to identify information gaps and what studies
12 would be appropriate to fill those information gaps, we came
13 up with this list of studies. And we called them potential
14 studies, not that we were proposing or deciding that we were
15 gonna do these at this point.

16 Obviously there's a process that we go through
17 here with FERC and the study determination process. And we
18 wanted to start that process with our list of potential
19 studies that we thought were most appropriate to identify or
20 to fill the information gaps that we've identified. And we
21 fill that the proposed studies will be coming down the road
22 here, particularly when we submit our actual proposed
23 studies, which I believe is September 18th.

24 And at that time, I guess those studies would
25 then become proposed, but of course, between now and then,

1 there's gonna be a lot of input provided by all the parties
2 here, for making those determinations.

3 MR. JOHN MUDRE: Thank you, Paul. Yes, one last
4 question, then we'll get to the public comments.

5 MR. DAVID KELLER: Appreciate that. David
6 Keller, Friends of the Eel River. My question is on FERC's
7 jurisdiction and the relicensing, is that specifically to
8 lands owned by PG&E or does the jurisdiction in terms of
9 issues studies and so forth go beyond lands owned by PG&E?

10 MR. JOHN MUDRE: Well, I'm not sure I understand
11 your question. Obviously, the project, we have a project
12 boundary. There's project operations that we consider, but
13 you know, project effects can extend beyond the project
14 boundary and we need to consider those as well.

15 MR. DAVID KELLER: Thank you.

16 MR. JOHN MUDRE: I'm gonna pass this mike back
17 under the table and put it up at the podium, and then we'll
18 start taking public comments. We have a list of people that
19 have said that they wanted to speak. We'll go in the order
20 that people signed in, and to ensure that everyone gets an
21 opportunity to comment, we're gonna try to limit your
22 comments to above five minutes at most. And again, you can
23 certainly file extensive written comments. So I'm gonna
24 turn the mike off briefly, pass it, get it back to the
25 podium and then we'll start.

1 (pause)

2 MR. JOHN MUDRE: I apologize for the sound
3 system here, but we're ready now and Carolyn is gonna be our
4 first speaker.

5 MS. CAROLYN CLARKIN: Janet?

6 MS. JANET PAULI: Good morning and welcome to
7 Ukiah. My name is Janet Pauli and I am a Director and Vice
8 President of the Potter Valley Irrigation District. I have
9 been authorized to make comments on behalf of the District
10 today.

11 First, I'd like to give just a little bit of
12 history. The Potter Valley Irrigation District did not
13 exist prior to the building of Scott Dam forming Lake
14 Pillsbury. Before Scott Dam was built, the Potter Valley
15 Project was only able to divert water to the Powerhouse from
16 the Van Arsdale reservoir during times of high flows on the
17 Upper Main Eel River in the winter and early spring. This
18 branch of the Eel River, like many other Eel River
19 tributaries, normally has very low natural flows during the
20 late spring, summer and fall. The reason that Scott Dam was
21 built was to store winter runoff to provide a supply of
22 water that could be diverted to the Powerhouse for power
23 production during times of the year when natural flows
24 became extremely low.

25 Until Scott Dam was built, Potter Valley farmers

1 relied on natural flow in the small tributaries within the
2 valley's drainage to the East Fork of the Russian River. On
3 a normal rainfall year this water supply provided irrigation
4 water until early June. Run of the river wintertime flows
5 diverted through the Powerhouse were of no use to Potter
6 Valley prior to 1922 and today, even with increased storage
7 capacity, are still of very little, to no, value for Potter
8 Valley agriculture.

9 The District was formed in April of 1924 and a
10 contract for the delivery of water from the Project was
11 negotiated with Snow Mountain Water and Power and signed in
12 1926. With the advent of summer irrigation, agricultural
13 production in Potter Valley was transformed and the economic
14 viability of the residents who invested in farming has
15 flourished.

16 The District's contract for water delivery was
17 transferred from Snow Mountain Water and Power to Pacific
18 Gas and Electric on February 5, 1936. Over these many years
19 the District has been very involved with the Project's
20 relicensing and license amendment proceedings.

21 As briefly and simply as I can, I would like to
22 recount a complex series of events that occurred during the
23 license amendment proceedings in order to describe an
24 ongoing issue of concern to our District. During the last
25 relicensing, amendments to the license required PG&E to

1 complete a series of fishery studies which culminated in an
2 agency-based Fisheries Review Group decision on how the
3 releases from Scott Dam and Cape Horn Dam should be modified
4 to enhance habitat below the Project during various times of
5 the year.

6 This decision was based on many different
7 parameters including natural inflow, storage levels at Lake
8 Pillsbury, dam safety, accretion flows between the dams,
9 water year type as well as the life histories of Chinook
10 Salmon and Steelhead Trout. FERC completed their Final
11 Environmental Impact Statement for the license amendment in
12 May of 2000.

13 A subsequent Section 7 Consultation, under the
14 Endangered Species Act, was initiated by the National Marine
15 Fisheries Service. This resulted in the development of a
16 Reasonable and Prudent Alternative, or RPA, that further
17 adjusted the required releases of water at various times
18 with the Project. The District was particularly concerned
19 about how the modified flow regime might impact deliveries
20 of water to the East Branch of the Russian River.

21 At the conclusion of these negotiations the RPA,
22 and all of the agencies, including the FERC, who were
23 involved in the proceedings concurred that, as a consequence
24 of the adjusted flow regime, there would be an approximately
25 15% reduction in the total annual diversion from the Eel

1 River through the Project. This 15% reduction was
2 equivalent to about 25,000 acre-feet of water.

3 FERC's Final Order, dated January 28, 2004, was
4 based on the RPA. It wasn't until August of 2006 that the
5 California Department of Fish and Game, now California
6 Department of Fish and Wildlife, and NMFS wrote to FERC and
7 reported that releases at the Project were above the amounts
8 allowed in the Final Order.

9 Upon review it was found that the language of
10 the published Final Order was different than the RPA and
11 there had been a misinterpretation of part of the RPA's rule
12 curve operational principals. A section of E.5 of the RPA,
13 that defined exceptions to the minimum diversion rule
14 conditions, was deleted in the Final Order.

15 And at issue was the implementation of a
16 "literal" versus the "as modeled" interpretation of an
17 important section of the RPA having to do with the rule
18 curve system in the spring. In a letter to FERC, dated
19 April 3rd, 2007, Potter Valley Irrigation District described
20 these differences, and the impacts, in detail.

21 The result of the omission and misinterpretation
22 has had serious consequences. First, it precluded the
23 District from using frost water between March and mid-April,
24 at the peak of our critical frost season. It also resulted
25 in a further reduction of the total annual volume of water

1 diverted by more than 25,000 acre-feet.

2 The omission in, and misinterpretation of, the
3 RPA language actually resulted in a total reduction in the
4 diversion in excess of 50,000 acre-feet. This is more than
5 double the estimate we, and all of the other entities
6 involved in the analysis of the impacts, understood to be
7 the reduction in the diversion based on the language of the
8 RPA.

9 The timing of this reduction in the diversion
10 that occurs predominately at the end of the rainy season in
11 the spring, has had a particularly adverse impact on storage
12 in Lake Mendocino downstream of Potter Valley.

13 We therefore ask, as part of your request for
14 studies, that a review of the original language and
15 intention of the RPA be compared with the Final Order and
16 that an analysis of the consequences of the deletion of a
17 section of E.5 of the RPA and implementation of the
18 "literal" versus the "as modeled" interpretations of the
19 rule curve be conducted.

20 In particular, we ask that the original language
21 of the RPA in Section E.5 be reinserted into the new license
22 and that the original model assumptions be clearly
23 delineated and employed.

24 I would like to take just a few more moments to
25 describe what is at stake for the community of Potter

1 Valley. We have filed many comments with FERC over the
2 years. Some of these comments were requested in order to
3 explain our water use, how we farm, the commodities we
4 produce and the economic value of these commodities. It is
5 not an over-exaggeration to say that the community of Potter
6 Valley is completely dependent upon the continued existence
7 of the Project.

8 It provides our water supply, without which our
9 economy would collapse, and our very way of life and our
10 quality of life would be truly diminished. Yet, while we
11 have been very clear about what is at stake for our
12 community, we have also been very active in, and supportive
13 of, efforts to reduce the impacts of the operation of the
14 Project on the riverine habitat of the Eel River.

15 There are many examples of the support and
16 concern shown over the years by the Potter Valley Irrigation
17 District. The most recent example of this was our
18 participation in the Potter Valley Drought Working Group in
19 2015 and 2016. Many of the agencies and stakeholders in
20 this room were also actively involved in that collaborative
21 effort.

22 The drought required immediate action by all of
23 us to protect storage at Lake Pillsbury and to manage a
24 greatly reduced water supply for the fishery and beneficial
25 users. This effort resulted in compromises being made to

1 manage a very serious situation. Flows were reduced to both
2 the Eel River and the Russian River. The District
3 voluntarily curtailed deliveries of water to our customers
4 resulting in fields being fallowed and in the reduction in
5 crops.

6 On the Eel River carefully calculated releases
7 of water stored in Lake Pillsbury were made to protect fish
8 that had begun to migrate, but had become trapped in the
9 rapidly dwindling river. The hope was that releases from
10 water stored in Lake Pillsbury would allow the nearly
11 stranded fish to move farther up into the watershed and then
12 be better positioned to successfully migrate upon the
13 arrival of the first rains.

14 In conclusion, we would like to thank FERC for
15 their responses to our concerns over the years, and more
16 recently, to environmental conditions that were out of
17 everyone's control as a result of a historic drought.

18 We understand that the relicensing process is
19 complex and that the concerns of all of the various agencies
20 and stakeholders will be taken into account. We are hopeful
21 that the resulting license for the Potter Valley Project
22 will balance the needs of endangered fish with the
23 historical dependence upon this water by people in the
24 Russian River Watershed. Thank you.

25 MR. JOHN MUDRE: Thank you, Janet. Our next

1 speaker will be --

2 MS. CAROLYN CLARKIN: Mr. Jerry Albright.

3 MR. JOHN MUDRE: -- Mr. Jerry Albright.

4 MR. JERRY ALBRIGHT: Hi, I'm Jerry Albright and
5 I am the coordinator for a growing group of Eel River
6 Stakeholders here to speak out for the Eel River. PG&E has
7 applied for the relicensing of the Potter Valley Project, a
8 project that uses fractured rock as a base as an anchor for
9 a dam. A dam that is constructed on top of an earthquake
10 fault and adjacent to two other active earthquake faults. A
11 project that is identified by FERC as High Hazard. A
12 100-year-old project, if approved for relicensing, might
13 last another, say, 50 years. We'll never know. I hope it
14 does last.

15 If this project is approved or denied we, as
16 downstream stakeholders, need to know if there exists any
17 means of notification in the case of dam failure. I see
18 nothing in my research as to who or how those living below
19 the dams are part of the notification process.

20 Many of the riverside homes in Van Arsdale will
21 be gone with the lead wave in less than 32 minutes. Much of
22 Emandal Resort and the community of Hearst will be gone as
23 the lead wave passes in about 60 minutes. Notification to
24 stakeholders should be mandated and not a secret.

25 February's near disaster at Lake Oroville is a

1 prime example that something is wrong with this system.
2 Supplying evacuation plans to those threatened should not be
3 considered a security risk.

4 Let me talk about the struggles of the salmon
5 and steelhead in the Eel River. The dams on the Eel block
6 access to over 250 miles of spawning grounds. The fish
7 ladder at Cape Horn Dam during a highwater event will fill
8 with gravel and then becomes almost useless for salmon and
9 steelhead migration.

10 The invasion of the pikeminnow has now taken
11 over much of the lower Eel River as they continue to feed on
12 the native fish populations. These pikeminnow were
13 introduced into the Eel River through a bait bucket dumped
14 into the water of Lake Pillsbury and now they have never
15 really been addressed afterwards.

16 The warm low flow dry season releases into the
17 Eel River are harmful to the native fishery and make for a
18 great habitat for these pikeminnow. Change is needed to
19 support the threatened salmon and we do not feel it is by
20 continuing with the same practices that exist currently.
21 Block water that is set aside with the specific purpose of
22 helping with the salmon migration is rarely used for that
23 purpose.

24 Let's talk equitable releases. If this
25 relicensing is approved or denied, during the interim there

1 needs to be a more equitable release of the retained waters
2 during the dry season. The dams on the Eel River have
3 caused enormous environmental damage to the Eel River and
4 Eel River Basin.

5 As stakeholders we feel a portion of that damage
6 should be offset by requiring a more equitable flow over
7 Cape Horn Dam of the waters stored behind Scott Dam.
8 Currently the diversion into the Pottery Valley Complex can
9 be up to 90% of the release out of Scott Dam. The Eel River
10 below this dam system is designated Wild and Scenic on a
11 federal level and on a state level. I don't see how such a
12 diminished flow can work with the Wild and Scenic status.

13 To be useful as a recreational purpose, there
14 needs to be a minimum flow of 50% of the typical releases
15 from Scott Dam. It is about recreational purposes in the
16 Eel River, something that seems to be purposefully
17 overlooked. Stepping aside the intent of the Wild and
18 Scenic designation must not be a focus during a FERC
19 proceeding.

20 I mean, just last weekend, there was probably
21 100 people swimming at the Hearst Bridge and it gets pretty
22 murky and dirty as the season goes on, and I'd like to see
23 consideration for recreational purposes below the dam as
24 really part of this proceeding, as well as everything else I
25 said. Thank you.

1 MR. JOHN MUDRE: Thank you very much for your
2 comments. Our next speaker is --

3 MS. CAROLYN CLARKIN: Mr. Guinness McFaddin.

4 MR. JOHN MUDRE: Mr. Dennis McFaddin.

5 MS. CAROLYN CLARKIN: I think it's Guinness.

6 MR. JOHN MUDRE: Guinness McFaddin.

7 MR. GUINNESS MCFADDIN: Everybody does it.

8 Don't worry about it. We'll just call you [inaudible]

9 Good morning. Welcome to Mendocino County. I'm
10 sure that you're well aware of the critical importance of
11 the deliberation upon which you are beginning today with
12 this scoping session to the hundreds of thousands of
13 electricity customers, water right holders and private and
14 municipal water users who have depended on the water release
15 from the Potter Valley Project for more than a 100 years.

16 I thank you for coming here to hear comments
17 from us and it is my hope that you will come to the
18 conclusion that the Potter Valley Project is a vital
19 element, a life bed of the civilization that's been
20 flourishing along the Russian River for that century, that
21 should by all means be continued.

22 My interest in this stems from my
23 responsibilities as a board member of the Potter Valley
24 Irrigation District, and appropriative right holder for
25 agricultural use, and a small 300 KW hydroelectric producer.

1 I have every confidence that the interest of fish recovery
2 and protection efforts, electrical generation and
3 agricultural, recreational and domestic water usage will be
4 considered and a consensus can be reached to the benefit of
5 all parties. Thank you again for coming and listening. I'm
6 always available to answer any questions. Thank you.

7 MR. JOHN MUDRE: Thank you, Guinness. Our next
8 speaker is --

9 MS. CAROLYN CLARKIN: Mr. Tito Sasaki.

10 MR. JOHN MUDRE: I'm not gonna try that. You
11 can introduce yourself when you come up.

12 MR. TITO SASAKI: Good morning. My name is Tito
13 Sasaki of Sonoma County Farm Bureau. I appreciate this
14 opportunity to add to the brilliantly written SD-1 and to
15 the relicensing process that PG&E has been meticulously
16 following.

17 To make your EIS more complete, I would like to
18 suggest you add "Agricultural Resources" to the list of
19 resource issues, and expand its geographic scope to the
20 entire Russian River Watershed.

21 Agriculture was addressed in the 2004 EIS for
22 License Amendment, but was apparently deemed not warranting
23 detailed impact analysis then or in the future. The
24 geographic scope at that time covered only an area between
25 the Powerhouse and Lake Mendocino, which included the

1 contractually protected Potter Valley Irrigation District,
2 and the assumed reduction in the diverted flow was around
3 15%. Under such a premise it did sound reasonable to
4 dismiss agriculture from further impact analysis.

5 However, the reality of the past decade was that
6 the average reduction of PVP flows into Lake Mendocino was
7 56%, rather than 15%. This was an unprecedented event,
8 triggered by the prolonged drought, in the otherwise stable
9 history of the PVP that had provided a reliable supply of
10 water to Lake Mendocino. This had a considerable impact on
11 the irrigation water availability along the Russian River.
12 We cannot preclude a similar drought-induced anomaly over
13 the 30- to 50-year Temporal Scope.

14 In Sonoma County, agriculture in the Russian
15 River Watershed is a half-billion-dollar industry. For
16 every dollar that anadromous fish contributes to the local
17 economy, agriculture contributes well over \$1,000. Although
18 both fish and agriculture in the Watershed are dependent on
19 the Russian River water, agriculture lacks the ironclad
20 regulatory protection that fish enjoys; rather, agriculture
21 is the first target for water rights curtailment.

22 We have been making every effort to conserve
23 water, including "deficit irrigation" where we give the
24 plant less water than it loses through evapo-transpiration.
25 But, under such a tight water budget, any marginal reduction

1 in the Russian River water can be the last straw for the
2 several thousand farmers and farmworkers struggling in the
3 watershed.

4 This is why we ask you to examine the impact of
5 any further reduction in PVP flows on agriculture in the
6 entire Russian River Watershed. Thank you very much for
7 your consideration.

8 MR. JOHN MUDRE: Thank you.

9 MS. CAROLYN CLARKIN: Thank you. Ms. Candis
10 Horsley?

11 MS. CANDACE HORSLEY: Hello, my name is Candace
12 Horsley, and I'm here to present comments from the Mendocino
13 County Inland Water and Power Commission.

14 The Commission is a Joint Powers Authority whose
15 member agencies include the County of Mendocino, the City of
16 Ukiah, Redwood Valley County Water District, Potter Valley
17 Irrigation District and the Mendocino County Russian River
18 Flood Control and Water Conservation Improvement District.

19 All of our member agencies represent
20 constituencies that are dependent upon the continued
21 operation of the Potter Valley Project. The Project has
22 provided the basis of our local water supply since 1922 when
23 Scott Dam was built forming Lake Pillsbury.

24 You have already heard the concerns of the
25 Potter Valley Irrigation District; however, the water

1 released below the Potter Valley Powerhouse also provides
2 the domestic, agricultural, recreational and industrial
3 water supply for all of the communities represented by the
4 Commission from Potter Valley south to the Mendocino County
5 line within the Russian River corridor.

6 These communities include Redwood Valley,
7 Calpella, Ukiah, Talmage and Hopland. Below Mendocino
8 County, the Sonoma County communities of Cloverdale,
9 Geyserville, Healdsburg and Alexander Valley also depend
10 upon water diverted from the Project. In all, over 600,000
11 people are dependent upon the water that is released from
12 the Potter Valley Powerhouse into the East Branch of the
13 Russian River.

14 After flowing through Potter Valley the water
15 released from the Project is stored in Lake Mendocino.
16 Redwood Valley County Water District diverts water directly
17 from Lake Mendocino for their domestic and agricultural
18 customers. All of the rest of the communities mentioned
19 above divert water for drinking, and other consumptive uses,
20 from the Russian River below Lake Mendocino.

21 The agricultural economic value of water stored
22 in Lake Mendocino and used for irrigation within the Russian
23 River basin in Mendocino County alone was calculated by Dr.
24 Robert Eyler in a report released in January 2016, to be
25 over \$740 million per annum. There is also a thriving

1 agricultural economy in Sonoma County that is dependent upon
2 Project water.

3 The reliability of water storage in Lake
4 Mendocino, with and without the Project, was calculated and
5 reported by Pablo Silva-Jordan and Samuel Sandoval Solis,
6 PhD from U.C. Davis in October 2015. They concluded that
7 the reliability of Lake Mendocino storage was dependent upon
8 the Project and that this was true, to a lesser degree, even
9 if Coyote Valley Dam were to be raised 36 additional
10 vertical feet as authorized by Congress in the 1950s.

11 Lake Mendocino, formed by Coyote Valley Dam, is
12 considered by the U.S. Army Corps of Engineers to be one of
13 the highest used recreational sites of all of their lakes.

14 In addition to providing the domestic,
15 agricultural and recreational water supply for our region,
16 the water stored in Lake Mendocino is used to enhance
17 migration flows for listed salmonids in compliance with a
18 Section 7 Consultation, and resultant Reasonable and Prudent
19 Alternative, produced by the National Marine Fisheries
20 Service.

21 As a result of the license amendment
22 proceedings, which were outlined in the FERC Final Order in
23 2004, the diverted flows at the Project were reduced on
24 average by well over 30%. We are very concerned that the
25 relicensing process accurately assesses the impacts to our

1 member agencies of the previous flow reduction, as well as
2 any further reduction in the flows at the Project that
3 might be considered in any proposed alternatives during this
4 process.

5 Over the 95 years since the Project has been
6 diverting water in the summer from storage in Lake
7 Pillsbury, many water rights have been granted by the
8 California State Water Resources Control Board, and
9 perfected by landowners and water suppliers along the
10 Russian River. These water rights begin along the East
11 Fork of the Russian River in Potter Valley and include water
12 stored in Lake Mendocino and then continue downriver with
13 the water released below Coyote Valley Dam.

14 The Project provides a water supply upon which
15 water rights have been granted for so long that the State
16 Board's Decision 1030 actually describes the diverted water
17 as having the appearance of "apparent naturalness and
18 permanence".

19 Finally, we wish to emphasize our commitment to
20 work with the agencies and stakeholders in Lake, Humboldt
21 and Sonoma counties during these relicensing proceedings.
22 In doing so, we believe that we can continue to use this
23 shared resource beneficially as our critically important
24 water source and, at the same time, strive to protect and
25 enhance the habitat of listed fish in both the Eel and

1 Russian Rivers. Thank you very much.

2 MR. JOHN MUDRE: Thank you, Candace. Our next
3 speaker is Reggie Collins.

4 MR. REGGIE COLLINS: How you doing today? My
5 name is Reggie Collins and I'm here representing California
6 Trout. I'm a staff attorney for that organization. Since
7 1971, California Trout has worked to ensure they'll be
8 resilient populations of wild fish thriving in healthy
9 waters for the future wellbeing of all Californians.

10 I'll also be speaking on behalf of Trout
11 Unlimited, our close partner in all things coastal water,
12 and a long-time collaborator in hydropower proceedings
13 across California. I'll talk mainly about CalTrout's
14 interest. But the recommendations are from both of us.
15 Each of us has a long history of doing water and habitat
16 projects along the Eel and Russian Rivers, and we're
17 collaborating now on-stream flow efforts in the South Fork.

18 CalTrout has heavily invested in protecting and
19 restoring the Eel River, as one of California's best
20 opportunities to restore wild fish abundance. In a joint
21 effort with U.C. Davis Center for Watershed Science,
22 CalTrout produced a report on the status of all 31 remaining
23 salmonid species in California.

24 The results are found in our report online, our
25 website, as well as in our physical report. But the short

1 of it is that we need to make major steps towards the
2 rehabilitation of our inland fisheries to support our
3 anadromous fish populations in California, including opening
4 up additional fish habitat beyond existing fish barriers.

5 Although I'm not an expert on T.U.'s work, I
6 know they've done dozens of habitat restoration projects in
7 the Basin, and their work in this region reflects our
8 commitment to this cause. CalTrout has established the Eel
9 River Forum in 2002 to coordinate a basin-wide effort of
10 agencies, tribes, NGOs and the public members to restore the
11 Eel River.

12 Through our leadership in the Eel River Forum,
13 we record in stakeholder input and wrote the Eel River
14 Action Plan, which was completed last year. In order to
15 prioritize the near-term actions aimed to recovery on the
16 Eel River. In order to inform our position on the Potter
17 Valley relicensing, CalTrout partners with Humboldt State
18 University's Institute for River Ecosystems and NMFS to
19 implement a study in order to determine the quantity of
20 salmonid and steelhead habitat and estimated stream
21 carrying capacity above Lake Pillsbury.

22 The study found that the total drainage area
23 above Lake Pillsbury is 288 square miles. Further, we found
24 that 288 miles are accessible to steelhead and of those 288
25 miles, 89 of those miles are accessible to Chinook salmon.

1 CalTrout has also assembled a database of estimated
2 unimpaired stream flows for the Potter Valley Project for a
3 period on record from 1977 to 2016, which is available for
4 all stakeholders.

5 We also developed a spreadsheet model for PVPs,
6 RPA flow regime to aid understanding of current flow
7 requirements. In studying these numbers, we found a real
8 encouragement and solution that we can find a solution that
9 works for all parties in this process. We also heartened by
10 the NIMPS 2002 Biological Opinion Conservation
11 Recommendation Number 4, which states that "FERC should
12 study the feasibility and develop a schedule for
13 decommissioning and removing the Potter Valley Project in
14 order to restore unimpaired flows and restore access to
15 historical salmonid spawning and rearing habitats to aid in
16 the recovery of listed salmonids in the Eel River Basin."

17 Although this is very early in the Project, we
18 feel very comfortable and confident in the following: We
19 believe that volitional passage of salmon and steelhead to
20 their ancestral spawning and rearing habitat above Lake
21 Pillsbury is a necessary step to the recovery of salmonid
22 abundance in the Eel River. We recommend studies that can
23 assess these best options for fish passage.

24 We believe that decommissioning, either wholly
25 or in part, must be an alternative fully analyzed by the

1 FERC process. We recommend studying a couple of options for
2 partial or complete removal of project dams, for example,
3 lowering Scott Dam or replacing Cape Horn Dam with a
4 different diversion facility. We also believe that we need
5 to conduct an evaluation of water rights and water uses on
6 the Eel River, water diverted to the Russian River basins as
7 an integral part of FERC relicensing.

8 We also believe and support an evaluation of
9 water supply alternatives that might be part of the
10 basin-wide solution, even if some of this has to be done
11 outside of the FERC legal framework. At this point in the
12 process, we need to keep all options on the table. Given
13 the close relationships, goodwill and talent that can be
14 assembled by all these stakeholders, we're hopeful for a
15 collaborative resolution to the proceeding that makes
16 everyone better off than they are today. And the first step
17 in the scoping process is to understand what these options
18 are. Thanks.

19 MR. JOHN MUDRE: Thank you, Reggie. Our next
20 speaker is Carre Brown.

21 MS. CARRE BROWN: Welcome to Mendocino County.
22 For the record, I am Mendocino County 1st District
23 Supervisor Carre Brown, and I'm here to represent my county
24 at today's scoping session. There are four counties very
25 interested in the proceedings of the relicensing of the

1 Potter Valley Project. Those counties are Humboldt, Lake,
2 Mendocino and Sonoma.

3 In fact, these same counties are the members of
4 the Eel Russian River Commission that was formed in 1978
5 through a Joint Powers Agreement as a result of the previous
6 relicensing of the Potter Valley Project that commenced in
7 early 1970s. The Commission continues on today, providing a
8 forum for information and studies to be shared, involving
9 both watersheds along with hearing from the public at every
10 meeting.

11 Mendocino County is the only county of the four
12 geographically having both the Eel and Russian River
13 Watersheds within its boundaries. It is the same for the
14 1st District I represent on the County Board of Supervisors.
15 The Mendocino County Water Agency represented the county
16 throughout the last relicensing and license amended
17 proceedings. As a result of the economic downturn, the
18 county water agency no longer has the same professional
19 staff to fully run the agency.

20 Therefore, these duties now fall under the
21 direct oversight of the Board of Supervisors, the Agency's
22 Board of Directors. It is the position of the County of
23 Mendocino to work for regional benefit of our water
24 resources. We are a region that must stand together as
25 water has a unique role in our everyday lives. Water cannot

1 be easily substituted. Both watersheds are the primary
2 source of water for residents, businesses, agriculture and
3 the environment in the region.

4 Like any shared resource, competition over water
5 makes for a complicated set of political and economic
6 decisions. The key here is we must all work to reach
7 reasonable decisions for our water capacity and security for
8 all beneficial uses. The County of Mendocino is a member of
9 the Inland Water and Power Commission. Ms. Horsley
10 testified on behalf of IWPC earlier regarding the
11 dependency of our constituency on a continuation of the
12 Potter Valley Project, citing the crucial points and studies
13 as to why.

14 There was significant testimony and essential
15 recommendations made by Dr. Pauli for the Potter Valley
16 Irrigation District. The County of Mendocino fully supports
17 both testimonies on all points made and will not repeat them
18 verbatim. However, I will re-emphasize one point. This is
19 to understand what has occurred in the past relicensing
20 terms and what the impacts were as a result. It is vital.
21 Part of the Reasonable and Prudent Alternative, the RPA
22 language, and Section 8.5 just disappeared.

23 An Eel Russian River Commission meeting a few
24 years back, a Natural Marine Fishery Service representative
25 was asked to explain what happened to the original RPA

1 language of Section 8.5. The response was, he did not know,
2 and there was no way to fix it until the relicensing. This
3 is where we all are here today. The County of Mendocino
4 will be engaged in the relicensing process and I thank the
5 Commission for being here today for this scoping session.
6 Thank you.

7 MR. JOHN MUDRE: Thank you, Carre. Our next
8 speaker is Scott Greacen.

9 MR. SCOTT GREACEN: Good morning. My name is
10 Scott Greacen. I'm the Executive Director of Friends of the
11 Eel River. I've been working on environmental issues with
12 federal agencies for almost 30 years. I have never seen a
13 federal agency so unprepared and unwilling to address
14 critical issues as FERC appears in Scoping Document 1. It's
15 hard to distinguish incompetence from indifference. That
16 means we have to spend our time pointing out that your plans
17 leave out the most important parts of the decision before
18 you.

19 So, on Page 16 of your Scoping Document 1, you
20 state that the alternative of considering decommissioning of
21 the Potter Valley Project will be eliminated with the
22 following discussion: The Project provides a viable, safe
23 and clean renewable source of power and consumptive water to
24 the region. No party has suggested Project decommissioning
25 would be appropriate in this case, and we have no basis for

1 recommending it.

2 Now, to state that the Eel River Dams provide "a
3 viable, safe and clear renewable source of power and
4 consumptive water to the region" assumes facts not in
5 evidence. It is to assert as conclusion precisely the
6 questions which ought to be at the heart of this relicensing
7 process. Are these dams economically and ecologically
8 viable? Are they safe? Is the power and water the dams
9 yield clean and renewable if it comes at the cost of Eel
10 River fisheries?

11 It's truly disturbing to see FERC dismissing the
12 consideration of a dam removal alternative on the basis of
13 such conclusory and improbable statements. It is still more
14 discouraging to consider that FERC has taken this position,
15 not because it lacks basic information, but in the very
16 teeth of the facts already in the agency's possession. If
17 this is ignorance, it's willful ignorance. Worst of all
18 though, FERC has to ignore more than the facts in the record
19 to reach the conclusion that it not consider decommissioning
20 alternative. It has to ignore its own policy as well.

21 In 2002, the Interagency Task Force Report on
22 NEPA Procedures and FERC Hydroelectric Licensing stated very
23 clearly that "FERC and the resource agencies have identified
24 factors to be considered in determining whether, in certain
25 cases, a more thorough analysis of decommissioning is

1 warranted." Using these factors, FERC will either examine
2 decommissioning as a reasonable alternative, or briefly
3 discuss the reason for eliminating it from detailed study.

4 The Task Force introduces these enumerated
5 factors as follows: Where information is available the
6 beneficial or adverse effects of the Projects on a variety
7 of resources or interests including, but not limited to, and
8 it lists seventeen factors, which I will list.

9 Listed threatened or endangered species,
10 economic viability of a project including costs of resource
11 protection measures, river targeted for fish recovery,
12 feasibility of fish passage, consistency with comprehensive
13 plans, protected river status, effectiveness of past
14 mitigation measures and availability of future measures,
15 support by applicant or other party for decommissioning,
16 tribal lands resources or interests, water quality issues
17 including presence of toxic sediments, potential
18 opportunities for recreation, physical condition of the
19 project, presence of existing project-dependent development,
20 other non-power related benefits, project-dependent resource
21 values, need for power and ancillary surfaces, and history
22 properties.

23 Now, in brief, are there listed or endangered
24 species in this Project? Yes. In fact, in 2002, the
25 National Marine Fisheries Service determined that continued

1 operation of the Project under the license FERC granted
2 would result in jeopardy, the extinction of Chinook and
3 steelhead in the Eel River. That's a jeopardy call. That's
4 as hard a call as NMFS makes under the endangered species
5 act.

6 That's why there's a reasonable and prudent
7 alternative for the operation of this Project. Because your
8 agency got it wrong and NMFS said, "If you do that, you will
9 kill the fish." And you had to go back and fix it, and
10 that's in your records and it's in the PAD and you don't
11 talk about it. It's obvious that dam removal would benefit
12 those fish. You didn't talk about it in the scoping
13 document.

14 Now, economic viability of a project. It's
15 highly doubtful that this project is economically viable if
16 you have to account for the costs of resource protection.
17 We've already talked about, we're heard about the fact that
18 power production and water diversions have been lowered in
19 order to accommodate the need to protect fish in the Eel
20 River.

21 What we haven't talked about is the fact that
22 there's that RPA framework has not been adequate to actually
23 provide for fisheries recovery in the Eel River. We need
24 more protection. We need more flows in the Eel, not less.
25 The idea that we're going to go back to the old system and

1 put more water over on the Russian side is not credible.
2 Decommissioning could well save money, as well as species
3 without impairing our ability to produce energy in more
4 sustainable ways.

5 Factor Three. Is the river targeted for fish
6 recovery? National Marine Fisheries recovery plan says so.
7 The California Department of Fish and Wildlife's KOHO
8 Recovery Strategy says so. In 1941 the California
9 Department of Fish and Wildlife said we should target the
10 Eel River as a steelhead sanctuary.

11 Feasibility of fish passage. Well, Scott Dam's
12 140 feet tall. Is that feasible? We have significant
13 problems with fish passage at Van Arsdale. We've heard
14 about that yesterday. 51 days that the fish passage
15 mechanism was out of commission, from February of this year.
16 Was out of commission in 2005. Yeah, they put in a lot of
17 work and a lot of energy trying to make it better. Is it
18 adequate? Arguably not. Perhaps the most obvious benefit
19 of dam removal would be restoring fish passage to the upper
20 main.

21 Is it consistent with comprehensive plans to
22 remove dams? Obviously. Again, NMFS recovery plans, U.S.
23 Forest Services Management plans. Does the Eel enjoy
24 protected river status? Only from a 100 yards down from
25 Cape Horn Dam all the way to the mouth, only on all of its

1 tributaries. It's designated as both a federal and a state
2 Wild and Scenic River. Yeah. And there's a lot of
3 designated wilderness in the Mendocino National Forest. But
4 do you mention that in the scoping document? No.

5 The effectiveness of past mitigation measures
6 and the availability of future measures. Again, the RPA
7 measures, the Reasonable and Prudent Alternative measures
8 imposed in 2003 had proved difficult and/or impossible to
9 implement. Flow variances have been sought repeatedly in
10 recent years because water was not available to provide the
11 flows required in the RPA. When flows were cut off to the
12 upper main stem Eel in December, I think it was 2013, we saw
13 the Chinook migration end that day.

14 The RPA has failed to provide for salmon and
15 steelhead recovery. The agencies are now clear that the
16 reach between the dams is not productive habitat, but an
17 ecological trap. It's not clear what mitigations might work
18 here. Climate change and the diminishing capacity of the
19 reservoir makes it clear that the past strategies review for
20 fish mitigations are less certain, probably more unlikely
21 than other [inaudible] injuries in dry years as we've seen
22 in the recent drought.

23 Is there support by the applicant or other
24 parties for decommissioning? We've been calling for it
25 since 1977. The Round Valley Indian Tribes called for it in

1 2000 and 2002. The National Marine Fisheries Service called
2 for you to examine dam decommissioning in 2002. Friends of
3 Eel River, CalTrout, the California Sportfishing Protection
4 Alliance and the Sierra Club, all asked for FERC to at least
5 consider decommissioning in the early 2000s, so did the EPA.

6 You can look at the PAD, Volume 2, Page 188.
7 The tribal lands, resources and interests, pretty obviously.
8 You'll hear about that from the Round Valley Tribes
9 tomorrow. Are there water quality issues? Well, yeah. The
10 entire watershed's listed for temperature and sediment. The
11 fish with the highest level of mercury in its tissues ever,
12 found in the State of California, was found in the Pillsbury
13 Reservoir. Four parts per million of mercury.

14 Would removing the dams possibly mitigate those
15 impacts? Yes. If we dried out those sediments, we'd no
16 longer be methylating the mercury that's in the sediments.
17 The physical condition of the Project. This brings up the
18 point that scoping is not about environmental issues.
19 Scoping is a broad category of questions about what should
20 you be looking at in this process and how should you be
21 looking at it?

22 Dam safety is a critical issue in relicensing
23 for this project. The idea that we're gonna just let the
24 Division of Safety of Dams and FERC's dam safety folks think
25 about this as they go and just assume everything's safe is

1 ludicrous. If you look at how this Project was constructed
2 and the current conditions it's facing, it doesn't make
3 sense.

4 Are there existing project developments? Yeah.
5 There's some folks on the Rice Fork who have summer homes.
6 There's some resorts on the lake. Would they be affected by
7 dam removal? Probably. Some other people might be really
8 happy to have summer homes on a functioning wild stream with
9 wild fish in it. They might also be happy to not be exposed
10 to mercury.

11 Are there project-related benefits? Of course
12 there are. We've heard a lot today about the importance of
13 irrigation to the Potter Valley Irrigation District, and
14 about how 600,000 people depend on the water from the
15 Project, which is counting every drop of water that comes
16 out of the Project. Yeah. But there are real benefits to
17 dam removal, too.

18 Is there a need for the power provided by this
19 Project? Absolutely essential question for the Federal
20 Energy Regulatory Commission. As you've said, a faceplate
21 rating of 9.4 megawatts doesn't mean this project produces
22 9.4 megawatts. It's been producing under half that for a
23 long time. We could produce as much power as the Potter
24 Valley produces at its peak with five acres of solar panels.
25 We'd have more power, more reliably, cheaper, with less

1 impact. Is there a need for this power? No.

2 Are there historic properties in the area?

3 Number 17. No. Again, the policy says that FERC will
4 consider these seventeen factors. You've looked at part of
5 one of them. Did the applicant ask for dam commissioning?
6 Can we just have a show of hands, does anyone here want to
7 see decommissioning studies as an alternative in this
8 process?

9 I do. Anybody else? Okay. You know. Here's
10 some folks. So the point is, taking these dams out could
11 well help restore a wild, healthy Eel River and the salmon
12 and steelhead runs that are central to its wellbeing. You
13 must examine decommissioning as a reasonable alternative.
14 Thank you.

15 MR. JOHN MUDRE: Thank you for your comments,
16 Scott. I just want to say that the Scoping Document 1 is
17 our initial take on the issues. We hold these meetings and
18 ask for comments to further refine the issues and what we're
19 going to look at, and we will be releasing a Scoping
20 Document 2 that could very well be a significantly different
21 than what we have. But obviously we had some more issues
22 that we're hearing about today and we'll get it in written
23 comments. So thank you again.

24 The next speaker is Theresa Simsiman.

25 MS. THERESA SIMSIMAN: Good morning. I am

1 Theresa Simsiman. I am the California Stewardship Director
2 for American White Water. We are a nonprofit organization
3 that has been in existence since 1954 and it is our mission
4 to conserve and restore white water resources and to enhance
5 opportunities to enjoy them safely.

6 I am really here today to talk to you about
7 recreation. And what we have seen in the PAD so far. I
8 will open my statement by letting you know that the outdoor
9 industry association just recently did a study on economics
10 of outdoor recreation. California alone, we generate \$85
11 billion in consumer spending. \$6.7 billion in state and
12 local taxes and we generate 732,000 jobs. So that is one of
13 the reasons I'm coming here to talk to you about some
14 information gaps in recreation for this Project.

15 First of all, what has already been mentioned
16 is, the Eel River is a Wild and Scenic River, designated
17 federally and state. On the federal level, that means there
18 is Section 7(a) in the Wild and Scenic Rivers Act that says
19 managing agencies must determine whether the project either
20 invades or unreasonably diminishes the scenic recreational
21 fish or wildlife values present at the date of designation.

22 While FERC is not responsible for federal Wild
23 and Scenic Rivers Act, agencies are not restricted from
24 providing terms and conditions or other article requirements
25 under the Federal Powers Act that addresses Wild and Scenic.

1 So one of the things that I haven't seen in the
2 PAD, it was addressed that it is Wild and Scenic, that the
3 Eel River, from the mouth to 100 yards downstream of Van
4 Arsdale. What I don't see identified is the outstanding
5 remarkable value, which I think would shed some light on how
6 it should be managed.

7 What were those values? Was it specifically
8 steelhead? Was it recreation? The classification of the
9 Wild and Scenic River, over 70% is recreational. And a lot
10 of that is what is in the project downstream of Van Arsdale.

11 So I think it is very important that we address
12 some recreational interests in the studies. While it is
13 mentioned that there would be a boating study for flow, I'd
14 like to point out that our studies that we request include
15 more than just the flow. One of them, obviously, is access.
16 The user experience. Existing information that we have is
17 just the tip of the iceberg.

18 You've identified one description. You've
19 identified the gauges that are available. But really, what
20 we need to find out is what is the user experience on the
21 project today? On the river? Are the access points
22 adequate? The flow gauges, are there flow gauges that are
23 needed? Is there information that is missing that can help
24 a recreational user use the resource?

25 Are the timing of the flow adequate for the

1 users? It is mentioned that flows usually happen in the
2 wintertime, which of course, we understand. We want to try
3 and keep within the natural hydrograph, but really, are
4 those flows happening during the day, or are they happening
5 in the middle of the night?

6 Another thing I wanted to address, although
7 there is a lot of hydrology information out there, a trend
8 that we've been looking for is to identify recreational
9 opportunities that complement the benefits to aquatic
10 species in more natural flow regime. And one of the things
11 that is happening across the board. We see it on the
12 Feather River, we are working on it on the San Joaquin
13 River, and we are currently working on it on the Moke
14 River. And that is management of spill cessation, a more
15 natural ramping rate off the spill.

16 And what I would like to see is a study
17 including in our white-water boating study is a
18 characterization of historic spill, a summary of existing
19 infrastructure capabilities to control spill, and a stage
20 discharge relationship study at key aquatic specie sites.

21 In closing, I would also like to echo some of
22 the concerns about dam safety. American Whitewater was a
23 signatory to the settlement agreement on Oroville. And in
24 that process, we were assured that the spillway was safe.
25 So we certainly in any of our relicensing process, we take

1 dam safety seriously and we would like to see what kind of
2 information that can be given to, especially the landowners
3 downstream of Van Arsdale. Thank you for your time.

4 MR. JOHN MUDRE: Thank you, Theresa. Our next
5 speaker is David Keller.

6 MR. DAVID KELLER: Good morning. David Keller
7 for Friends of the Eel River. Thank you for holding this
8 scoping session. I want to pick up on some of the issues
9 about dam safety. We are now in a post-Oroville era and to
10 examine relicensing of a dam that is almost a 100 years old,
11 and a lower dam that is over a 100 years old, without
12 publicly examining dam safety, is unconscionable.

13 And at this point, I understand that you're
14 saying that there's a separate division in FERC that will
15 deal with dam safety. However, as part of the scoping
16 session, as part of the documentation, there are immense
17 data gaps that must be filled for a full and fair and public
18 consideration of whether this dam should be relicensed and,
19 if so, under what conditions? Or should it be
20 decommissioned and removed?

21 The data gaps in the PAD, in the NOI and the
22 scoping document -- the scoping document -- no geologic
23 issues are present. That's absurd. And the list of
24 potential studies supplied by PG&E that's not included.
25 We're looking at safety for residents, for tourists, for

1 people on the water, as well as business and property
2 downstream that's public and private property.

3 A failure of Scott Dam, it will release under
4 wet conditions, a wall of water flowing at over 800,000
5 cubic feet per second. By the time it reaches Fortuna, it's
6 almost a million cubic feet per second. To not consider
7 that as a factor in this dam relicensing is, again,
8 unconscionable.

9 We're looking at reliability for power, for
10 water, for recreation, for habitat. Dam failure has to be
11 considered within those contexts. Liability to PG&E, to the
12 public, to property owners, to licensing and permitting
13 authorities. Certainly nobody's gonna walk away scot free
14 with the failure at Oroville. And I think we need to learn
15 from that experience and prevent that from happening in the
16 future.

17 What are the risks? We don't know. Much of
18 that is covered by CEII designations, which means that
19 between the agency and PG&E, essentially nobody else has
20 access to that information. Or if you do want to have it,
21 you are bound by a nondisclosure agreement, which means you
22 can't talk about it in public, nor can you comment on it.
23 Again, that is absurd.

24 There are people talking about beneficiaries on
25 the Russian River side. 600,000 people who have come to

1 depend on this water. A study that needs to be done is,
2 "How much of that water supplying 600,000 people, which are
3 primarily Sonoma County Water Agency customers, how much of
4 that water is actually coming from the Eel River and Lake
5 Mendocino, versus, how much is supplied at Lake Sonoma?"

6 The bulk of the water by far is coming from Lake
7 Sonoma. So the use of the 600,000 figure is really
8 distorting the reality of what the value of this project is.
9 When we went through the modeling on Sonoma County Water
10 Agency's draft EIR on revising the flows in the Russian
11 River, we found approximately 40,000 acre-feet of water on
12 the Russian River side was unaccounted for.

13 And that black box is primarily illegal,
14 unpermitted and unlicensed withdrawals in the Russian River,
15 in the upper and middle sections. So if we're going to talk
16 about the flows in the Russian River as a component of your
17 considerations of the value of the diversions, that black
18 box has to be unwrapped. That's a study that needs to be
19 done.

20 CEII, as mentioned, prevents us from having
21 access to a great deal of critical information on whether
22 this project is viable for the next 50 years. We've managed
23 to get through a 100 years without dam failure. There have
24 been failures along the way. None of them have been
25 systemic that we know of.

1 But Part 12(d), inspection reports, our CEII,
2 engineering analysis or CEII, design reports,
3 instrumentation reports, emergency action plans, dam break
4 reports, construction reports, including foundation reports,
5 plans and specs, all of those are CEII. All of those are
6 critical for public scrutiny, for peer review, for experts
7 other than FERC, other than PG&E to be able to comment,
8 review and provide intelligent and informed decision making.

9 What are the issues that bring us to this
10 question of dam safety? What we know about is -- we'll
11 start with the Bartlett Springs Fault Zone. There was an
12 earthquake August 10th, '16, ten miles southeast of Scott
13 Dam, 5.1 magnitude, and that fault is indicated as being
14 capable of the magnitude of 6.0 to 7.4 earthquakes. In the
15 next 50 years, will there be that magnitude? We don't know.

16 If there is, what is the impact on the dams and
17 on the safety? We don't know. For the design and
18 construction of the dam itself, why is Scott Dam not a
19 straight line across the river? In 1921, it was designed to
20 do that. The foundation was being dug and poured and they
21 left the south end of the dam open for winter flows between
22 '21 and '22, and they were going to connect the dam to an
23 outcropping, what they considered to be foundation rock,
24 large block of greenstone.

25 However, during that winter, that side of the

1 river was open, and that greenstone block dropped 60 feet.
2 It was not bedrock. The angle of the dam was designed
3 following that to avoid that, so that greenstone block is
4 now behind the dam. That slope continues to move.

5 It is monitored by PG&E. We don't have access
6 to all the monitoring data. We don't know if the lower
7 portion of that landslide is being monitored and what the
8 information is on that. There's a possibility both of that
9 landslide, not only continuing to move, but to move
10 catastrophically in an earthquake or with saturated soils or
11 both, which could then put additional pressure behind the
12 dam.

13 The dam also acts at this point as a strut
14 across the valley. And so there's lateral pressure on that
15 dam. A landslide could also push sediments up if the dam
16 foundation is not sufficiently connected or based on
17 bedrock. There's a possibility that it could push the dam
18 up, producing uplift. Again, dam failure.

19 That left abutment bank continues to move. That
20 information needs to part of this consideration as public
21 documentation for professionals, for peer review. Other
22 issues. There's no spillway. We do know that there is
23 aversion at the retaining walls. PG&E was recently informed
24 that they need to deal with the splashing and spilling over
25 the retaining walls on the side to prevent erosion of the

1 banks.

2 Sedimentation and debris could well clog the
3 needle valve, which is the only release point when the
4 reservoir is below over topping. The gate operation, we
5 don't know how consistent and reliable it is. If the road
6 access is not there, if there's a power failure, if
7 personnel cannot get there within sufficient time to prevent
8 overtopping of the dam, what's the action plan? We don't
9 know. Is it sufficient? We don't know.

10 I really think that FERC does not want to be in
11 the position of relicensing this facility, telling the
12 public that it's safe without that information available to
13 the public. We need time to stand from a geotechnical
14 standpoint. What is the probability of failure? Would this
15 dam be built and designed and maintained as a structure if
16 it was having to meet 2017 standards? The answer is no.

17 We need to have the information. We talk about
18 the reliability of water supply to the east branch Russian.
19 All of that is non-existent if this facility fails. All the
20 talk about dependence on the Russian River side for that
21 water as a reliable source of water for whatever use is
22 irrelevant if this facility fails. All the talk about
23 habitat restoration on the Eel River, all the talk about
24 fisheries restoration is meaningless without understanding
25 the reliability of this facility.

1 And to go further in this process without having
2 that information, again is unconscionable. I don't think
3 that FERC wants to have another dam failure on your hands.
4 And part of the way of spreading that risk and that
5 reliability and that responsibility is to ensure that the
6 public has access to all that information as part of this
7 process early on. Thank you very much.

8 MR. JOHN MUDRE: Thank you, David. Our next
9 speaker is Al White.

10 MR. ALFRED WHITE: My name is Alfred White, and
11 I am a trustee on the Russian River Flood Control & Water
12 Conservation Improvement District Board of Trustees. And I
13 am here today to read our District's mercifully brief
14 comments on the scoping document into the record for the
15 FERC Project Number 77, Potter Valley Project.

16 The District is very concerned with the
17 relicensing efforts on the Potter Valley Project.
18 Diversions through the Project have been allocated as water
19 rights in the Upper Russian River, including our
20 approximately 8,000 acre-feet right that is stored in Lake
21 Mendocino.

22 The scoping document does little to address the
23 potential impacts of the project on the agriculture economy
24 that is essential to the Ukiah Valley. Without the water
25 from the Potter Valley Project diversion, there would be

1 severe impacts to agriculture, including the potential
2 conversion of agricultural lands to other, more intensive,
3 land uses. Impacts from the project on agricultural land
4 use and its economic value must be addressed in the
5 relicensing process.

6 The scoping document does little to address the
7 potential impacts to drinking water, which preserves the
8 health and safety of hundreds of thousands of users.
9 Without the water from the Potter Valley Project diversion,
10 over half a million people could be placed into a regulatory
11 drought that could devastate businesses and residences
12 throughout three counties.

13 Impacts from the Project on drinking water and
14 its critical role in maintaining public health must be
15 addressed in the relicensing process. Drinking water and
16 agriculture should be top priorities throughout the
17 relicensing process. We look forward to continued
18 stakeholder involvement during that process. Thank you.

19 MR. JOHN MUDRE: Thank you, Al. We've been
20 hearing a lot of good information so far. But I think we've
21 been sitting a long time and let's take about a five-minute
22 break and then resume after that.

23 (break)

24 MR. JOHN MUDRE: Okay, that was a well-needed
25 break. But we have six speakers left to go, so and the

1 first one here is Chris Shutes.

2 MR. CHRIS SHUTES: Good morning. I guess it's
3 morning still. Chris Shutes with the California
4 Sportfishing Protection Alliance. And I'm sorry, but I'm
5 gonna read this off my computer, because I wrote it in the
6 hotel room last night and didn't have a chance to print it
7 out.

8 Last month I gave a talk at the conference of
9 Association of California Water Agencies that some of the
10 folks in this room attended. One of my points was that 50%
11 of FERC relicensing is process, and true to form at least
12 50% of what I say today will be about process.

13 Unless I've forgotten one, this will be my
14 eighth full-on run at an Integrated Licensing Process, and
15 my third with PG&E. My first was the DeSabra-Centersville
16 Project on Butte Creek. In February of this year, PG&E
17 withdrew its license application for the
18 DeSabra-Centersville Project, about twelve years after the
19 relicensing process began. My first message today is for
20 PG&E. Please, if you're going to back out of the Potter
21 Valley Project, be kind to yourselves and to everyone else
22 and start that process decisively, and start it soon.

23 This is not an offhand concern. Power markets
24 are changing. As a stand-alone power project, the Potter
25 Valley Project makes no economic sense. However, any

1 knowledgeable observer understands that by far the greatest
2 value of this project is that it is primarily a water supply
3 project. In order to find an outcome to this relicensing
4 that is going to meet as many interests as possible, this
5 process needs to embrace analysis of the project's water
6 supply function.

7 To understand the interests, we need facts and
8 data that support that analysis. So my second message is
9 jointly to PG&E and to staff from FERC: Let's get the water
10 supply data into the record. Let's not draw fences between
11 water and power operations that have a basis in labelling
12 but not in reality. Let's not oppose or deny studies
13 because their subject matter has more to do with water than
14 with power. You can't balance water supply interests if you
15 don't put numbers on them.

16 My third message is for the State Water Board.
17 Even if FERC makes poor choices and does not order studies
18 of water supply and water balance in the Russian River
19 Watershed, such topics fall squarely within the Board's
20 water quality certification responsibilities. For the State
21 Water Board, please get that into your scoping process now,
22 and order studies you will need to inform those
23 responsibilities now.

24 FERC staff, PG&E, my colleagues in the
25 Hydropower Reform Coalition and I all agree that the State

1 Water Board's certification process needs to synch up better
2 with the Integrated Licensing Process. As Parker mentioned
3 this morning, the Board has an MOU with FERC that says
4 you'll do that. Please get started now.

5 The State Board's comment letter on scoping
6 should be detailed and specific about what the Board staff
7 sees as necessary for CEQA and for Certification. This
8 project should define and be a practical, affirmative
9 example of the new way the Board will do business in scoping
10 and analyzing information for CEQA and for certification. I
11 also recommend that the Board bring to the process staff
12 from the Division of Water Rights who has expertise in water
13 rights as such.

14 My fourth message is for the Sonoma County Water
15 Agency. The Agency built a water balance model in support
16 of its recent petitions to modify its water rights. Please
17 share that model in this process, and share the modelers.
18 And please come prepared to discuss water use and flows in
19 the Russian River Watershed.

20 As I read it, Sonoma County Water Agency's EIR
21 that it recently issued for its water rights' petitions,
22 found that about 90,000 acre-feet of water per year are
23 unaccounted for in the Russian River Watershed between
24 Coyote Dam and the mouth of the river. That may be a result
25 of channel losses, but it may be the result of unauthorized

1 diversions or pumping of groundwater that is connected to
2 the river channel. Not accounting for that water is in
3 itself a decision. The slop in the system that allows that
4 much unaccounted-for water means that somebody else is going
5 to be shorted.

6 My fifth message is for Potter Valley Irrigation
7 District. Everyone in this process needs to understand your
8 operations and your water use. Please help us do that with
9 accuracy and clarity.

10 To everyone else in this process, including my
11 colleagues: We need to do our best to work together. There
12 are interests here that have perceived and perhaps real
13 conflicts. How we say things is often as important as what
14 we say. So let's set a tone for the process that doesn't
15 create more conflicts than we may already have to face.

16 I have some specific comments on SD-1. Some of
17 them follow on a little bit from Mr. Keller's comments, but
18 they're a little more general.

19 Recent events at Oroville have shown that it is
20 unwise for FERC and licensees not to involve an informed
21 public in dam safety discussions. Section 3.3 of SD-1,
22 titled "Dam Safety," suggests that relicensing participants
23 evaluate proposed modifications to project dams to assure
24 that modifications keep the dam compliant with FERC dam
25 safety requirements.

1 In the absence of understanding the structural
2 characteristics of project dams because of Critical Energy
3 Infrastructure Information restrictions, this is shadow
4 boxing. The Commission should work with the licensee to
5 carefully determine what information about project works
6 they can reasonably share with relicensing participants, and
7 find a way to share that information.

8 Evaluation of dam safety should be part of this
9 and every other relicensing. The Commission needs to change
10 the default that says it's not. There is no better time to
11 start than at the beginning of a relicensing.

12 In addition, I recommend changing the title of
13 SD-1's Section 3.3 to "Dam Safety and Reliability." There
14 is only, for example, one outlet work for Scott Dam. If
15 that valve fails, the river downstream will be de-watered.
16 This process should evaluate alternatives to provide safety
17 for aquatic resources from a potentially catastrophic
18 failure of non-redundant project features. Too much
19 infrastructure in California and other states was designed
20 without redundant facilities, on the assumption that
21 everything will always work the way it's supposed to. This
22 was a series of bad decisions in the previous century. It
23 is unacceptable in the 21st.

24 The geographic scope for fishery's resources in
25 the Russian River should be from the Potter Valley

1 Powerhouse to the mouth of the Russian River, into the
2 Pacific Ocean. While we don't really have the data to say
3 how indispensable Eel River water delivered through the
4 project is to fisheries in the Russian River, current
5 project operation has a clear effect on Russian River
6 anadromous fisheries. Without prejudging the outcome,
7 balancing Russian River fisheries is an important element in
8 this relicensing.

9 Equally, the scope of fisheries in the Eel River
10 Watershed should extend into the Pacific Ocean. Even more
11 than the Russian, the Eel River supports the commercial and
12 recreational ocean salmon fishery, and has enormous
13 potential to improve that support.

14 The EIS should evaluate a dam removal
15 alternative, for Scott Dam as a minimum. It may prove
16 infeasible, and it may prove that the cost does not warrant
17 the expense. But it is a reasonable alternative given the
18 potential value of the headwaters that are blocked by Scott
19 Dam and inundated by Lake Pillsbury.

20 I recognize that such an evaluation will not be
21 a simple exercise. It would have to consider alternatives
22 to Potter Valley's water supply and alternatives for
23 providing adequate water supply reliability for diversions
24 from the Russian River downstream of Coyote Dam. So that
25 one decision makes a very big additional amount of work, but

1 I believe it's warranted. Thank you very much for the
2 opportunity to comment today. CSPA will also provide
3 written comments.

4 MR. JOHN MUDRE: Thank you, Chris. Our next
5 speaker is Pam Jeane.

6 MS. PAM JEANE: Good morning. Thanks for
7 hanging in there with us. My name is Pam Jeane. I'm an
8 assistant general manager at the Sonoma County Water Agency.
9 One of my responsibilities is managing water coming out of
10 both Lake Mendocino and Lake Sonoma. So I have a very much,
11 a vested interest in this whole process here.

12 We really appreciate the opportunity to be able
13 to speak to you today and hear what other people have to say
14 also. The Sonoma County Water Agency, as I just mentioned,
15 is responsible for managing the water storage in Lake
16 Mendocino and the releases out of Lake Mendocino, and we're
17 in control of the reservoir which is when it's not in the
18 flood pull.

19 We are also responsible for meeting the minimum
20 instream flows in the Russian River in accordance with our
21 water rights permits that were issued by the State Water
22 Resources Control Board. And so what happens with Potter
23 Valley Project and its effects on Lake Mendocino are very
24 much a concern for us. We reviewed the Scoping Document 1
25 and we're surprised and a little bit concerned that the

1 geographic scope of the EIS at this point, the Environmental
2 Impact Statement, would end on the Russian River, on the
3 East Fork Russian River at Lake Mendocino.

4 We do believe that changes, any changes to the
5 diversions of the Potter Valley Project to the Russian River
6 could have significant potential impacts to adversely
7 affect, not just water supplies, but something that is very
8 much a concern to us, and that is listed fish species on the
9 Russian River. Also, it could impact recreation and other
10 resources downstream of Lake Mendocino.

11 We've been engaged in doing a lot of work to
12 restore fisheries habitat and bring back two--specifically
13 two fish species that are subject, of the biological opinion
14 that are subject to in the Russian, and we've concerned, not
15 just about the fish on the Russian River, but also the fish
16 on the Eel River and don't want to see either one of those
17 fisheries impacted, if we can at all avoid it.

18 Adverse impacts on water levels for Lake
19 Mendocino would necessarily and directly affect resources,
20 both at and downstream of Lake Mendocino. We also believe
21 that, in addition, that FERC should expand the geographic
22 scope in Scoping Document 2 to include impacts on resources
23 downstream of Lake Mendocino, consistent with the
24 environmental impact statement that was developed during the
25 amendment proceedings several years ago. The Russian River

1 was included as part of that EIS and the impact analysis
2 there, and we'd like to see that happen here.

3 One of the things that I wanted to bring up
4 here, after hearing Chris speak, is that we do have new
5 models that are available for both the Potter Valley
6 Project, flow models, water balance models that are
7 available for both Potter Valley Project and the Russian
8 River. And those models are definitely available to FERC
9 staff. We'd be happy to meet with you.

10 We'd be happy to provide our modelers to work
11 with you. That will be included in our written comments and
12 we do intend to subject more detailed comments by the August
13 4th deadline. That offer will be in there and we look
14 forward to working through this process with not just FERC
15 and PG&E and everybody else in the room that's here today.
16 Thank you.

17 MR. JOHN MUDRE: Thank you, Pam. Our next
18 speaker is Vivian Helliwell.

19 MS. VIVIAN HELLIWELL: Hi, I'm Vivian Helliwell.
20 I'm with Pacific Coast Federation of Fisherman's
21 Associations and our associated non-profit institute for
22 fisheries resources. And we're a large west coast
23 commercial fishing group that involves fishing ports up and
24 down the west coast.

25 The impacts of the Potter Valley Project extend

1 far beyond the mouth of the Eel River. The documents don't
2 mention ocean fishing. Many in the room may not know this.
3 You certainly won't find it in the scoping document or the
4 pre-application document. The ocean fishing around the Eel
5 River has been closed now for decades.

6 In fact, 10,000 square miles of ocean are closed
7 to commercial fishing, salmon fishing, to benefit coastal
8 fall-run Chinook, which were listed as threatened in 1999.
9 The closures affect, not only the local fishing industry,
10 but also fisherman from up and down the coast who would fish
11 here and contribute to the local economy. The immense
12 economic losses reverberate through the local economy and
13 include loss of infrastructure and jobs that support and are
14 supported by fishing.

15 Tourists who come to the Eureka like to see the
16 fishing fleet, which is tied up. And consumers are deprived
17 of fresh local product. Visitors often ask me, 'Where can I
18 get fresh, local salmon?' All we have is flying salmon.
19 \$29 a pound at Costco for Pacific wild-caught salmon.

20 Maintaining the status quo by allowing an
21 important species to remain in threatened status is
22 unacceptable. At the very least, we need to reassess
23 project impacts and they need to be part of the
24 decision-making going forward.

25 Additionally, the PAD only mentions various

1 reports of upstream spawning and rearing habitat. It's
2 critical information that must be assessed, reconciled and
3 incorporated into future scoping with the availability of
4 that habitat upstream from Lake Pillsbury. That's all I
5 have for you right now. Thank you.

6 MR. JOHN MUDRE: Thank you, Vivian. Our next
7 speaker is Devon Jones.

8 MS. DEVON JONES: Good morning. My name is
9 Devon Jones, and I'm the executive direction of the
10 Mendocino County Farm Bureau. The Mendocino County Farm
11 Bureau, the nongovernmental, non-profit voluntary membership
12 advocacy group, whose purpose is to protect and promote
13 agricultural interests throughout the county and to find
14 solutions for the problems facing agricultural businesses in
15 the rural community.

16 We currently represent approximately 1,100
17 members, and I'm here today to present comments on behalf of
18 the Farm Bureau and our members who benefit from the Potter
19 Valley Project. A number of our members are dependent upon
20 the Potter Valley Project for augmenting local electrical
21 power supply, as well as agricultural, domestic, municipal,
22 industry and recreational water supply.

23 The water diverted from the Potter Valley
24 Project is used directly or through water stored in Lake
25 Mendocino by our members in the area of Potter Valley,

1 Redwood Valley, Calpella, Talmage, Ukiah, Hopland and south
2 to the county line. Overall, Lake Mendocino provides the
3 water supply for thousands of people in the Russian River
4 Watershed, as well as for listed salmonid species.

5 Farmers and ranchers in all these communities
6 benefit from the water that originates from the Project, and
7 this is the primary reason why Farm Bureau is engaged in
8 this process. The development of water resources for the
9 Potter Valley Project and Lake Mendocino have allowed for
10 the creation of a substantial agricultural economy in
11 Mendocino County.

12 The economic value of water stored in Lake
13 Mendocino that is used for farming and ranching with the
14 Russian River, based in the Mendocino County, was calculated
15 by Dr. Robert Eyler in 2016, to be over \$740 million per
16 year. This is a significant economic driver for a rural
17 county like Mendocino.

18 Impacts to the entirety of the agricultural
19 industry that benefit from Potter Valley Project water, from
20 the Powerhouse to the confluence at Dry Creek, needs to be
21 fully vetted and any alternative that is considered during
22 this relicensing process. In addition, Farm Bureau is
23 concerned that further reductions and flows at the Project
24 that may be considered and any alternative for this
25 relicensing process accurately assess the impacts to water

1 right holders and the Russian River Watershed.

2 As a result of the last licensing amendment
3 described during the FERC Final Order in 2004, the diverted
4 flows at the Project will reduce up to 50% depending on the
5 year. The cumulative impacts from this previous flow
6 reduction and any proposed future flow reductions on the
7 hundreds of water rights holders and the Russian River
8 Watershed deserves full analysis.

9 Agricultural water rights are not as protected
10 as domestic water rights, so it is critical that unnecessary
11 curtailments that result from flow reductions be fully
12 vetted. Mendocino County Farm Bureau has been involved with
13 the Potter Valley Project, Project Number 77,
14 license-related proceedings for many years.

15 The continued operation of the Potter Valley
16 Project is critical to a large number of Farm Bureau
17 members, their families, their businesses and their
18 communities. For this reason, Mendocino County Farm Bureau
19 appreciates the opportunity to continue to be part of this
20 discussion as the current relicensing proceeds. Thank you.

21 MR. JOHN MUDRE: Thank you, Devon. Our next
22 speaker is Frank Lynch.

23 MR. FRANK LYNCH: Hi. My name's Frank Lynch. I
24 did give the recording secretary a copy of most of what I'm
25 gonna say, I guess. First I want to thank FERC for coming

1 and I also want to thank PG&E. PG&E has worked with the
2 group I represent very well over the last couple of years in
3 meeting and talking about lake levels and what they're
4 projected to be over time, and I very much appreciate that.

5 I represent the Lake Pillsbury Homesite
6 Association, which includes 71 families who have cabins on
7 four service-lease land at Lake Pillsbury. And I guess I
8 could also say, since there's no one else here that I see
9 that I know, I can also say I kind of represent a lot of the
10 other user groups at the lake. There's three other
11 organizations, the Lake Pillsbury Ranch Organization, which
12 has about a 125 homes on their places at Lake Pillsbury.

13 There's the West Shore Campground, which has
14 permanent campsites which they lease from PG&E, and I think
15 there's about 50 of those sites. And there's also the Rice
16 Fork Homeowners Group, which has about 35 or 40 homes at the
17 south end of the lake. These facilities have been used for
18 families for generations, and that's true for all those
19 facilities.

20 There are people on the lake that I've known my
21 entire life who have gone up there, and most of these are
22 vacation homes and it's become very much a part of all of
23 our lives. And there's also the campgrounds. There's five
24 campgrounds on the lake, and people come from all over the
25 state and I've met people actually from all over the world,

1 who come to Lake Pillsbury to enjoy its environment.

2 The relicensing is going to affect the viability
3 of Lake Pillsbury for maybe up to the next 50 years. And in
4 the past, recreational level was something that was talked
5 about in the FERC license. And recreational levels were
6 supposed to be maintained through Labor Day weekend.

7 However, in the 2004 amendment, that was
8 replaced by the RPA and the result of that has been that the
9 lake has been, for the last dozen or more years, has been
10 left high and dry most of those years. By mid-July, the
11 lake has gone down a level that, for example, the docks that
12 we have within our organization, they're lying in the mud.

13 The facilities that have been developed at the
14 lake over periods of time have been mostly developed at the
15 northerly end of the lake, and so about 70% of the more
16 permanent sites and the camp sites are at the north end of
17 the lake, and when the lake gets low, those sites are all
18 far away from the water and there was a mitigation that was
19 put in in 2004 to put a low lake level launch ramp.

20 That's towards the south end of the lake.
21 It's--for me--it's about a 25-minute or 30-minute drive to
22 get there, and by the time the lake is really that low that
23 it becomes necessary to use that, the lake emits an
24 unpleasant odor, there's blue algae that's come up, and the
25 ambiance of the lake is lost. And so it's not a very

1 realistic mitigation for recreational use.

2 Well, I believe that all of use respect the goal
3 of protecting the endangered species, I think there's lots
4 of things and challenges that come into play. Climate
5 change and the rising ocean temperatures, I think, also have
6 an effect on fisheries. There's the unmetered agricultural
7 diversions.

8 And there's also a huge impact by the
9 illegal--if you will--agricultural uses that draw water from
10 the Eel and the Russian River, and those are not even
11 considered in the releases and how that impacts the
12 releases.

13 There's also the introduction of the pike minnow
14 that has affected the fisheries, both in the lake and
15 downstream, and all of those combine to impact the water
16 that flows downstream of the lake.

17 I think it also needs to be remembered that
18 without Lake Pillsbury being there, historically both the
19 Eel and the Russian River have gone dry in the summer. So
20 there is a beneficial reason why that lake should be there.

21 Further, since the lake has been there since the
22 1920s, the lake has created its own environment and its own
23 areas that are worthy of respect and protection. We have
24 four nesting bald eagle nests in the area and the elk
25 community, it's interestingly up there in the fall, you can

1 see herds of elk, sometimes 60 or 70 of them up to their
2 waists in the water. It's a very cool thing to see.

3 Recreational values, I think, also merit strong
4 consideration on a couple of other levels. The Forest
5 Service Management Plan says, "The heaviest demand for
6 development recreation facilities will continue to be
7 centered around water-oriented activities." So the Forest
8 Service plan calls for that. Also the Lake County General
9 Plan, if you read that, puts a lot of effort into protecting
10 water oriented recreational facilities.

11 The loss of the lake would have a huge impact on
12 Lake Mendocino and Sonoma County's, not just related to
13 water consumption, but also the economic health of Upper
14 Lake, Lakeport, Ukiah and Potter Valley. Also, the Eel
15 River System has had significant flooding over the years.
16 In 1955 and 1964, there was significant flooding that,
17 without the lake and the dam being there, we don't know what
18 would happen. So any evaluation for the loss of the dam
19 should also consider, what would change in downstream flood
20 plain and floodways.

21 Lake Pillsbury's also used very frequently by
22 fire agencies used as a source for water for both aerial and
23 direct drafting for fire protection. With the drought and
24 climate change, this is going to occur more and more and as
25 a water source for fire protection, I think it's a good

1 thing for it to be there.

2 Water from Lake Pillsbury feeds Lake Mendocino
3 and on to provide the agricultural water from Healdsburg to
4 Redwood Valley and north of Ukiah. And I think this likely
5 includes, I think everyone -- I've heard different numbers,
6 but I think it's safe to say, at least a couple hundred
7 thousand people benefit directly from the water in that
8 area.

9 The Press Democrat, the Santa Rosa paper,
10 recently had an editorial dated June 16th, 2017 that stated,
11 "As surface reservoirs fell to critical levels during the
12 drought, it became clear that California needs more water
13 storage for this generation and future generations." It
14 just does not seem prudent to take away a significant water
15 storage structure at this time.

16 Studies that might be appropriate for FERC to
17 consider would be an investigation of what kinds of tools
18 and machinery that can be developed to control temperatures
19 for water releases, not just from the bottom and the top
20 that perhaps, some kind of syphon or something from the
21 middle to vary water temperatures.

22 We heard yesterday on the tour that Fish and
23 Wildlife has put in a new, basically it's PVC pipe that has
24 been introduced to allow for the passage of the lamprey as
25 it migrates upstream, and it's cheap and easy, and I don't

1 know if there's any other kinds of new or low-tech kinds of
2 things that could be done to promote fish passage over the
3 lake. I'm not sure, but that's worthy of investigation.

4 I think the effects of ocean temperatures on
5 fish migration should also be considered, quantify the
6 impacts of stream flows from unmonitored agricultural
7 diversion, as well as illegal water diversions from the
8 marijuana industry. I think it might be appropriate to have
9 a demographic study of Lake Pillsbury visitation during dry
10 versus high water years. When the lake is dry, it's not
11 very inviting to go to.

12 The economic impacts on the surrounding
13 communities should also be examined and flood plain,
14 floodway impacts downstream should be considered as a loss
15 of the dam. One thing we heard in the introductory comments
16 today was, when the RPA was developed, it was developed in
17 the '70s and early '80s.

18 And that coincided with the timeframe, I
19 believe, that the introduction of the pike minnow and also
20 the marijuana industry taking off occurred around that same
21 time. So how those two things affected downstream water
22 availability and the impacts of those, should also be
23 considered, because they did affect the judgment from the
24 RPA, I believe.

25 Finally, I think that it needs to be recognized

1 that man is part of the environment as well. And so
2 balancing this is going to be very difficult and I don't
3 envy you your jobs, but I would advocate that you go back to
4 the pre-2004 status and require that optimum levels of the
5 lake should be maintained for beneficial uses. Thank you.

6 MR. JOHN MUDRE: Thank you, Frank. Our next
7 speaker is Regina, and Regina, you're gonna need to spell
8 your name for the court reporter.

9 MS. REGINA CHICHIZOLA: Hello, my name is Regina
10 Chichizola. I'm speaking today on behalf of a mainly
11 volunteer organization that's fairly new called Save
12 California Salmon. We were created out of a group called
13 Save the Klamath-Trinity Salmon and now have expanded into
14 other watersheds. We are an all-volunteer group concerned
15 about the demise of the fisheries in Northern California.

16 I wanted to speak of a few things, as far as the
17 PAD and the scoping documents and how I think FERC should go
18 about the process. First of all, I feel like PG&E and FERC
19 have understated what the scope of the impacted area is,
20 which is evidence by PCFFA's comments. Obviously, the ocean
21 fisheries are in a state of crisis right now. It's mainly
22 because of the Klamath and Sacramento systems that we're
23 dealing with almost no commercial fishery this year.

24 But the zone that would be fished from fisherman
25 in the Eel River has been shut down for a long time, and the

1 Eel River used to have about 800,000 salmon that returned to
2 pre-dams, and now have about 1% to 3% of that with KOHO
3 being predicted to possibly go extinct within the next 10 to
4 15 years.

5 Therefore, I believe that the scope has to
6 include the coastal area, and I'm also requesting that there
7 is a hearing within either the Humboldt Bay or Eel River
8 Watershed. I believe that there is a lot more people that
9 are from the Russian River in the room because of where this
10 is. I just got an e-mail from a lot of tribal members up in
11 my area that are impacted on the Eel River, saying they
12 won't be able to make it to this hearing, because it's too
13 far away, and they can't afford it. So I'm asking that
14 there's other hearings that are in the Eel River Watershed
15 or in Humboldt County coastline where people are impacted.

16 I also would like to request an independent cost
17 benefit analysis that looks at a restored fishery in the Eel
18 River and it looks at the impacts of these projects on Eel
19 River salmon recovery and restoration. Some of the
20 scientific documents I've read from scientists like Peter
21 Moyle, who are very revered, have said that it's very hard
22 to imagine restoring the Eel River without removal of this
23 project, or at least looking into the removal of this
24 project.

25 Furthermore, I believe to not look at fish

1 passage at the Scott Dam is ludicrous at this time. There
2 is regulations in the State of California related to fish
3 passage. And there is at least 79 miles of habitat for
4 Chinook, and up to 280 miles of habitat for steelhead above
5 the Scott Dam. I believe this needs to be looked at.

6 I know that there's actually varying numbers
7 that are less that have come from other places, so obviously
8 what habitat exists and whether those numbers are correct,
9 will also need to be looked at. We support looking at a dam
10 removal alternative of both dams.

11 I'm not going to comment on the water right
12 situation. I'm not sure if it's possible for some
13 diversions to continue, and I do think we need to look
14 seriously at how that can impact the Russian River and legal
15 water right holders and whether or not some diversions need
16 to continue even if dams are removed.

17 However, I also think tribal trust
18 responsibility and tribal water rights need to be looked at
19 on the Eel River and also whether or not the diversions are
20 impacting legal water right holders on the Eel River. I
21 also think there needs to be a very thorough cumulative
22 impact analysis within this process.

23 And when you look at it, they might come to --
24 well, actually these dams are not a big impact -- but a lot
25 of research I've seen shows that other tributaries of the

1 Eel River are doing much better than the upper main stem.
2 And that salmon numbers and trout numbers are very low in
3 this area and many people point to the dams and the
4 reservoirs.

5 I would like to see a study looking at the
6 dissolved oxygen and temperature impacts from these
7 reservoirs. Obviously, the state board will have to engage
8 in that, but also, I think the North Coastal Regional Board
9 should engage in that and talk about the TMDL loads and how
10 TMDL implementation can happen in this area, and whether or
11 not it can happen, the loads can be met with the reservoirs
12 in place.

13 I'd also like to see PG&E engage in a
14 watershed-wide restoration planning. I know there's a lot
15 happening right now within the area, and it might be that
16 there is no possibility for true restoration with these dams
17 in place, or it might be that there is. I think the impacts
18 to the Wild and Scenic values of the Eel River need to be
19 looked at as part of this process.

20 And I also think that whether or not this power
21 is actually needed or if it could be produced without the
22 reservoirs in place need to be looked at. As it was said,
23 these reservoirs produce about 9 megawatts of power and I
24 believe when the Project started, that was probably
25 considered a lot of power, but at this point, one windmill

1 can produce 3 megawatts of power.

2 Therefore, I think if we look at a true cost
3 benefit analysis that looked at public subsidies for habitat
4 restoration and things of that nature, that we might see
5 that there is no cost benefit of these dams being in place
6 and that they can easily be replaced with several windmills
7 or one solar array, and that the State of California would
8 probably help offer tax breaks for that because it's trying
9 so hard to be a climate leader right now.

10 And I also think removing dams and putting in
11 true alternative power could show PG&E's commitment to being
12 a climate leader within the United States. Let me look over
13 my notes for just one second.

14 And then, so my final comments are about -- I
15 think it's very important to look at the habitat of both the
16 dams in light of global warming. A lot of studies that I've
17 read have said that the habitat above the Scott Dam is some
18 of the best habitat within the watershed, and that it's also
19 some of the coldest water within the watershed.

20 Therefore, if we look at the drought situation
21 that's happened in the last couple of years and we look to
22 the future of predictions under global warming, I think we
23 will see that that habitat becomes more important under the
24 scenario of increased global warming within the future. So
25 I think that how global warming plays into the situation and

1 also plays into water quality within Lake Pillsbury needs to
2 be looked at as part of this process.

3 I would love to engage in the process as much as
4 possible. I, again, think that you need to do some hearings
5 up north so that people who utilize the Eel River for
6 fishing, recreation, homeowners, and people of that nature,
7 can actually make it to this meeting. As you know, a lot of
8 people in Humboldt County have very small incomes, including
9 a lot of tribal members and fisherman and are not able to
10 make it here today.

11 So I engaged, as some of you know, in the
12 Klamath process and those hearings happened in many
13 different impacted areas and I believe this process also
14 needs to happen in many different impacted areas. I also
15 think that you need to do a good analysis of the water right
16 situation and how looking at some of this water that is
17 disappearing in the Russian River could maybe supplement, if
18 we need to put more flows as part of this process into the
19 Eel River, so that legal water right holders are not
20 impacted.

21 I think that's all my comments. Thank you so
22 much for having us today, and I apologize for my wild child.
23 This is a very long meeting to sit through. Thank you very
24 much.

25 MASTER MALCOM CHICHIZOLA: [inaudible]

1 MS. REGINA CHICHIZOLA: Malcom just went fishing
2 for the first time and he really likes fish and wants to
3 talk about saving the fish some other time.

4 MASTER MALCOM CHICHIZOLA: Save the fish.

5 MS. REGINA CHICHIZOLA: Thank you.

6 MR. JOHN MUDRE: Thank you, Regina. That's
7 everyone who signed up to speak. If there's anyone left
8 that didn't sign up that wants to speak, we can hear from
9 you now.

10 MR. GEORGE CINQUINI: My name is George
11 Cinquini. And I signed up earlier to speak and took my name
12 off and decided, well, I guess I better comment or I won't
13 be satisfied when I go home. So I've listened to a lot of
14 points about the dam safety. I totally agree with the
15 comments about dam safety is absolutely gonna be necessary.

16 I'm an avid fisherman. I'm all about fish. I'm
17 involved in a lot of the organizations that have put out
18 these reports. You have to do fact-checking on some of
19 these reports. They kind of exaggerate. I have to say, I
20 am a resident at Lake Pillsbury. The habitat above the lake
21 is more like possibly 45 to 50 miles of spawning ground that
22 would be available, and I actually had that confirmed by a
23 fish and wildlife biologist here a while back, and I have
24 some recordings of that.

25 So that's a little exaggerated. Not only that,

1 Lake Pillsbury, Scott Dam is not the whole reason why we've
2 lost our salmonids. We've lost them up and down the coast.
3 They're just not coming back. So we have a lot more
4 problems than just one dam. And some of the dams up and
5 down the coast and throughout United States need to be taken
6 out, so I'm not totally against that.

7 However, we need the water. And in this case, I
8 believe the water supersedes the need to take the dam out.
9 We have to balance it. We have to create natural conditions
10 below Van Arsdale. And I believe in working with the NMFS
11 biologist here recently, the temperature of the water really
12 indicates to salmonids wanting to go home, so to speak. And
13 I think we need to continue doing the job.

14 Maybe with the block water release, but why not
15 do it on a continual basis and try to keep the temperature
16 of the water between Scott Dam and Van Arsdale at a natural
17 temperature. Even though the flow is gonna be not natural
18 between the two dams, it could be natural from Van Arsdale
19 downstream all the way to the Eel.

20 Well, on a dry year, guess what? There's not
21 gonna be much water down below Van Arsdale. But in a
22 heavier rain year, more water coming in, then that water
23 should go down the Eel River and take care of the fish. We
24 have a real bad situation in the Russian, as well, I know
25 they advocate low flow so we get subterranean flow, less

1 water from the dams, warmer water, and the salmonids could
2 live in the cold pools.

3 Well, the same thing would happen in the Eel
4 River. But you have to have the pools. You have to have
5 the water, and I think the drawdown on the Eel's been a lot
6 from the illegal industries drawing a lot of water from the
7 tributaries and what-have-you, so anyway, thank you so much
8 for your letting us vet our feelings, and good luck.

9 MR. JOHN MUDRE: Well, thank you, George. We've
10 heard a lot of useful information today. We've got a lot of
11 thinking to do and we will be producing our Scoping Document
12 2, which will address a lot of what we've heard today. I
13 want to thank everyone again for coming and we're having
14 another meeting this evening at 6:00, if you're a glutton
15 for punishment, you're welcome to come. Thank you again.

16

17

18

19

20

21

22

23

24

25

1 CERTIFICATE OF OFFICIAL REPORTER

2

3 This is to certify that the attached proceeding
4 before the FEDERAL ENERGY REGULATORY COMMISSION in the
5 Matter of:

6 Name of Proceeding: Potter Valley Project

7

8

9

10

11

12

13

14

15

16 Docket No.: P-22-285

17 Place: Ukiah, CA

18 Date: Wednesday, June 28, 2017

19 were held as herein appears, and that this is the original
20 transcript thereof for the file of the Federal Energy
21 Regulatory Commission, and is a full correct transcription
22 of the proceedings.

23

24 Jason Butko

25 Official Reporter