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PUBLIC HEARING BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION  
(FERC)

McCLOUD-PIT HYDROELECTRIC PROJECT  
FERC PROJECT NO. 2106-059  
CALIFORNIA

THURSDAY, SEPTEMBER 9, 2010  
HOLIDAY INN, 1900 HILLTOP DRIVE  
REDDING, CALIFORNIA  
9:00 A.M.

Members Present Representing the FERC Team:

- Emily Carter
- Joyce Brooks
- Paul Muessig
- Jeff Elseroad
- Shana Murray
- Matt Buhyoff

Reported by CHERYL K. SMITH, CSR 5257

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1 PUBLIC HEARING  
2 BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION  
3 THURSDAY, SEPTEMBER 9, 2010

4 ---o0o---

5 (9:00 a.m. Public Comment Session)

6 ---o0o---

7 MS. CARTER: I guess we'll go ahead and get  
8 started. I want to welcome everyone to the meeting. This  
9 is the public comment meeting, the first of two for the  
10 McCloud-Pit Project Draft Environment Statement.

11 My name is Emily Carter, I'm the FERC project  
12 coordinator, and I will go ahead and let everyone up front  
13 with the FERC team introduce themselves.

14 MR. BUHYOFF: Mat Buhyoff, I'm fisheries biologist  
15 on the project.

16 MS. MURRAY: Shana Murray with FERC, recreation  
17 resources and land use issues.

18 MR. ELSEROAD: Jeff Elseroad with EA Engineering  
19 Science and Technology, and project manager.

20 MR. MUESSIG: Paul Muessig with EA Engineering  
21 Science and Technology, the fishery issues, water quality,  
22 quantity, and geology.

23 MS. BROOKS: Joyce Brooks with Long View  
24 Associates, and we worked with recreation, land use and  
25 aesthetics.

1 MS. CARTER: We don't have many people, so if you  
2 guys want to come up a little closer it might be easier.

3 A SPECTATOR: I'm sorry, what did you say?

4 MS. MURRAY: Way to start the movement,  
5 gentlemen.

6 MS. CARTER: So briefly, as most of you are well  
7 aware, but a brief history, PG&E started this relicensing  
8 process about five years ago or more, and then they filed  
9 their Notice of Intent and their preapplication document in  
10 July of 2006. And then they went through the study plan  
11 process, and in July of last year they filed their license  
12 application. We filed a ready -- or issued a Ready for  
13 Environmental Analysis in December, and then on July 30th of  
14 this year we issued the Draft Environmental Impact  
15 Statement, which contains our analysis of the information  
16 available in the existing data available in the public  
17 record for the McCloud-Pit project.

18 The purpose of this meeting is one of several  
19 opportunities that you have to provide us with comments on  
20 what you think of the document and the information contained  
21 in it, and our analysis of that information. Your other  
22 opportunity is the written comment period, which ends on  
23 September 28th. And you have several opportunities to file  
24 written comments. You can either file them electronically,  
25 you can go to our web site at F-E-R-C dot G-O-V, and there

1 is the e-comment process where you just -- you don't even  
2 have to register, you can just type in your comments and hit  
3 file, or you can go with e-filing where you can, you have to  
4 register, but you can file larger documents, or you can go  
5 the old fashion route and just send in comments to the  
6 Secretary of the Commission and it will be placed into the  
7 public record.

8 Do not e-mail them to me. You have to go through  
9 either the e-filing through our FERC dot GOV or through the  
10 written comments.

11 And then once the public comment period ends, the  
12 next step is any modified terms and conditions are due on, I  
13 believe it's November 28th -- oh, modified terms and  
14 conditions are due November 29th from the agencies, and then  
15 we'll review all of that information and we will prepare a  
16 Final Environmental Impact Statement, and those will issue  
17 by February 28th of 2011, and that will become the basis for  
18 any decision the Commission makes for issuing the license  
19 for the McCloud-Pit Project.

20 As I mentioned, the purpose of these two public  
21 meetings this morning, and then the one tonight at 7:00 is  
22 to accept -- is to give you an opportunity to verbally  
23 comment to Commission staff on the DEIS. I ask that you  
24 limit your comments to the DIS and information contained  
25 within it, or not within it, and to take into account that

1       there are other people that want to comment, so to try to  
2       limit your comments to a few minutes and not -- I might have  
3       to stop you if you go too long.

4               We do have a Court Reporter, so she will be tying  
5       everything up and a transcript will be available through  
6       e-library within 12 days. If you desire a copy sooner you  
7       actually have to get it directly from the court reporting  
8       service, and you have to pay for it. But after the 12 days,  
9       it will be available on e-library, and then also in the  
10      Commission Public Reference Room.

11              And when you do give your comments, if you could  
12      state your name loudly and clearly, and if it's unusual  
13      spell it so that she can get it correctly on the record,  
14      and then also state your affiliation so that we can have  
15      everything provided.

16              And are there any questions? If not, then  
17      we'll -- yeah.

18              A SPECTATOR:    Could you -- thank you. I heard  
19      about the 28th deadline, there was another one, the 18th I  
20      missed --

21              MS. CARTER:    No, the next couple of steps, the  
22      written comment deadline period is September 28th. Then the  
23      next date after that is for the agencies to file any  
24      modified terms and conditions, and that is November 29th.  
25      And then once -- and then we'll review all the things, and

1           then the next step after that is the Commission will issue  
2           the Final Environmental Impact Statement by February 28th.

3           A SPECTATOR:    Thank you.

4           A SPECTATOR:    That's only the mandatory  
5           commissioning agencies for modified terms and conditions?

6           MS. CARTER:     Yes.   But you could modify with ten  
7           days.

8                         So, okay, I've got the sign-up sheet, so we'll  
9           just go down from the people that signed up to speak first.  
10          So we will start with David Foster.

11          MR. FOSTER:     Hi, I'm David Foster.   And actually  
12          I would like to turn my time over to Dennis because he's  
13          prepared for me.

14          MS. CARTER:     Okay.   So then the next one is Tom  
15          Lane?

16          MR. LANE:     I'm also to going to give it over to  
17          Dennis there, so...

18          MS. CARTER:     Okay.   Kathy Turner.

19          MS. TURNER:    Do you want me to come up front and  
20          talk on a microphone or talk from here?

21          MS. CARTER:     For now I think you are fine there.

22

23                                 PUBLIC COMMENT BY KATHY TURNER

24

25          MS. TURNER:     Kathy Turner, K-A-T-H-Y   T-U-R-N-E-R,

1 Forest Service.

2 The Forest Service has not yet completed our  
3 review of FERC draft EIS, so we will be providing the  
4 majority of our comments, including ones on the McCloud  
5 in-stream flows by the September 28th, 2010 response  
6 deadline. However, we wanted to provide a brief summary of  
7 several key points today. I will be addressing  
8 implementation plans and Project Boundary concerns. Stacy  
9 Smith will be clarifying road and recreation concerns.

10 Regarding implementation plans, the Forest Service  
11 will be filing draft implementation plans with our final  
12 4(e)'s in November 2010 for all resources where we have  
13 requested a plan.

14 We have been working with PG&E and other  
15 relicensing participants in the development of these draft  
16 plans. While these plans won't be final, our objectives are  
17 that they provide considerably more detail than is available  
18 in PG&E's FLA Plan outlines. These more detailed plans  
19 offer the following benefits.

20 They provide future parties with current thinking.

21 They provide the licensee and FERC with a better  
22 understanding of Forest Service expectations for more  
23 accurate environmental and cost analysis.

24 Reduces time and cost by capturing detail that is  
25 currently known, instead of reinventing this information

1 when the license is issued more than a year from now.

2 It will allow related plans to be finalized  
3 concurrently to avoid inconsistencies we are seeing on other  
4 projects where implementation plans are developed years  
5 apart.

6 Plans will be able to be finalized more quickly,  
7 leading to faster implementation of resource mitigations.

8 And finally developing more detailed  
9 Implementation plans consistent with FERC's request for this  
10 information.

11 The other topic I want to talk about is project  
12 boundaries. And as a result of other license  
13 implementations, we have discovered a dilemma concerning  
14 FERC's timing and delineation of project boundaries.

15 Before a licensing can construct on or occupy  
16 Federal Lands, there must be analysis of that action under  
17 the National Environmental Policy Act, or NEPA, and  
18 occupancy must be Federally authorized. On National  
19 Forests, the Forest Service will typically issue a special  
20 use permit, or typically on relicensing projects where FERC  
21 is the lead federal agency, occupancy is authorized with  
22 FERC'S license within a Project Boundary.

23 By policy, the Forest Service defers to FERC for  
24 all NEPA analysis and decisions within the Project Boundary.  
25 That is, the Forest Service is not required to complete NEPA

1 analysis for any actions authorized by FERC on National  
2 Forest Service lands and included within the Project  
3 Boundary.

4 However, FERC often issues licensing that do not  
5 include all proposed project facilities within the Project  
6 Boundary. In general, this occurs when there is  
7 insufficient information available to identify a facility's  
8 location or construction details in FERC's NEPA analysis.  
9 This then later requires the licensee to construct  
10 facilities on Federal lands without authorization, or  
11 adequate analysis; or alternatively requires the Forest  
12 Service to complete separate NEPA and issue a special use  
13 permit prior to construction. Either of these scenarios can  
14 result in redundant Forest Service NEPA analysis that can be  
15 appealed under Federal -- under Forest Service regulations.

16 It's costly to all parties, with the licensee  
17 bearing NEPA preparation costs. It delays implementation,  
18 and it could result in a different conclusion in the new  
19 NEPA than was anticipated during collaborative relicensing  
20 agreements.

21 And so it is in the interest of all relicensing  
22 parties to have all proposed project-related actions  
23 authorized by FERC and included within the Project  
24 Boundary. In general, this means providing sufficient  
25 detail in plans so that proposed actions are well understood

1 and can be analyzed in FERC's NEPA analysis and authorized  
2 in the license order. As discussed previously, this is one  
3 of the reasons the Forest Service is providing more draft  
4 implementation plans to our 4(e)'s.

5 We understand in some cases where the exact  
6 location of a facility is unknown, FERC cannot include the  
7 proposed facility within the license Project Boundary.  
8 However, once the location is known, the Forest Service  
9 believes that the most prudent action is for the utility to  
10 request a license amendment to include the proposed facility  
11 within the boundary prior to commencement of any ground  
12 disturbance. In this way, the amended License Order will be  
13 the authorizing instrument, negating the need for the Forest  
14 Service to issue a special use permission or separate NEPA  
15 analysis.

16 The proposed Gap Creek, G-A-P, Creek Campground is  
17 a good example of this dilemma, since it is not addressed in  
18 FERC's DEIS, and the proposed site is only partially within  
19 the existing FERC Project Boundary. The Forest Service will  
20 be providing specific comments on the DEIS to provide FERC  
21 with facility detail and locations that need to be  
22 identified and addressed in the FEIS. There are other  
23 examples on the McCloud Project as well, mainly road and  
24 recreation related that the Forest Service will be detailing  
25 in our DEIS comments to FERC.

1           We request that FERC consider this situation and  
2 assure that both the NEPA analysis and FERC license,  
3 including Project Boundary delineation, provide for  
4 sufficient analysis and inclusion of proposed facilities, so  
5 as not to create a situation where a Licensee is required to  
6 construct a facility without authorization.

7           And this is something that we've just recently  
8 discovered on other projects in the region, and we wanted to  
9 bring this to FERC'S attention.

10           MS. CARTER: Thank you.

11           MS. TURNER: Thank you.

12           MS. CARTER: Stacy, did you want to go next?  
13

14                           PUBLIC COMMENT BY STACY SMITH  
15

16           MS. SMITH: I did. And since I'm technologically  
17 challenged, I had to print my map out. So I don't have  
18 enough for everyone in the room, but if everyone is willing  
19 to share. If we could distribute these.

20           MS. CARTER: Stacy, maybe it would be easier if  
21 you came up here so she can hear you a little more.

22           MS. SMITH: S-T-A-C-Y S-M-I-T-H.

23           All right. So Stacy Smith. I'm with the U.S.  
24 Forest Service. I would like to thank the Commission for  
25 taking our comments today. Specifically, as Kathy noted,

1 the Forest Service would like to clarify the Forest Service  
2 proposals regarding roads and recreation within the Project,  
3 and address the Commission's analysis of these items in the  
4 DEIS. Our comments today are consistent with previously  
5 provided information in our letter of June 21st, 2010 and  
6 our Preliminary Section 4(e) rationale.

7 The reference maps you all are holding or sharing  
8 have -- show the locations of the key road segments in  
9 question around the McCloud and Iron Canyon Reservoirs, and  
10 include both existing and new proposed recreation sites as  
11 discussed during collaborative meetings with PG&E during the  
12 spring and summer of 2010.

13 In reviewing the 21 road segments listed and the  
14 Final License Application, the Forest Service agrees that  
15 four of the seven road segments listed as non-project roads  
16 do not meet the Commission's previous policy statement  
17 regarding project roads, and are more appropriately included  
18 in a Memorandum of Understanding between the Forest Service  
19 and PG&E. The Commission's 2006 statement on Settlement  
20 Agreements provides clear direction that parties should  
21 consider this issue carefully when deciding to what extent  
22 they want the Commission to impose ongoing obligations on  
23 licensees with respect to roads. Because these obligations  
24 can be substantial, the Forest Service has carefully  
25 considered the Commission's direction that the road is

1 necessary for project purposes, as with a road that is  
2 needed in order to reach the powerhouse, or a road that is  
3 the only way to reach a project recreation site. If the  
4 road merely passes through the project and is used only  
5 incidentally for project purposes, it may not be appropriate  
6 to require the licensee to maintain it.

7 In reviewing the Commission's guidance and the  
8 road data collected during the study plan period, the Forest  
9 Service proposes that Segment 1 of the Hawkins Creek Road  
10 and the Iron Canyon Loop Road, which are on your maps, meet  
11 the threshold and should appropriately become project roads  
12 in the new License.

13 As shown on the map, Segment 1 of the Hawkins  
14 Creek Road provides the sole means of access to all but two  
15 of the proposed and existing recreation sites around the  
16 McCloud Reservoir, and only means of ground-based access to  
17 McCloud Dam, spillway and intake gates. Study data results  
18 reported in the Technical Memos indicates that nearly  
19 two-thirds of all the traffic entering the Project area on  
20 this road segment travel to the Tarantula Gulch Boat Ramp,  
21 while roughly equal portions travel to the remaining sites  
22 around the Reservoir and into the limited public fishing  
23 access points along the Lower McCloud River below the dam.  
24 Of all the traffic entering the Project, data shows that  
25 only six percent exit to the south, past the last McCloud

1 Reservoir Project improvement.

2 The Commission has directed that license  
3 conditions should address only the relevant portion of the  
4 long road, rather than the entire road. Because the Hawkins  
5 Creek road passes in and out of two separate Project  
6 facilities, McCloud Reservoir and Iron Canyon Reservoir, the  
7 Forest Service has identified just the portion of Hawkins  
8 Creek Road that is specifically Project driven, and has  
9 proposed an MOU for a second segment of the road that  
10 provides Project access, but does not meet the threshold as  
11 primarily for Project purposes.

12 The Hearst Corporation, and Lloyd is here today,  
13 owns and controls nearly all the land and possible  
14 destinations around the McCloud Reservoir as a result of a  
15 1965 Land Exchange with the Forest Service, and it's all the  
16 white on the map. The Hearst roads that connect to Segment  
17 1 of the Hawkins Creek Road are gated and locked at all  
18 times. The Hearst Corporation owns and maintains a separate  
19 and private system of roads that provides access for the  
20 majority of their land management activities.

21 During Project construction, PG&E was granted  
22 temporary rights to use some of those private Hearst roads  
23 until PG&E reconstructed the inundated portions, and created  
24 the current alignment on the Hawkins Creek Road. While the  
25 PG&E rights on the Hawkins Creek Road were temporary, the

1 Hearst Corporation has retained their rights and has  
2 expressed concern that these rights would be in jeopardy if  
3 the road was designated a Project Road. The Commission was  
4 clear in the 2006 Policy Statement that inclusion of a road,  
5 or a portion of a road within a project does not mean that  
6 the licensee must obtain fee title to the road, only that it  
7 must obtain sufficient rights, such as an easement, a lease,  
8 or a right-a-way. Should the Commission designate this  
9 portion as a Project Road, PG&E would then again hold the  
10 rights needed to operate and maintain that Project  
11 infrastructure.

12 The Iron Canyon Loop Road connects to both the Oak  
13 Mountain Road and Segment 2 of the Hawkins Creek Road. In  
14 conjunction with these roads, it completes a loop around  
15 Iron Canyon Reservoir and provides the sole means of  
16 road-based access to Iron Canyon Dam, the valve house, the  
17 compliance gage, borrow sites, and intake pipe. In addition  
18 to operational facilities, it provides the sole means of  
19 road-base access to Deadlun Campground, the new Iron Canyon  
20 Boat Ramp and Day Use Area, the new Gap Creek Campground,  
21 and may provide access to one or more reservoir access  
22 points.

23 Similar to Segment 1 of the Hawkins Creek Road,  
24 PG&E secured easements from both the Forest Service and  
25 private landowners to construct and relocate inundated

1 portions of what is now the Iron Canyon Loop Road during  
2 construction of the Project. Study data shows that most  
3 visitors travel from Big Bend using Hawkins Creek Segment 2,  
4 not the Oak Mountain Road, to reach recreation sites around  
5 Iron Canyon Reservoir. Of the total traffic recorded on  
6 Iron Canyon Loop Road during the study period, just nine  
7 percent traveled past Project facilities onto the two  
8 logging roads leading out of the Project area. Most  
9 visitors traveled to the developed or dispersed recreation  
10 sites located around the reservoir. And this use is  
11 expected to increase as the new recreation sites are  
12 developed to accommodate additional use.

13 And recreation facilities along the Lower McCloud  
14 River are a second area of concern for the Forest Service.  
15 While in-stream flows along the Lower McCloud River have  
16 generated heated debates, and comprise the vast majority of  
17 the public comments on this Project, public access to these  
18 regulated flows is the first step in providing either  
19 fishing or boating opportunities. Two Forest Service  
20 recreation sites, Ash Camp and Ah-Di-Na were identified in  
21 1963 and developed in response to the Project to provide  
22 access to the new regulated flows from the McCloud Dam. Of  
23 the 24 miles comprising the Lower McCloud River, including  
24 the 13 miles of Project affected flows above Squaw Valley  
25 Creek, less than five of those miles are managed for full

1 public access. Ash Camp, which lies just over a mile below  
2 the McCloud Dam is one of two public access points for both  
3 private and commercial fly fishing and private boating  
4 access along the Lower McCloud River. Although the McCloud  
5 Dam has been proposed as the sole day use site and access  
6 point on the entirety of the Lower McCloud River, it's  
7 likely that space and safety concerns will require that  
8 these facilities be moved to the Ash Camp location. The  
9 Forest Service and PG&E have discussed our mutual concerns  
10 over large large woody debris and coarse sediment  
11 augmentation at the Dam, and have agreed that Ash Camp is  
12 likely the better alternative.

13 Ah-Di-Na Campground, which lies just over four  
14 miles below the Dam, is the second public access point, and  
15 easily as popular as Ash Camp for private and commercial fly  
16 fishing and private boating use. This site also serves as a  
17 holding site for anglers waiting to enter the adjacent  
18 Nature Conservancy lands. Study data shows that 87 percent  
19 of the surveyed users of Ah-Di-Na were anglers. Public  
20 response and involvement in the collaborative flow meetings  
21 last fall by both boaters and anglers confirms that access  
22 to optimal flows on the Lower McCloud River is far and away  
23 the most important public issue in this relicense. It would be  
24 unrealistic to manage for recreational flows on the Lower  
25 McCloud River without a means to access them. The Forest

1 Service has provided these improvements for river users  
2 since the Project was developed, and asks that PG&E provide  
3 future management and maintenance of the Project induced  
4 use.

5 My last comments today are about the Pit 7  
6 afterbay. A field review with PG&E at the afterbay in 2010,  
7 just a few weeks ago, has generated some discussion about  
8 the safety and function of the V-Notch Weir in the afterbay  
9 dam. It has had fatalities. The Forest Service is  
10 considering alternative options to develop Fenders Flat for  
11 improved safety and recreation.

12 If additional power is not generated at the Pit 7  
13 afterbay, we would like to consider removal of the afterbay  
14 dam in lieu of an alternative means to attenuate the flow  
15 and provide access. That opens up a mile and a half of the  
16 Lower Pit River for recreational use for both fishing and  
17 boating.

18 Our comments today will be incorporated into the  
19 Forest Service response to the Draft EIS and final section  
20 for comments. And I thank you today for your  
21 consideration.

22 MS. CARTER: Thank you. Okay.

23 Steve Nevares.

24

1 PUBLIC COMMENT BY STEVE NEVARES

2

3 MR. NEVARES: I'm Steve Nevares, S-T-E-V-E,  
4 that's the easy part, N-E-V-A-R-E-S.

5 I'm the Senior Project Manager with PG&E's Power  
6 Generation Department and PG&E's Project Manager for the  
7 relicensing of McCloud-Pit.

8 PG&E is in the process of reviewing the DEIS and  
9 we're not prepared today to give extensive comments. We  
10 would like to comment a little bit on the Forest Service  
11 comments, though. We will be providing formal comments by  
12 the 28th deadline.

13 Overall though, we believe that DEIS is complete  
14 and thoroughly evaluates all relevant relicensing issues.  
15 And also we're in general agreement with the Project  
16 mitigation enhancement measure proposed, and we think it  
17 addresses the issues relevant to relicensing.

18 On the roads issue, this is -- we kicked this  
19 around a long time with the Forest Service and we adamantly  
20 disagree with their conclusion and interpretation of our  
21 study results as far as the issue of what should be  
22 additional Project roads. The roads they're suggesting as  
23 Project road access, the Forest Service overall network of  
24 roads in the area, and also to other private properties, and  
25 we do not feel it meets FERC's criteria for needing it for

1       sole purposes to access to private facilities.

2               On the issue of the recreation of the Lower  
3       McCloud River, we believe that our recreation study showed  
4       that the majority of the recreation users were going to  
5       Ash Camp and Ah-Di-Na to access the road -- or the river to  
6       fish on the Lower McCloud River, river recreation, not  
7       Project-related recreation.

8               As far as the issue with the -- with the V-Notch  
9       at Pit 7 Afterbay, it's a project facility. It's been there  
10      since the Project was initially constructed. Recreation has  
11      been accommodated there and as safely as possible with  
12      fencing, and this type of protection measures. And one of  
13      the issues is maybe recreation should be excluded from that  
14      entire area as it has from the afterbay due to public safety  
15      concerns. It's a functioning facility, it's a Project  
16      facility, and we don't feel it should be modified at great  
17      cost to accommodate recreation in that area.

18              We want to thank FERC for having this meeting, and  
19      we'll be submitting our comments by the September 28th  
20      deadline.

21              MS. CARTER:    Great.  Thank you.

22              Next we got George Williams.

23

24

## 1 PUBLIC COMMENT BY GEORGE WILLIAMS

2

3 MR. WILLIAMS: Yeah. My name is George Williams,  
4 common spelling. I don't represent anybody. I'm just a  
5 private citizen. I am an extreme whitewater paddler. I  
6 came to listen and basically to express some of the concerns  
7 of the private community in the paddling world. We feel  
8 that a lot of the emphasis on the recreational side has been  
9 slanted over to the fishing side; whereas our concern is,  
10 even though most of us are fishermen, too, we would like to  
11 enjoy the boating recreation side of the Lower McCloud and  
12 on the Pit.

13 Access is an issue. One of our concerns is that  
14 when there is optimal flows for recreational boating, access  
15 is difficult due to snow conditions, and roads are basically  
16 closed. We would like that addressed.

17 Also that we would like to see some sort of  
18 natural flow occurring during the time where it doesn't  
19 inundate heavily upon the fishing season, but maybe pre-  
20 fishing season. But then again during pre-fishing season  
21 access to those areas, such as to Ah-Di-Na Road on the Lower  
22 McCloud would be greatly enhanced if we could access that  
23 during the time when there was actual water. Hopefully  
24 PG&E, or whoever is in charge with all that could ramp up  
25 the water to around six to eight hundred cubic feet during

1 those times, or whatever the natural runoff or snow melt is  
2 occurring at that time, that would be great. Thank you.

3 MS. CARTER: Okay. Thank you. And then Curtis  
4 Knight.

5

6 PUBLIC COMMENT BY CURTIS KNIGHT

7

8 MR. KNIGHT: My name is Curtis Knight I'm the  
9 conservation director for California Trout, and I'm also  
10 representing Trout Unlimited today. K-N-I-G-H-T, and Curtis  
11 with a C.

12 Well, I wanted to first underscore what I think  
13 everybody in the room knows about the McCloud River, and  
14 that is that it's cherished by many for many different  
15 reasons. But for anglers, it is one of the top best in the  
16 nation, in the state, if not the country --

17 A SPECTATOR: World.

18 MR. KNIGHT: The world. And it attracts a lot of  
19 attention in that regard, and there is a lot of sensitivity  
20 from the angling community about changes that may occur on a  
21 place that in many minds are perfect. And I think everybody  
22 in the room is pretty aware of that.

23 The challenge then is to go through a process --  
24 the challenge for at least California Trout and Trout  
25 Unlimited is to go through a process like this that we're

1 well versed in, and well versed in working within to improve  
2 conditions for trout. And we've done that on many  
3 relicensings. And again, the challenge on this one is to do  
4 that, to make changes on a place that's perceived by many to  
5 be perfect. But we do -- we do see changes that need to be  
6 made.

7           And in looking at the four or five different flow  
8 proposals that are out there right now, most agree that the  
9 flows below McCloud Dam need to be increased by a certain  
10 amount. And those amounts vary, and seasonally they vary  
11 among the proposals. What we tried to do was look at the  
12 extensive data that was collected and focus on what we  
13 thought was best for the fish, and especially during the  
14 springtime because a lot is happening there. And I think  
15 we're all aware of the low flow conditions below the dam,  
16 and more importantly how they tend to counteract the natural  
17 flow coming out of Hawkins Creek. So when Hawkins Creek  
18 goes up, the dam goes down. And that inverse relationship  
19 has the tendency to provide two things. Really a flatline  
20 hydrograph during the springtime at moderate flows. And  
21 then at higher flows, you have a really low flow condition  
22 below the dam and gets spilled on. Both of those things are  
23 really bad for fish. So from a biological standpoint, our  
24 recommendations, we filed for you alternative conditions,  
25 and that's what a lot of where our focus was.

1           We also though took into account the angling  
2           experience. And we propose some modifications to the Forest  
3           Service boat proposal, which we agreed with in structure.  
4           We like the mechanisms that the Forest Service has come up  
5           with, particularly in how to deal with flows during the  
6           winter and early spring months.

7           The difference is that we proposed would be  
8           primarily in the April and May time periods, and we believe  
9           that these changes, largely in how we get a base -- how we  
10          get these higher summertime flows down to summer level, and  
11          what rate, and what time period that happens. We adjust our  
12          proposal to accommodate the anglers for that, and we felt  
13          like that was an important adjustment. And we felt like it  
14          didn't compromise the system biologically. We took all that  
15          into account. So we -- in short we think he's equally  
16          protected.

17          We also recognize that from a generation  
18          standpoint, at least looking at FERC's analysis, there is no  
19          difference between the two. And I'm not quite sure exactly  
20          why that is, but it may be that flows here and flows there  
21          cancel each other out, or that there is just not enough  
22          water that it gets rounded off. But I did note in the  
23          Draft, that the generation amounts for our proposal and the  
24          Forest Service proposals were essentially the same.

25          The issue of temperature is -- also comes into

1 play in our recommendation from a fishery standpoint,  
2 largely at -- towards the mouth by Shasta Lake. Temperature  
3 is generally not a problem in most of the river as everybody  
4 is here aware. But down towards Shasta Lake, especially  
5 during July and August, hot days, peak-time temperatures can  
6 get above 23 c, which starts to stress fish out. So we  
7 think some of these flows will accommodate that. The  
8 temperaturing model shows that as well.

9 The access issue we haven't weighed in on a lot to  
10 date, but it makes sense. And we'll consider that in our  
11 written comments. It makes sense that if fishing season  
12 starts at the end of April, and if we can provide a tradeoff  
13 with the boating community to get in there earlier and take  
14 advantage of higher flows that we're recommending in March  
15 and April, that on many years that makes -- that would make  
16 sense, and the only thing blocking that would be access.  
17 And we'll consider commenting on that in our written  
18 comments.

19 One other thing I wanted to mention about our flow  
20 proposal that I think is really important, is what happens  
21 later in the season. We -- our language in the flow  
22 proposal was to have a summer-base flow that was equal to or  
23 greater than what's happened there before, or that what has  
24 been happening. And our concern there is -- is flows right  
25 now say of 200 CFS, which are in the FERC record, end up

1 being 220 at Ah-Di-Na, A-h D-i N-a, because of FERC being  
2 conservative to not be in license violation. And our  
3 concern is, and we've seen this on other relicensings, that  
4 the facilities get upgraded efficiency-wise, they can  
5 control it better, and 200 becomes 200 and not 220. It's  
6 important to us to make sure we're at the higher of the two,  
7 especially during July and August.

8 I just wanted to mention two more things in  
9 relation to the Draft EIS. And we will be filing comments  
10 later in September. One is Bull Trout. We've talked about  
11 Bull Trout a lot at various stages in writing in this FERC  
12 proceeding. We believe that there are, as the EIS states,  
13 several factors that lead to them being the only salmonidae  
14 to go extinct in California. We still have all the others.  
15 It's the only one that is gone. And we do believe there is  
16 many factors. Shasta Dam, the loss of salmon and steelhead  
17 spawning there as a food source.

18 But if you look at all those factors, one really  
19 stands out, and that is building the McCloud Dam. It  
20 bifurcated the adult rearing habitat down below, with the  
21 spawning habitat up above. It also slightly changed  
22 temperatures, slightly increased temperatures, to a point  
23 that favored introduced Brown Trout over Bull Trout.

24 And one of the most important and often overlooked  
25 aspects, though I do note that it's mentioned in the Draft

1 EIS, is the impacts of angling and take on Bull Trout in the  
2 McCloud Reservoir. The Creel Data soon after McCloud  
3 Reservoir was built are astounding at how many Bull Trout  
4 are caught out of the reservoir. You have days where 16, 20  
5 Bull Trout are being harvested. So it doesn't take long for  
6 a slow growing long lived species like Bull Trout to be  
7 impacted heavily by that type of take. We think that Bull  
8 Trout have not been a part of the discussion in this  
9 relicensing and need to be from a mitigation standpoint, and  
10 we'll provide comments on that a little bit later.

11 The last item I want to touch on was the -- was  
12 the issue of the National Marine Fisheries Services  
13 biological opinion to reintroduce steelhead and salmon into  
14 the McCloud River. As a conservation group, we're very  
15 interested in this issue statewide, it's part of our  
16 mission. It's hard to ignore the argument that to save our  
17 salmon and steelhead throughout the state, especially in the  
18 Central Valley, we need to get them access to 90 percent of  
19 their historic spawning and rearing habitat that are above  
20 these big dams. And if you look at a lot of the big dams,  
21 you don't find many stretches of river like the McCloud or  
22 the Upper Sacramento that are in such good shape that can  
23 take them.

24 This issue has been controversial within this  
25 relicensing and also hard to deal with, because it's not

1 clear how serious these plans are. But as the months go on  
2 it looks like it's going to be -- it's going to happen. And  
3 we think that the generic reopener clause in the Draft EIS  
4 needs to be modified and needs to be a little bit more  
5 specific about that issue.

6 The way this issue is dealt with here in this  
7 relicensing, especially in regards to flow, I mean, it seems  
8 largely too late, I mean, it's difficult to think about it  
9 just a little bit. And I think rightfully the participants  
10 in the relicensing have put it off to the side in regards to  
11 flows, and focus those flows on what is best for the river  
12 health and the fish that are there now. And we agree with  
13 that, but we would like more clarification on the reopener  
14 issue, and we will provide more specifics about that in our  
15 written comments at the end of September. Thank you.

16 MS. CARTER: Thank you.

17 Matt Myers.

18

19 PUBLIC COMMENT BY MATT MYERS

20

21 MR. MYERS: My name is Matt Myers, M-Y-E-R-S. I  
22 apparently couldn't afford the other "e." I am the Region 1  
23 FERC Coordinator. The Department is still reviewing the  
24 DEIS. And by Department, I mean me. I have to send my  
25 comments through Fisheries and Wildlife and Terrestrial

1 staff, so I'm not prepared today to submit those comments.  
2 But I will be -- or the Department will be submitting those  
3 by the September 28th deadline.

4 I do have a question slash statement in regards to  
5 the EIS, the flow proposal. One of the CAL Trout's  
6 footnotes was the 200, or historic flows, average historic  
7 flows, I believe. And through my first review of the DEIS,  
8 I'm not sure where it states exactly what that historic  
9 average flow is. So one of the comments that I will be  
10 making in questions is what exactly is that precise flow in  
11 order for us to evaluate is it appropriate or not. So I  
12 don't know if you guys want to answer that now or...

13 MS. CARTER: We'll make sure to address it in the  
14 FEIS.

15 MR. MYERS: Other than that, we'll be submitting  
16 our comments. But I'm here to listen to the other comments  
17 from the public and/or the other agencies to help  
18 incorporate or change our comments. Thank you.

19 MS. CARTER: Thank you.

20 Next is Michael Caranci. Did I get that last  
21 name correct?

22

23 PUBLIC COMMENT BY MICHAEL CARANCI

24

25 MR. CARANCI: Close, yeah, it's a tricky one. My

1 name is Mike Caranci, the last name is spelled  
2 C-A-R-A-N-C-I. I work at the Fly Shop here in Redding. I'm  
3 speaking on behalf of the angling community, California  
4 Guides commercially, as well as the private landowners of  
5 the lower seven miles of the Bollibokka Club, that's spelled  
6 B-O-L-L-I-B-O-K-K-A Club.

7 I have been involved in this relicensing process  
8 for almost two years now, came in late in the game. Since I  
9 have been involved I have really tried to talk to a lot of  
10 people about McCloud and about the flows in particular, and  
11 these are people who share a passion for the river,  
12 recreated upon it for decades, some of them for most of  
13 their lifetimes, some of them made a living guiding anglers,  
14 put the food on the table from sections of the river from  
15 their favorite waters.

16 The first question that everybody seems to ask is  
17 "why." Why do we want to try to change the McCloud? I  
18 think it's a great question. It's a question that  
19 throughout this process has been proposed numerous times to  
20 different agencies and in different formats. And I really  
21 still haven't heard a clear answer to that question. When  
22 it has been asked, one word continually pops up, and that  
23 word is "hope." We hope it will improve the habitat. We  
24 hope it will be good for the river. We hope it won't damage  
25 the fishery. I even had one official from the State Water

1 Board say to me, and I quote: "Time will tell if we're right  
2 or wrong." I'm just not willing to wait for time to tell if  
3 we're wrong. This is too special a place, it's too unique a  
4 resource, and I don't know that it's worth the risk to ruin  
5 an ideal setting and wilderness environment for hopes, and  
6 maybes, and conjectures.

7 What we have right now is a near perfect habitat  
8 on the McCloud. It's been that way for the last 50 years.  
9 It's not perfect. There are always little things that can  
10 be changed to improve things, and I'm not totally adverse to  
11 change. But I really haven't seen any sound biological or  
12 scientific basis, certainly have never observed any  
13 fundamental need for some of these dramatic changes.

14 Another topic on the table there is some of the  
15 ramp down rates, some of these different flow proposals  
16 where it drops as much as 175 CFS in a day. If any of these  
17 proposals are on the table, I think those in particular  
18 should be looked at. Dramatic daily ramp down at that rate  
19 would strand a lot of fish and benthic macroinvertebrates,  
20 BMI's, benthic macroinvertebrates, aquatic insects that are  
21 crucial to the fish as food.

22 You know a logical alternative, something along  
23 those lines would be a more natural drop down rate of  
24 something like 25 CFS a day, smaller decrease over time that  
25 would give those fish and insects a chance to get out of the

1 pools. The nature of the McCloud, it's got lots of granite  
2 and little pools that hold water at higher flows. And I've  
3 seen it even as is walking into the Nature Conservancy,  
4 there is little pockets in there that after a big rain it  
5 drops down and those insects get stranded. I think the way  
6 to avoid that would be a more consistently declining rate of  
7 regulated dam releases.

8 So, you know in closing, I think the angling  
9 community is asking that the Commission retains the near  
10 perfect conditions that are there. And if it's not broken,  
11 there is really no need to try and fix it. I don't think  
12 it's worth the risk destroying something that is proven to  
13 be world renowned. Thank you.

14 MS. CARTER: Thank you.

15 Okay. Dennis Amato.

16 MR. AMATO: Can we take a break. I want to get  
17 something out of my car, please.

18 MS. CARTER: Well, you're the last one.

19 MR. AMATO: Okay.

20 MS. CARTER: But, yeah, you can go get something  
21 out of your car. We'll just take a short break. Five  
22 minutes.

23 (RECESS TAKEN)

24 MS. CARTER: We'll go ahead and get started  
25 again. So, Dennis, whenever you're ready.

1           Is there anyone else that didn't mark down that  
2 they wanted to speak? Did anyone else have anything that  
3 they wanted to add?

4           MR. WILLIAMS: Do we have a chance to add to what  
5 has been said?

6           MS. CARTER: Sure, if you wanted to add  
7 something, we got time. You want me to wait -- ready,  
8 Dennis, or do you want --

9           Okay, go ahead and repeat your name.

10

11           FURTHER PUBLIC COMMENT BY GEORGE WILLIAMS

12

13           MR. WILLIAMS: George Williams. I'm just a  
14 private boater. I heard a lot of interesting comments, and  
15 what California Trout was talking about is very encouraging,  
16 and what the Forest Service has talked about made some very  
17 encouraging remarks.

18           You know, we look at the McCloud River as a near  
19 perfect river at this point, but it appears that we're  
20 looking at that from our perspective as people, because it's  
21 not a near perfect system at this point. It has been  
22 dammed, it has been altered. It needs to be restored back  
23 to what nature intended it to be. Yes, sudden flow changes  
24 causes certain animals and stuff to get stranded, but that's  
25 part of nature. I have seen the Upper Sacramento River, for

1 example, go from, you know, 1500 cubic feet to 4000 cubic  
2 feet, and it hasn't been because the dam was adjusted, it's  
3 just the flows, the runoffs, the rains, whatever happens,  
4 it's just natural.

5 We need to consider restoring the river not for  
6 our convenience, but for nature's convenience. And whether  
7 we're boaters or anglers it shouldn't be convenient for us.  
8 If we're up there on a day when it's pumping 10,000 cubic  
9 feet down the river because of snow runoff and melt and  
10 rain, that should be what's happening. If within a couple  
11 of days it's down to 400 cubic feet, because a lot of that  
12 stuff is flushed, and animals get stranded, that should  
13 happen. Because it's -- the animals, the bugs, and the  
14 small fish and stuff that gets stranded in the side pools,  
15 you know, they feed other things. They feed raccoons, they  
16 feed frogs, they feed all different things. It shouldn't  
17 just be focused on just the trout, or just the salmon that  
18 may be restored there. It should be the big picture. It  
19 should be everything that is there, and it shouldn't be used  
20 at our convenience.

21 I really have to laugh when we talk about a near  
22 perfect system, because from the first onset of the dam,  
23 whether it's Shasta Dam or the McCloud Reservoir, or Lake  
24 Siskiyou Dam or the Pit River system, that perfect system  
25 was altered at that point. So to say it's a near perfect

1 system seems a little ridiculous and far reaching.

2 I am really encouraged from what I have heard  
3 here. I hope that everybody who is involved in the Project  
4 will look at the bigger picture more than what's convenient  
5 for us as people, but for what needs to happen, because we  
6 are losing species, we are losing wildlife, whether it's in  
7 the river, or connected to the river. And that's what  
8 really needs to be addressed, because that affects us all in  
9 the end. Thank you.

10 MS. CARTER: Thank you.

11 Okay. Dennis.

12

13 PUBLIC COMMENT BY DENNIS AMATO

14

15 MR. AMATO: Good morning. My name is Dennis  
16 Amato, A-M-A-T-O. And I'm here to represent myself and the  
17 members and supporters of the McCloud RiverKeepers. While  
18 it's fresh in my mind -- while it's fresh my mind, I think  
19 the people that I represent, the members and supporters of  
20 the McCloud RiverKeepers, which now stretches from Vermont  
21 to New Jersey to New Mexico and Wisconsin and throughout  
22 California. I will name a couple. Bob Marriotts, like the  
23 hotel. Fly Shop. The Fly Shop in Redding. And Lelands Fly  
24 Fishing Outfitters in San Francisco, and a number of their  
25 clients. I feel responsibility to speak on a lot of

1 different issues, because there are a lot of different  
2 opinions.

3 In answer to Mr. Caranci's question about why, and  
4 I think it all evolves and turns into the EIS, because we  
5 believe there are things that haven't been considered enough  
6 with regard to the importance of what we have, and what we  
7 have and what we know related to -- I'm sorry, I can't  
8 remember your name, sir.

9 MR. WILLIAMS: George Williams.

10 MR. AMATO: George Williams' comment. We know  
11 what we know. Foresight is not 20/20. Hindsight is.  
12 History, what we have seen, what we know needs to be  
13 concentrated upon a little bit more than not the science of  
14 man, which we know is accurate, but on the science of  
15 biology, hydrology, and things that we take our best guesses  
16 at.

17 There was a guess when the North Fork of the  
18 Feather Project, 1962, I believe, and at that time before  
19 that project, Department of Fish and Game had a designation  
20 of that stream as a trophy trout water. Ever since hydro  
21 production, including further development after that, of  
22 flows for whitewater boating, that river, we tested the  
23 temperature in it about a week and a half ago, it was 70 to  
24 72 degrees. That's why nobody fishes it anymore.

25 And a very, very sad thing happened over there. I

1 don't know if everybody in the room has heard about the  
2 death that occurred over there at that whitewater event that  
3 was put on by American Whitewaters. An experienced 37 year  
4 old lady, Susan Kaiser from South Lake Tahoe, she perished.  
5 We bring it up not to do anything other than to witness some  
6 of the things that we just are aware of. In the same sense,  
7 we have fishers that kayak all the time, pontoon boats. We  
8 feel that everything has a place, and everything should be  
9 in its place. And that's what we want and hope that the  
10 Commission is going to be willing and kind enough to take a  
11 look at from the standpoint of what we know we have, a  
12 quote/unquote near perfect stream.

13 People come from Japan, Europe, throughout the  
14 United States, bring money into this economy, from gas  
15 stations, to motels, to pay out-of-state licenses that go  
16 into the coffers of Fish and Game, and that helps them do  
17 their good work. We know what we have. Chance for  
18 speculation is a whole another game.

19 We also don't feel that there has been adequate  
20 science involved, witnessed by a submittal that I would like  
21 to make later, Emily.

22 MS. CARTER: Okay.

23 MR. AMATO: Part of the IOP process, if I'm  
24 saying that correctly, include the fact of past specialists  
25 that we want to comment on this relicensing. This one is

1 from a senior -- Matt, you might be able to help me on this,  
2 Michael Dean, he was a senior fishery biologist for a number  
3 of decades, and he lives up in Mt. Shasta. The letter that  
4 we'll submit will say that he does not believe that the  
5 flows should be changed anywhere near what is being proposed  
6 by any other licensing participate other than the McCloud  
7 RiverKeepers. And he also makes a very strong comment about  
8 the BMI study, TA 85, is it, Steve -- well, sorry. That's  
9 what I left down at the Fly Shop this morning so I could  
10 refer to your March 3rd submittal and response to the 40  
11 conditions. Whatever the BMI study is, Michael Dean feels  
12 that it was inadequate, and so does the McCloud  
13 RiverKeepers.

14 There weren't, what we feel was not applied, is  
15 basic scientific study with regard to how a  
16 macroinvertebrate community needs to be looked at currently.  
17 Just before any flows are changed, there needs to be a  
18 period of time to see what the effect of X -- the change to  
19 X amount of flow, and then the process needs to go on to  
20 actually see what quote/unquote drift is versus what it does to  
21 that -- what it does to those insects that support the  
22 whole fishery, and what the impact is.

23 And I guess that brings up the topic of something  
24 that when the McCloud RiverKeepers started to get involved  
25 as a registered relicensing participate in May of 08, one of

1 the first meetings we went -- it was over at Davis, and  
2 there was a presentation done by one of the consultants for  
3 PG&E and I'm -- Steve, I can't remember his name. But  
4 anyway, it was the people that put together the computer  
5 study that studied habitat, the invertebrates, fish  
6 population study. And again, I can't refer to it because of  
7 the piece that I was going to refer to I think I left it at  
8 the Fly Shop this morning.

9           However, the result of it is, we would like the  
10 Commission to consider the submission of a book with regards  
11 to the answers that the McCloud RiverKeepers received when  
12 we asked what detail was included in the macroinvertebrates  
13 study. The response that we got at that time was "food is  
14 food," and we feel that that is about as inadequate a  
15 statement that could ever witness what that gentleman, Bret  
16 Harvey stated to us in that relicensing meeting. So we  
17 submit local author from California, Ralph Cutter's book,  
18 Fish Food. We think it needs to be studied from the  
19 standpoint of what ready needs to go into, first of all  
20 looking at what is there, and then consider what to do to  
21 change it and what the risk and the speculation is to what  
22 aquatic habitat and the fishery that it supports.

23           As I mentioned, that we feel we represent a  
24 growing thousands upon thousands of fishers, if you will,  
25 but also people that care about the environment. If a river

1 runs at -- in it's most natural or currently natural state  
2 the way we look at the McCloud, it is a river that has been  
3 there for five decades.

4 We agree with all comments that we heard during  
5 the licensing process and here today that it isn't the same  
6 river. But unless Shasta Dam is going to get raised, or the  
7 McCloud Reservoir Diversion is going to get raised, it is  
8 what it is.

9 Transporting fish from the Lower Sacramento River  
10 to the McCloud to replant has been a failed process to this  
11 date. It's still in its infancy. The last place, I think  
12 it's Baker Creek -- Baker Lake Reservoir in Washington has  
13 been a witness to it. They've had some success. We feel  
14 that that's a path that really leads back to creating  
15 tunnels in Shasta Dam, or some type of a fish ladder to do  
16 something naturally, rather than unnaturally. Which we can  
17 at least see is what has been done with regard to the  
18 relicensings basically for decades in the State of  
19 California. And we shall continue to challenge anyone to  
20 bring us proof to change our minds.

21 To answer Mr. Caranci's question "why." Well, I  
22 think the proof on the positive side of the results of these  
23 relicensings we have not found, and we have dug for them.  
24 We hope that -- oh, what is the old phrase, all information  
25 is important regardless. Prove to us that our position is

1 less than fallible, less than right, less than reasonable.  
2 We haven't gotten there. And we have people looking into it  
3 from one side of the U.S. to the other trying to figure out  
4 wheres the example.

5 Well, one of the examples is U.S. Forest Service  
6 policy. There is policy here in California, and there is  
7 policy in different places, and it seems to be regional. It  
8 seems to be staff based. And we say that in all reference,  
9 because we believe the people in this room, we go from the  
10 assumption that everbody is trying to do the best that they  
11 can do in the job that they're in and what their employer,  
12 the people that make the decisions with regard to the  
13 obvious, broad ramifications of the flow of water.

14 When I was a lot younger I heard from an old stage  
15 guy in Montana when I was a kid traveling there from  
16 New Jersey, and he said "Whiskey is for drinking. Water is  
17 for fighting." And it's true, we can't live without it,  
18 neither can the fish, neither can the kayakers, neither can  
19 PG&E. We all want it. Well, this is where we think that  
20 there is more to be included in that EIS than what we've  
21 seen so far. We're going to respond by the 28th, and  
22 hopefully we'll be a little more eloquent than I can say  
23 this morning, but we're going to continue to give it a try.

24 I have a letter from a gentleman that is one of  
25 the board members of the anglers club in New York. These

1 are people that travel the world to fish. They have been to  
2 the McCloud, they know what it's worth, and they're asking  
3 Mr. Caranci's question. What are you doing? We go to the  
4 Delaware River, the Blue Ribbon Stream in the East Coast.  
5 How come that's not in the EIS, you know, that type of  
6 information as to the worth of this fish, that is being the  
7 McCloud strain of Rainbow. It is quote/unquote the world's  
8 more widely distributed native Rainbow Trout. Chile,  
9 Argentina, Japan, New Zealand, throughout England,  
10 throughout Scotland. It is the -- it was the means that we  
11 brought Brown Trout into our country, because they're not  
12 native. And in the McCloud they're termed "wild" because  
13 they haven't been stocked. And I think it's about the 1930s  
14 or 40s or somewhere in there is the last time they were  
15 stocked. But it -- it was the means that we swapped and got  
16 that fish and we brought through Europe, and then it  
17 expanded into all those countries. That's why we're hearing  
18 from people in other countries with regard to what we're  
19 doing now that we're on the Internet, because they're back  
20 to Mr. Caranci's question. Why? Where is the balance of  
21 equity to the worth of what is there. Equity to what is  
22 there.

23 MS. CARTER: If you could maybe wrap it up.

24 MR. AMATO: Okay.

25 Public relicensing participation is difficult for

1 the public, difficult for licensing participants.

2 Teleconference wasn't provided at this meeting, and there is  
3 a relicensing participant that couldn't be here because he's  
4 disabled. We think that is something that we would request  
5 that the Commission consider for future meetings like this.

6 We have been -- we feel we have been denied as a  
7 licensing participant in a number of different ways. We  
8 weren't given the opportunity on April 22nd of this year to  
9 present our positions of local proposal. There was a  
10 meeting set up that day for August 18th to do the same  
11 topics, so the main topics for us, which was in-stream  
12 flows, and also for ramping rates. We were told at that  
13 time on April 22nd that we would have a full opportunity to  
14 discuss those two topics. Well, that meeting got canceled  
15 about a week or so before on the premise that none of the  
16 agencies were interested in having that meeting. We found  
17 out that was not correct information.

18 It's our understanding that not only the McCloud  
19 RiverKeepers want that meeting, but also the Department of  
20 Fish and Game to discuss ramping rates. We therefore ask  
21 the Commission to intervene for us, because we want that  
22 meeting to occur again sometime after today and before the  
23 end of this process, because we don't believe that we have  
24 been heard. We don't believe based upon questions to other  
25 licensing participants that they understand our full flow

1 proposals. And that will be another submission today  
2 because there have been a couple of minor tweaks to it since  
3 the one that we submitted when we made our response to the  
4 Forest Service 4(e) conditions on April 13th which was  
5 submitted to the Commission. We don't believe that  
6 everything that was in our response to the 4(e) conditions  
7 was included in the EIS.

8 The flow proposal that is included in the EIS,  
9 it's got the nuts and bolts of our basic "possible," where  
10 we agree to put some more water possibly in that first mile  
11 between the dam and Hawkins Creek. We think there is some  
12 speculation to it, because now that's the piece I don't have  
13 to show you.

14 But PG&E's response dated March 3rd of this year  
15 to the U.S. Forest Service 4(e) conditions, there is a table  
16 that shows fish population broken down by Bull Trout,  
17 Rainbow Trout and Brown Trout at about, I'm not sure, 15 or  
18 so transits that were studied in the relicensing study. And  
19 it's just absolutely amazing information we believe, and I  
20 think that -- we hope that the Commission will look at it,  
21 and we'll provide to it the Commission.

22 MS. CARTER: Yes, if you could provide all your  
23 more detailed comments in the written comments so we can  
24 take a look at those in the EIS.

25 MR. AMATO: Thank you.

1 MS. CARTER: As soon as you're -- we got one more  
2 person that wants to comment, so as soon as you're finished.

3 MR. AMATO: Can I wind it up?

4 MS. CARTER: Yep.

5 MR. AMATO: This has been commented to FERC by,  
6 at least, I know American Whitewater, we agree with them.  
7 Another denial is the way we want to have to phrase it. It  
8 had to do with the original deadline for response to the  
9 U.S. Forest Service --

10 MS. CARTER: If I can actually stop you right  
11 there, because that is actually something that you have to  
12 take up with the Forest Service. That is part of the  
13 alternative 4(e), and it is a Forest Service thing. I think  
14 I explained it to you in an e-mail.

15 MR. AMATO: It's under the Federal Power Act.

16 MS. CARTER: It is part of -- alternative 4(e)  
17 comment period, that is something that you got to take up  
18 with the Forest Service regarding when they will take into  
19 consideration the alternative conditions for their 4(e)  
20 conditions.

21 MR. AMATO: Understand. But this turns right  
22 into us being able to file based upon that deadline which is  
23 Federal Power Act Authority, but it doesn't get to you, to  
24 the Commission because we couldn't file it.

25 MS. CARTER: Well, you can file it with the

1 Commission. All those things can be filed and we'll take  
2 them -- and anything that was filed with the Commission we  
3 took into account in the DEIS, and then in the FEIS.

4 MR. AMATO: Thank you. So then I will just repeat  
5 myself very briefly, we don't think it got into the EIS.

6 MS. CARTER: Okay.

7 MR. AMATO: We also hope to hear from the  
8 Commission with regard to our request for response to a  
9 letter that was dated April 21st of this year regarding, we  
10 believe, a pending violation of California State Law, Public  
11 Resource Code 5093.542 A through E, Subsections A through E.

12 Since I'm -- we're running out of time, I will  
13 just leave it at that, and we'll file follow-up with regard  
14 to that.

15 Something that didn't get to the Commission, and  
16 therefore didn't get it here was a request that we made to  
17 licensing PG&E on December 3rd of 2009. There was a request  
18 for a water stage heights. When looking at the impact upon  
19 fishers ability of the 90 percent beneficial uses of the  
20 resource, water stage height is more important than flow, or  
21 just as important. It has to do with somebody's ability to  
22 wade. Picking a number of, well as we stand here today, the  
23 flow at NC 1, Ah-Di-Na Campground is 210. But the more  
24 important thing to a wader is also water stage height, the  
25 velocity that is related to it. And we need to get the

1 information we need to make a comment to the Commission that  
2 could have gotten into the EIS.

3 Last topic. Guaranteed. I'm looking at the --  
4 oh, it's related to the EIS. I just remembered, Section 4.0  
5 to 4.4, The Economic Impact of Flows. It's our  
6 understanding that the Commission's existence has to do with  
7 one thing, and we hope to be directed, if we're incorrect.  
8 But it's the efficient use of this resource. What does it  
9 do in production of power. Our calculations, based upon the  
10 information that we have received about the cost of flows  
11 and who pays for it is mind boggling to us. We think that  
12 this is as important to other users of the resource, and 90  
13 percent beneficial users of the fishers is what does this  
14 all cost to the rate payer. The numbers are huge. We know  
15 that they get spread out amongst millions of people. When  
16 those cost reach the California Public Utilities Commission,  
17 the rates are established. But 20 to 25 million dollars for  
18 a valve of 1000 CFS at McCloud Reservoir Diversion Dam,  
19 that's a pretty big number.

20 We -- we've calculated that based upon numbers  
21 that were given to us from PG&E with regard to something  
22 that was originally on the table and taken out very quickly  
23 was that 11 day, 150 CFS increase at the McCloud Reservoir  
24 Dam for a recreational boating event, with a cost of 200 to  
25 300 thousand dollars. We took the average, 250 divided by

1 11, and you do that map and it comes up to 415 million  
2 dollars over the life of this license.

3 Now our understanding is that the rate payers are  
4 paying this. So the topic -- and the topic of what the cost  
5 is, and who is paying for what, we believe that that  
6 increase in the Forest Service base increase -- regulated  
7 base increase at the dam, plus the flow rate is a number  
8 that's much larger than half a million dollars over the  
9 life -- pending 50 year life that the Commission is  
10 considering. We would like to know the details of that,  
11 because we believe it's public information, we believe the  
12 public needs to know what they pay for their turning on a  
13 light and why they have to pay it. We don't see any reason,  
14 biological, hydrological, no scientific reasons to do it  
15 other than the risks that are associated with this near  
16 perfect piece of God's creation because another group of  
17 enthusiasts want to use it for their purpose. To us it's  
18 like, okay, we can't make any more tennis courts, for  
19 whatever reason, there is no more asphalt in the world.  
20 What would the tennis players think if the Government said  
21 the mandatory conditioning authorities for tennis court says  
22 now you have to share with skateboards because we can't  
23 make it anymore.

24 There are two conflicting recreational activities,  
25 especially in a river as small as the McCloud. It is a

1       tight narrow canyon stream. We honestly believe that  
2       something that needs to go into the DEIS with regard to the  
3       recreational opportunities is that if it were the Delaware  
4       River or the Sacramento River it would be a different story.  
5       People can avoid one another, they can both enjoy it, we  
6       enjoy it. But right place for the right activity.

7               The McCloud is such a tight canyon stream that  
8       there will be conflicts. And we actually believe that what  
9       we have witnessed in other licensings where flows have been  
10      changed to provide opportunities for other uses of the  
11      resource, flows are taken up like on Pit 233, it's Pit 3, 4  
12      and 5, the flows there are going from 150 base to 1500 for  
13      whitewater kayaking events. It's done because it eliminates  
14      conflict. Our opinion is it eliminates conflict because  
15      fishers aren't going to go, so you're not going to have  
16      conflict, which has been -- it's history, it's on the books.  
17      You can read about it, there have been conflicts in this  
18      country over this same issue.

19              And I will end it with thank you for the  
20      opportunity and the time. It's great being here, and I hope  
21      this all works out for all our benefit. Thank you.

22              MS. CARTER: Thank you. Okay. And Lloyd, did  
23      you want to --

24

1 PUBLIC COMMENT BY LLOYD BRADSHAW

2

3 MR. BRADSHAW: My name is Lloyd Bradshaw with the  
4 Hearst Corporation. I just wanted to point out a concern  
5 that we have, and possibly provide some clarification. And  
6 it has to do with the Project boundary proposal that was  
7 submitted by the Forest Service, and I believe -- I believe  
8 it was adopted by the Commission that the area between  
9 McCloud Reservoir high water line, and the outside edge of  
10 two roads, the Forest Service Road 38N81 and Segment 1 and  
11 then also Forest Service road 38NO4Y. And basically on the  
12 map that was provided by the Forest Service for the McCloud  
13 Reservoir, it's what we call the westside road and then the  
14 Star City Road. And the proposal is to expand the Project  
15 Boundary from the current Project Boundary up to the outside  
16 edge of the road. And the justification is basically to  
17 ensure that all proposed recreation sites are included  
18 within the Project Boundary. And if you look at the map,  
19 the entire Westside Road only has one proposed day use area  
20 called Red Banks. And currently that Red Banks recreation,  
21 or site is within the current Project Boundary.

22 Again, the proposal is to expand the Project  
23 Boundary from Tarantula Gulch all the way around to the  
24 south end of the reservoir, and then back up to Star City  
25 Creek. And the justification is to include recreation sites

1 that are already within the current Project Boundary. So it  
2 doesn't make sense to me to expand Project Boundary up to a  
3 road when recreation sites are already within the Project  
4 Boundary.

5 It should be noted also that the actual boundary  
6 as it goes from the dam up to Star City Creek, I don't think  
7 it's drawn quite right, and there are probably more sections  
8 of the road that are within our ownership as depicted here,  
9 especially as you get up around the Star City Campground Day  
10 Use Area, the campground day use area. So anyway, that's  
11 the concern of ours, and hopefully the Commission will see  
12 fit to leave the dam where it is since it does already does  
13 include the recreation sites.

14 MS. CARTER: Thank you.

15 So that's everyone that had marked down that they  
16 wanted to speak today. Did anyone else want to add  
17 anything? Okay. Well, I want to thank everyone for coming  
18 and for your comments. I appreciate it. It's helped  
19 clarified a few things and given us some more to think about  
20 for the FEIS. I want to remind everyone again as you know  
21 that the written comments are due September 28th, and then  
22 the we're scheduled to issue the FEIS by the end of  
23 February. So if that's everything I will go ahead and close  
24 the meeting. Thank you.

25 (This concludes the morning session of the Public Comments)