

1 APPEARANCES

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3 Federal Energy Regulatory Commission

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7 Lesley Kordella

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14 Steve Peirano, Project Manager

15 Drum-Spaulding Project

16 Pacific Gas and Electric Company

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18 Forrest Sullivan, Project Manager

19 Rollins Transmission Line Project

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23 Nevada Irrigation District

24 Einar Maisch, Director of Strategic Affairs

25 Placer County Water Agency

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18 Katrina Schneider
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1 PROCEEDINGS

2 9:15 a.m.

3 HEARING OFFICER MUDRE: I'd like to
4 thank everyone for coming today to our scoping
5 meeting for the Yuba-Bear, Drum-Spaulding and
6 Rollins Transmission Line projects.

7 I want to, just before we start, I want
8 to say I apologize for the late start. The court
9 reporter wasn't late, but they told her to set up
10 in the wrong room. So, she was waiting down in
11 another conference room since 7:30 ready to go.

12 So if I could have the next slide we'll
13 go ahead and get started.

14 So, just very briefly, a lot of you are
15 familiar with the Commission, but it's an
16 independent regulatory agency, five members that
17 are appointed by the President and confirmed by
18 the Senate. We've finally got five of them in all
19 now. A couple years we had three, so we're at
20 full strength and ready to do some good, I guess,
21 hopefully.

22 Next. The Commission, in addition to
23 hydropower projects, they also regulate interstate
24 sales of electric power, natural gas and oil
25 pipelines.

1 Just briefly, there are three divisions
2 involved in our hydropower program. The Division
3 of Licensing, which is what we're in; we review
4 applications and issue licenses for hydropower
5 projects.

6 We have a Division of Hydropower
7 Compliance and Administration. And their job is
8 to make sure that once we issue a license that the
9 licensees comply with all the terms and conditions
10 of the license.

11 And then finally, we have a very active
12 dam safety program that insures that the dams are
13 operated safely with public safety. And they work
14 a lot also with the Division of Safety of Dams
15 here in California to insure that a lot of these
16 large structures stay where they're supposed to
17 be.

18 Next. This licensing is being done
19 under our new, used to be new, they don't like us
20 to say that anymore, the integrated licensing
21 process, which was created in 2003. And it
22 differs from our traditional process, an ALP
23 process, in a couple of ways.

24 And one is that the goal, the idea was
25 to identify issues early and get study plans

1 together early so that we don't have a lot of time
2 between when the application comes in and people
3 are still doing studies and all this. So we like
4 to get that done soon.

5 And the other big difference is we're
6 doing scoping. We didn't -- used to wait till the
7 application came in to do scoping, and now we do
8 it within 60 days after the PAD. So that's part
9 of the early identification of issues.

10 The other big difference is that we have
11 established timeframes, and they're pretty
12 inflexible. So, if you look at our regulations,
13 they're all spelled out there, the flow charts.
14 And it's all in there as to how long you have to
15 comment on this and that, and when this is due and
16 when that's due. So you really need to pay
17 attention to the timeframes, because if you miss
18 the train you're kind of out of luck.

19 So, today we're here to identify
20 potential environmental effects, issues and
21 concerns associated with the relicensing of these
22 three projects. This is also part of the
23 identifying information and study needs that
24 ultimately will be used to develop measures and
25 recommendations.

1 I know, and I appreciate that the
2 stakeholders have been working together a lot, and
3 a lot of work has already been done towards
4 developing these study plans. And, as far as
5 we're concerned, that's a great thing. So, I'd
6 say keep up the good work.

7 So, what we're going to talk about
8 today. Existing conditions, resource management
9 objectives, any existing information that we may
10 not know about that you'd like to bring to our
11 attention. A little bit on study needs, as much
12 as people want to talk about them, the process
13 plan, just anything to talk about.

14 And then also potentially cooperating
15 agency status, if there's any agencies that want
16 to be a cooperator on our NEPA document.

17 Just briefly here, the flow chart form.
18 The notice of intent, NOI PAD, was filed I guess
19 the 11th of April. We're starting, we're doing
20 the scoping now. The study plan development is
21 well underway. And all that takes place in the
22 first year after filing, so a lot of work to be
23 done.

24 Years one and two typically would be
25 when the actual studies are carried out in

1 accordance with the approved study plans.

2 And once all the studies are done and
3 recommendations are made, there's a preliminary
4 licensing application and then the license
5 application.

6 So the PAD identifies stakeholders,
7 gathers information -- just went through that.
8 The purpose of the PAD, which is -- is to bring
9 together all relevant reasonably available
10 information. It provides the basis for
11 identifying of the issues, data gaps and study
12 needs.

13 It's generally in the form of a NEPA
14 document, so it can serve as the foundation for
15 future documents.

16 Again, I mentioned this, but scoping
17 meetings are held early so we get everything --
18 start getting things out on the table so we can
19 address them.

20 And the process plan that the applicants
21 put together is refined to integrate different
22 agencies' needs in terms of their processes and
23 things like that. Could be like CEQA or Forest
24 Service type of issues, Fish and Game things. Try
25 to integrate it and make the process as smooth as

1 possible.

2 Again, the purposes of scoping. We want
3 to identify significant issues that need to be
4 analyzed in the environmental document. We want
5 to identify resources that may be cumulatively
6 affected. We want to identify reasonable
7 alternatives that we can look at in our NEPA
8 document.

9 And also if there are issues that really
10 don't appear that they need to be analyzed, we
11 want to know about those and save ourselves some
12 trouble doing things that don't really need to be
13 done. So, many times there aren't many of those,
14 but there's always hope.

15 Okay. Study plan development. Again, I
16 know a lot of you guys have been working putting
17 them together. But the applicant prepares a study
18 plan, meets with stakeholders to discuss studies
19 and resolve issues. Then the applicant can go
20 back and submit a revised study plan that
21 incorporates maybe some of the agency concerns.

22 And then that's submitted with FERC, and
23 we approve the plan with any changes that we deem
24 are necessary. And then it's sort of basically
25 blessed, and then the agency -- the applicants --

1 that's how the studies will be conducted. There
2 shouldn't be any basis for arguments later on if
3 somebody says, well, we didn't like the study
4 because they didn't do it right. We need to get
5 it right before the studies get started. So
6 that's sort of the purpose of that iteration.

7 We do have seven criteria for study
8 requests. They have to be laid out, spelled out
9 in your document. And that would be the goals and
10 objectives of the study; the relevant resource
11 management goals; public interest considerations;
12 information, whether there's existing information
13 that's significant, or whether there is need for
14 more. Maybe there's information that we don't
15 have that we need.

16 What's the nexus of the study to
17 relicensing; and how would the results of the
18 study further our analysis and the licensing
19 process, in general.

20 Have to spell out in detail what the
21 methods are, and how those methods are consistent
22 with the established, accepted, scientific
23 practice. And then identifies the study effort,
24 cost, and if it's an alternative study, the need.

25 So, those are our seven criteria against

1 which study requests are gauged.

2 Okay, so, once you get all that out of
3 the way, the applicant conducts the studies; they
4 file study reports for the stakeholders, And
5 after that, either one or two years of studies,
6 it's probably usually two, they will prepare their
7 preliminary licensing proposal, which is sometimes
8 the same as like a draft license application for
9 comment.

10 And then they'll file the final
11 application with the Commission. We'll review the
12 application and once we review the application,
13 you know, we'll do our notices, ask for comments,
14 recommendations and conditions with our REA
15 notice, ready for environmental analysis.

16 Agencies will file recommendations and
17 conditions. And some of these, such as section 40
18 conditions, water quality cert conditions are
19 mandatory and would have to be included in any
20 license that would be issued for the project.

21 Okay, so after we get all that
22 information in, we prepare our environmental
23 impact statement. And that statement is basically
24 our licensing recommendation to the Commission,
25 itself.

1 get more experience with the ILP and trying to
2 streamline the licensing process, it's occurred to
3 us that we want to issue licenses that are sort
4 of, can be implemented right away. We don't want
5 to issue a license that says, come back with a
6 plan to do this or to do that.

7 So, what we're hoping to get are license
8 applications that already contain detailed plans
9 for how proposed environmental or other measures
10 are going to be implemented.

11 This could be things like water quality
12 monitoring plans, recreation plans, or HPMPs.
13 This insures timely implementation of needed
14 measures and reduces everyone's workload once the
15 license is issued.

16 Okay, agenda-wise that serves as our
17 introduction. Let me go ahead and introduce the
18 FERC Staff here, and we can go around the room,
19 too, I guess, although you won't be able to get
20 it. Okay. We'll pass with that then for now.
21 We'll talk to everyone at some point.

22 But this is Shana Murray; she's our
23 recreation specialist. And Lesley Kordella,
24 wildlife biologist and terrestrial.

25 Okay, what we're going to do next is

1 have a brief description of the projects by the
2 applicants. I think Jim Lynch is going to do --
3 or Rick's going to do that. A quick overview of
4 the status where we are in the proceeding from
5 applicants and stakeholders' standpoints.

6 And then we get to the important part,
7 which is to hear any comments the agencies have on
8 what's in the PAD and the study plans. And then
9 we can discuss any other issues that people would
10 like to talk about.

11 I'm not going to go through all the --
12 we issued scoping document 1 on May 22nd. It's
13 here. I don't have a lot of copies but you can
14 get them off our website, or I can send -- if you
15 want to talk to me after the meeting, I can see
16 that we mail you a copy if you don't already have
17 one.

18 But rather than just read through all
19 the issues that we identified, I'll just identify
20 the categories of issues, and then we can get on
21 to the comments.

22 We're going to be considering geology
23 and soils, water resources, aquatic resources,
24 terrestrial resources, threatened and endangered
25 species, recreation, land use, aesthetic

1 resources, socioeconomic resources, cultural
2 resources and developmental resources to the
3 extent that any of these are going to be impacted
4 by the proposed or any alternatives to licensing
5 of the project. And those analyses will be
6 contained in the EIS.

7 There were sign-in sheets in the back.
8 If you haven't already signed in, maybe before you
9 leave go ahead and sign in. There was a place on
10 the list to check if you wanted to speak. If you
11 didn't do that and want to speak, we'll ask later
12 if anyone else wants to speak, so you're not going
13 to miss you chance if you don't sign it. But, it
14 just gives us an idea of how many people there are
15 that are going to want to speak so we can time
16 things.

17 We do have a court reporter here today.
18 And what we need to do is to come up to the
19 microphone to speak is what I'll ask. It would be
20 a good idea to go ahead and say your name before
21 you start speaking so it gets accurately entered
22 into the record. And if it's a difficult name to
23 spell, go ahead and give a spell for it. Also
24 mention your affiliation if you're affiliated with
25 a group. If you're just a member of the public,

1 that's fine, too.

2 There will be transcripts made.
3 Obviously there would be no reason for her to be
4 here if there wasn't. But you can talk to her
5 after the meeting to get transcripts. But
6 eventually they'll be entered into the record and
7 available on the FERC website, as well.

8 So, I think, with that I am done. And
9 we're going to move on to, I guess to Rick. And
10 we can move around any way you want to move
11 around. Okay.

12 MR. JONES: For those who don't know me,
13 my name is Rick Jones. I'm with Devine Tarbell
14 and Associates. We are the applicant's
15 relicensing consultant for all three relicenses.

16 I'm going to give a brief overview of
17 each of the projects, a description of the
18 facilities and features, and a brief overview of
19 operations. It's a bit difficult to be brief on
20 these projects because combined they represent one
21 of the most complex hydropower systems in the
22 country.

23 The Nevada Irrigation District's Yuba-
24 Bear hydroelectric project is located in Sierra,
25 Nevada and Placer Counties in northern California.

1 Pacific Gas and Electric Company's Drum-Spaulding
2 project is located in Nevada and Placer Counties.
3 And Pacific Gas and Electric Company's Rollins
4 Transmission Line project is located mostly in
5 Nevada County and at the border of Placer and
6 Nevada County.

7 Open up my presentation. I'll start
8 with the Yuba-Bear project. The Yuba-Bear project
9 features four developments. A development is made
10 up of a project powerhouse and all of the
11 facilities and conveyances upstream of that
12 powerhouse that contribute water or encompass a
13 watershed.

14 Those four developments for this project
15 are Bowman, Dutch Flat, Chicago Park and Rollins.
16 And those are in upstream-to-downstream order.

17 There are nine onstream reservoirs with
18 a total storage of just over 200,000 acrefeet.
19 And you can see those listed.

20 Also, I want to point out that for those
21 of you who do not have a copy of our project
22 schematics or fact sheets, there are copies in the
23 back of the room. Those describe the facilities,
24 describe the interconnection of the conveyances
25 and also have information kind of like engineering

1 data for all of the facilities.

2 There are two offstream impoundments,
3 both are forebays for downstream powerhouses. Six
4 diversion dams that have minimal storage. One
5 overhead, 60 kV transmission line. That is the
6 Bowman-Spaulding transmission line. Again, there
7 are four powerhouses. Four priority water
8 conduits. Water conduits are canals, flumes
9 and/or tunnels. And numerous public recreation
10 facilities dispersed throughout the project.

11 Some of the benefits of this project to
12 the community. Over 79 megawatts of electric
13 power capability. On an annual basis this
14 represents a little over 300 gigawatt hours per
15 year of electric generation.

16 The project's also a major component of
17 Nevada Irrigation District's consumptive water
18 supply. Again, the public recreation
19 opportunities that are provided by the project are
20 numerous. And the generation benefits from the
21 hydro facilities offset the cost of water for
22 NID's customers.

23 A little bit about operations here. The
24 project operates using available water consistent
25 with safety considerations, FERC license

1 conditions and all pertinent contracts, permits
2 and other agreements with state and federal
3 agencies.

4 The operations are primarily driven by
5 downstream water demands. Two of the powerhouses,
6 Rollins and Bowman, are baseloaded, which means
7 that they typically are not operated on a peak
8 power schedule on a diurnal basis.

9 And Dutch Flat 2 and Chicago Park
10 Powerhouses are operated to meet intermediate
11 loads with some peaking, typically during the
12 summer months.

13 And, of course, the operations are
14 designed such that the project provides a stream
15 flow for aquatic habitat in accordance with their
16 FERC license.

17 Here you'll see a copy of the flow
18 schematic for the project. And this is consistent
19 with that which you'll find on those 11-by-17
20 sheets. And I'm going to move from upstream to
21 downstream on the schematic and just go through
22 the various developments. You'll see here that
23 each of these little shaded regions represent a
24 single development.

25 So the first development here is the

1 Bowman Development. And this is made up of
2 several of NID's --elevation reservoirs. I'm not
3 going to go through each facility just due to the
4 time we have today, but I will go to a few of
5 these facilities to show you some pictures.

6 Here we have some images of Jackson
7 Meadows Reservoir, which is located on the Middle
8 Yuba River at an elevation of just over 6000 feet.
9 There you see the low level outlet below the dam.

10 Going to go back here to this view.
11 French Lake. This is the highest elevation
12 reservoir in the Nevada Irrigation District Yuba-
13 Bear System at about 6600 feet. And this is
14 located on the upper portion of Canyon Creek,
15 which is tributary to the South Yuba River. And
16 here you see the outlet works for French Dam.

17 Finally, I'll give you some views of
18 Bowman Lake and dams. There are two dams that
19 form Bowman Lake. And here you also see the
20 Bowman-Spaulding conduit diversion dam structure
21 below. And this is also on Canyon Creek,
22 downstream of French.

23 Here you can see the north dam and the
24 south dam. And, again, a close-up view of the
25 diversion dam. And here, at the upstream end of

1 this diversion pool, you'll find Bowman
2 Powerhouse. And I believe we have a shot of this
3 here as we move through.

4 Here you see Bowman Powerhouse and the
5 Bowman main dam, low level outlets. Bowman
6 Powerhouse has a nameplate capacity of a little
7 over 3.5 megawatts, and is a Francis Unit.

8 And finally, for the Bowman development,
9 here you see the Bowman-Spaulding transmission
10 line that we described earlier. It's a 9-mile
11 overhead line, three-phase, which connects to
12 PG&E's Drum Spaulding 60 kiloVolt line.

13 I'm going to zoom out now back to the
14 schematic, and move to the next downstream
15 development, which is the Dutch Flat #2
16 development, and show a few of these features.

17 Here, again, we have the Bowman-
18 Spaulding conduit diversion dam, which diverts
19 water into the Bowman-Spaulding conduit. It has a
20 capacity of 300 cfs at its upstream head, and
21 increases gradually over the course of the canal
22 to 325 cfs.

23 This is a shot just downstream of the
24 diversion dam. I'll go into one or two of these
25 here. Let's go ahead and take a look at the Texas

1 Creek diversion dam. This is located on Texas
2 Creek, downstream of several PG&E Drum Spaulding
3 facilities. It diverts water from Texas Creek
4 into the Bowman-Spaulding conduit. Here you can't
5 see the conduit, but it runs across here. And you
6 see Texas Creek downstream of the diversion
7 structure.

8 There is a low level outlet at the
9 bottom of Texas Creek diversion dam. And a sheer
10 structure, which basically meters the flow of the
11 canal to the capacity, such that in a storm event
12 where there is a lot of contributing runoff from
13 side-flow into the canal, this is a safety measure
14 to make sure downstream portions of the canal are
15 not over-topped or damaged.

16 I'll show one other photo here. This is
17 the Rucker Creek diversion dam. It's really a low
18 spot in the uphill side of the canal which allows
19 the creek above to run directly into the canal.
20 And there is an overflow gate located upstream of
21 the feeder point which allows excess runoff to
22 migrate downstream into Rucker Creek.

23 Here's sort of a top view of this
24 configuration. Here's the inflow from Rucker
25 Creek. And you're looking upstream at the Bowman-

1 Spaulding Canal. And here is that waste gate that
2 I referenced that allows water to move downstream
3 into Rucker Creek.

4 Here you're looking downstream of that
5 Rucker diversion, and this is the Bowman-Spaulding
6 conduit Rucker tunnel inlet. This transfers water
7 over to PG&E's Fuller Lake. And here you see the
8 outlet, the downstream end of that tunnel at
9 Fuller.

10 This is a view of PG&E's Fuller Lake
11 which is part of the Drum-Spaulding project. And
12 the reason we have this in this portion of the
13 presentation is that the water actually transfers
14 back over to the NID Yuba-Bear project downstream
15 of Fuller Lake at another Bowman-Spaulding conduit
16 outlet.

17 Continuing in the Dutch Flat #2
18 development moving downstream we'll take a look at
19 the Dutch Flat Forebay. Again, this is an off-
20 channel forebay, meaning it's up on a shelf above
21 the Bear River Canyon.

22 It has fairly minimal storage but is
23 used to re-regulate canal flows upstream to
24 provide a consistent powerhouse flow. And here we
25 have the Dutch Flat #2 Powerhouse. So this is

1 downstream of that forebay. The water is conveyed
2 in a penstock pressure conduit down to this
3 Francis Unit with a nameplate capacity of 24.57
4 megawatts.

5 Go back here. See if I can get a shot
6 of the afterbay here. Doesn't seem to want to
7 cooperate.

8 Here we have the Dutch Flat #2 conduit.
9 This is upstream actually. This is the conduit
10 that conveys water from PG&E's Drum Afterbay to
11 the Dutch Flat Forebay.

12 So I'll move back to the schematic now
13 and downstream to the Chicago Park development.
14 That would explain it, the Dutch Flat Afterbay is
15 part of the Chicago Park development downstream.

16 Fairly small storage here, just over
17 2000 acrefeet, at an elevation of 2700 feet on the
18 Bear River. Another view of the afterbay dam and
19 the upstream end of the Chicago Park flume. And
20 here's a closeup of the low level outlet for Dutch
21 Flat Afterbay Dam.

22 I'll go ahead and move down to Chicago
23 Park Powerhouse. There is a small, again off-
24 channel, forebay upstream of the powerhouse, which
25 regulates water into this penstock. Chicago Park

1 Powerhouse is rated at 39 megawatts, and is the
2 largest powerhouse in the Yuba-Bear system.
3 Again, a Francis Unit. And here you see the Bear
4 River where the powerhouse discharges. Another
5 view of the powerhouse.

6 The final development is the Rollins
7 development. Here we have Rollins Reservoir at an
8 elevation of just over 2000 feet on the Bear
9 River. Capacity is right around 66,000 acrefeet
10 as built, with a surface area of just over 800
11 acres. This reservoir provides a lot of
12 recreation opportunities, and is also a vital
13 component of NID's water supply system.

14 Another view of Rollins Dam and Lake.
15 Here you see the ungated spillway to the Bear
16 River. One last view. And this view you can also
17 see the powerhouse, the Rollins Powerhouse,
18 directly below the dam. And the Bear River Canal
19 diversion dam, which is PG&E Drum-Spaulding
20 facility.

21 Go to the powerhouse quickly here.
22 You've got a low level outlet and tunnel work
23 here. This is the powerhouse bypass, as well as
24 the Rollins Powerhouse with a nameplate capacity
25 of just over 12 megawatts.

1 Here you'll see some additional
2 information referencing the NID relicensing
3 website where you can find this presentation,
4 facts sheets, schematics and a lot of information
5 regarding the relicensing.

6 Next we'll go to Pacific Gas and
7 Electric Company's Rollins Transmission Line
8 project. I have two slides for this project.

9 (Laughter.)

10 MR. JONES: A quick overview of
11 features. It's right around three-quarters of a
12 mile long. Runs from NID's Rollins Powerhouse
13 Switchyard to the Drum-Grass Valley-Weimar
14 junction. It has a three-phase, 60 kiloVolt set
15 of lines on wood poles. A 40-foot wide corridor.
16 And a .35 mile long access road.

17 And here's an image. Again, this is
18 looking at Rollins Powerhouse. And you can see
19 here the transmission line heading up; basically
20 travels west, northwest, I guess, up. This is
21 highway 174 crossing the Bear River.

22 And that concludes the Rollins
23 Transmission Line project description. We'll move
24 on to Drum-Spaulding.

25 First of all, some operation principles

1 for PG&E's Drum-Spauldung project. Safety is
2 first, as always. Public safety on the
3 reservoirs, in the rivers, as it relates to
4 project operations. Employee safety and facility
5 safety.

6 Environmental compliance which includes
7 FERC license measures, and also includes
8 agreements with other state and federal agencies.
9 License compliance. Consumptive water supply, the
10 contractual agreements. And power generation ends
11 up being the lowest priority on this list of
12 operation principles.

13 The Drum-Spauldung project features 29
14 reservoirs with a total storage of just over
15 150,000 acrefeet. Seven transmission lines.
16 Twelve powerhouses with a nameplate rated capacity
17 of just over 190 megawatts.

18 Six primarily water conduits, again,
19 flumes, canals, tunnels. And numerous public
20 recreation facilities.

21 Here, again, the benefits. These look
22 similar in nature to the Yuba-Bear project
23 benefits. Consumptive water supply for downstream
24 local water users. Again, 190 megawatts of power
25 capacity. This results in an annual average

1 generation of just under 800 gigawatt hours per
2 year. And the public recreation opportunities
3 that we discussed previously.

4 The operation of the project is based
5 predominately on the prevailing water conditions.
6 This is based on snow surveys and other water-year
7 forecast tools. Consumptive water demand on a
8 seasonal basis. And power demand. And this power
9 demand can also vary, of course, on a daily basis,
10 especially during the summer months.

11 The larger reservoirs in the project are
12 operated for winter and spring runoff capture and
13 summer and fall drawdown. These provide much of
14 the storage for the summer and fall months where
15 the system naturally would not have that water.

16 Smaller reservoirs are operated as fill-
17 and-spill in the project, with very minimal
18 wintertime operating strategies, just due to
19 access primarily.

20 And the powerhouse forebays and
21 afterbays are operated for upstream flow
22 regulation from canals and upstream in the
23 rivers. And, of course, providing in-stream
24 flow for aquatic habitat.

25 The powerhouse operation type, again you

1 have 12 powerhouses. Ten of them -- pardon me,
2 nine of them are operated as baseloaded plants.
3 You see that list there. One plant is operated as
4 intermediate with some peaking capability, and
5 that is Dutch Flat #1. And Drum #1 and #2
6 Powerhouses are able to operate in full peaking
7 mode.

8 So, again, similar to the Yuba-Bear
9 project schematic, we have a Drum-Spaulding
10 project flow schematic. This is broken out by
11 development, as you can see in these shaded areas.

12 The Spaulding #3 development is the most
13 upstream development in this region of the
14 project. All of these links and dams are located
15 on tributaries to the South Yuba River.

16 A few views of the Spaulding 3
17 development here. You see Feeley Lake, Fuller
18 Dam. Again, this is the Fuller Lake where the
19 Bowman-Spaulding Canal is conveyed through.

20 Fall Creek below Carr Dam. Carr and
21 Feeley are both located on Fall Creek, and the
22 Upper Lindsey Lake Dam.

23 Here downstream in this development you
24 see the Spaulding #3 penstock and powerhouse.
25 This is also known as the Rim Powerhouse. And

1 this is located on an arm of PG&E's Lake
2 Spaulding.

3 I'll go back to the schematic. This
4 takes us over to the Spaulding #1 and #2
5 development. Here you see several views of the
6 high mountain reservoirs on the project, including
7 Meadow, Sterling and Fordyce. These are all
8 located above Spaulding on a tributary to the
9 South Yuba River.

10 Here we have a view of the Lake
11 Spaulding main dam. There are also saddle dams on
12 the north, northwest side of the reservoir that
13 serve as the spillgates for the reservoir.

14 And this view here you can see Spaulding
15 #1 and #2 Powerhouses located in the South Yuba
16 River Canyon below the main dam.

17 Here we have some images of the South
18 Yuba River downstream of Spaulding main dam. This
19 is the South Yuba River at Lang's Crossing during
20 a flood event. Here's a shot of the Lake
21 Spaulding Spillway in active operation. And an
22 image of South Yuba River at Lang's Crossing
23 during what appears to be a more low-flow event.

24 Moving downstream, we'll go to the Deer
25 Creek development. The Deer Creek development

1 consists of the South Yuba Canal, which becomes
2 the Chalk Bluff Canal downstream; and enters into
3 PG&E's Deer Creek Forebay, which is a forebay to
4 the Deer Creek Powerhouse located on the south
5 fork of Deer Creek.

6 Here's an image of the South Yuba Chalk
7 Bluff Canal. This is mostly a aerial flume
8 structure. There are a couple of tunnel sections,
9 as well. A few images of the flume in different
10 locations. Here you see one hazard that is
11 typically experienced by these kinds of flumes, on
12 this project, and that is a tree damage.

13 And here is an image of Deer Creek
14 Powerhouse on the south fork of Deer Creek.

15 I'll go back to the schematic here. And
16 this takes us to the Alta development. The Alta
17 development consists of the total diversion below
18 Drum Forebay. This water is conveyed down Canyon
19 Creek -- this is a separate Canyon Creek from the
20 one we saw previously at a higher elevation --
21 into PG&E's Towle Canal diversion dam. This water
22 is diverted through the Towle Canal into Alta
23 Forebay, which is a forebay to PG&E's Alta
24 Powerhouse.

25 Here we have an image of Towle Canal

1 diversion dam. A look at Towle Canal, Alta
2 Forebay and the Alta Powerhouse. Alta Powerhouse
3 is located on the Little Bear River, a tributary
4 to the Bear River at Dutch Flat Afterbay, NID's
5 Dutch Flat Afterbay.

6 Go back to the schematic view and the
7 next development we'll look at is the Drum #1 and
8 #2 development. This originates on the north fork
9 of the North Fork American River drainage with
10 Lake Valley and Kelly Lake.

11 Here's an image from the helicopter view
12 of Lake Valley here, as well as Kelly. Drum
13 Canal, which terminates at Drum Forebay. And at
14 Drum Forebay there are three penstocks which
15 convey water to the two Drum Powerhouses.

16 There are actually five units that make
17 up the two Drum Powerhouses, Drum #1 has four
18 Pelton wheels, and Drum #2 has a single Pelton
19 wheel.

20 Back to the schematic view. We'll look
21 at the Dutch Flat #1 development. This begins at
22 Drum Afterbay on the Bear River with an intake to
23 a tunnel. And this tunnel conveys water to Dutch
24 Flat Powerhouse #1, as you can see here.

25 The next development is the Halsey

1 development. This is downstream of Rollins Dam
2 and includes the Bear River Canal, which begins at
3 that Bear River Canal diversion dam that we showed
4 previously. Here, again, is a view of the
5 diversion dam and the headworks for the canal.

6 This is the Bear River Canal at its
7 terminus into Halsey Forebay, which is an off-
8 channel impoundment. And from the Halsey Forebay
9 the water is conveyed in a penstock to Halsey
10 Powerhouse.

11 Halsey Powerhouse is located on Dry
12 Creek. Here this is Halsey Afterbay, which you'll
13 see in the next development.

14 Moving downstream we have the Wise #1
15 and #2 development again. This begins with Halsey
16 Afterbay on Dry Creek. Water is then diverted
17 from Halsey Afterbay into the Upper Wise Canal,
18 into Rock Creek Reservoir. This is located on
19 Rock Creek near the town of Auburn.

20 The water then travels through the lower
21 Wise Canal from Rock Creek Reservoir to the Wise
22 Forebay, an off-channel impoundment that re-
23 regulates flows into a set of pressure conduits to
24 the Wise Powerhouse -- powerhouses, plural, pardon
25 me.

1 Here we have an image of Wise #1, the
2 larger of the two powerhouses, and Wise #2
3 Powerhouse. These are located adjacent to Auburn
4 Ravine.

5 That brings us to the final development,
6 that's the Newcastle development. Here, this is
7 kind of a wide-angle shot here, but you see the
8 Newcastle intake or header box located above
9 Folsom Lake at an elevation of around 500 feet.
10 And a detailed view of Newcastle Powerhouse with a
11 nameplate capacity of just over 11 megawatts.

12 Final slide here. Additional
13 information on the Drum-Spaulding project.
14 Actually this is an older slide. Much of the
15 Drum-Spaulding project relicensing information can
16 be found at the NID public relicensing website.
17 And that's www.nid-relicensing.com.

18 Before I let go of the microphone I
19 wanted to be sure to introduce the licensee's
20 leads for the three relicensing projects. The
21 General Manager of Nevada Irrigation District, Ron
22 Nelson. He represents NID on the Yuba-Bear
23 relicensing project.

24 For Pacific Gas and Electric's Drum-
25 Spaulding project, the Project Manager is Steve

1 Peirano. And for Pacific Gas and Electric's
2 Rollins Transmission Line project, the Project
3 Manager is Forrest Sullivan.

4 And with that I'll give it back to John,
5 thank you.

6 HEARING OFFICER MUDRE: Thank you, Rick.
7 Very interesting presentation. We are going to
8 have a pop quiz, so --

9 (Laughter.)

10 HEARING OFFICER MUDRE: -- you were
11 paying attention.

12 Well, what we've got scheduled now on
13 the agenda was just sort of an update on where we
14 are in the process, you know, what's going on. I
15 don't think that will take too long.

16 But why don't we go ahead and take maybe
17 a ten-minute break. They've brought some coffee
18 in and we might as well have that. Restrooms are
19 downstairs and some are down the hall.

20 And I think the last thing we'll do,
21 maybe we'll do it right when we come back -- no,
22 let's do it now. We'll go off the record, and
23 then for people who haven't introduced ourselves,
24 we'll just say who we are and who we're with. I'd
25 like to get some faces with names and things like

1 that. And I'm sure our staff would, too.

2 But rather than everyone coming up to
3 the microphone, we can just go off the record and
4 introduce ourselves; take a ten-minute break. And
5 come back for that process status report. And
6 then go straight to the public comment.

7 Thank you.

8 (Brief recess.)

9 MR. PEIRANO: Steve Peirano, PG&E's
10 Project Manager for the Drum-Spaulding
11 relicensing. And I'm, at this point, really
12 speaking on behalf of PG&E and NID because the
13 process we've been going through for about a year
14 now has been a joint process of engaging in
15 stakeholder collaboration, working together
16 jointly on a coordinated issuance of the PADs, the
17 preapplication documents, and NOIs that were
18 issued, submitted to FERC on April 11th, were
19 coordinated documents.

20 We have been working in a number of
21 subgroups with the relicensing participants over
22 about the last not quite year, nine months in
23 earnest, I'd say you know, on the development of
24 study plans through a collaborative process.
25 That's been done through five workgroups, water

1 resources, aquatic resources, recreation, cultural
2 and tribal interests.

3 With the PADs submittal on April 11th,
4 four study plans that have reached collaborative,
5 as we call it, "can you live with it" consensus
6 agreement were actually submitted with the PAD
7 documents to the FERC.

8 Since then we've continued
9 collaboration. We're at a point -- we've
10 identified, as a group, about 35 study plans. We
11 think that we're close to reaching agreement on
12 probably about half of those, about 17. There's
13 about 12 more coming. I see some indications from
14 the audience that that progress has been made over
15 the last several months.

16 And the plan that was actually covered
17 in the section 10 of the preapplication documents
18 is for the updated, agreed-to study plans and some
19 additional information regarding the study plans
20 and the status of the overall study plan proposal
21 will be submitted in a PAD supplement in mid-July.

22 It's my understanding, based on the
23 notice of commencement and the issuance data, the
24 PADs to FERC that comments are then -- would be
25 due on August 11th. I believe that's right, John?

1 HEARING OFFICER MUDRE: Right.

2 MR. PEIRANO: Okay. So, anyway, that's
3 kind of where we're at. And we're continuing the
4 collaboration. The study plan collaboratives --
5 well, you know, we've been in a very intense
6 period and the supplement to the PAD that's
7 planned in mid-July is another major milestone.
8 That process is expected to continue. The
9 licensees' study plan proposal is due to the FERC,
10 according to the ILP schedule, in late September.
11 And that'll be another, you know, major milestone
12 in the study plan process.

13 Okay, thank you.

14 HEARING OFFICER MUDRE: Thank you,
15 Steve. Okay, now we're at the good part of the
16 show. I've got the list of the people who
17 indicated they want to speak.

18 We'll take them in the order that people
19 were signed in. Again, if you didn't sign and
20 decide you want to speak, we'll put you at the end
21 of the line there.

22 So when you do come and speak come up to
23 this microphone, identify yourself. If your
24 name's hard to spell, spell it, and give an
25 indication of whether you're with an agency, the

1 public or whatever. And then let us hear what you
2 have to say.

3 So, the first name is Dave Steindorf.

4 MR. STEINDORF: I think that Julie
5 Leimbach (inaudible) take my place (inaudible) --

6 HEARING OFFICER MUDRE: Okay, the court
7 reporter couldn't hear that because there's only -
8 - okay, so, we'll just indicate that Dave
9 Steindorf is yielding his time to his associate --

10 MS. LEIMBACH: Well, he -- they all --
11 my members of the Foothills Water Network elected
12 me to go first.

13 (Laughter.)

14 HEARING OFFICER MUDRE: All right.

15 MS. LEIMBACH: So Dave is not yielding
16 his time, he will speak after me.

17 HEARING OFFICER MUDRE: Oh, okay, so you
18 want to rearrange --

19 MS. LEIMBACH: Yes.

20 HEARING OFFICER MUDRE: -- the schedule.
21 Okay.

22 MS. LEIMBACH: If that's okay.

23 HEARING OFFICER MUDRE: Give the court
24 reporter your name and --

25 MS. LEIMBACH: Sure.

1 HEARING OFFICER MUDRE: -- we'll call
2 Dave later.

3 MS. LEIMBACH: Is this on?

4 HEARING OFFICER MUDRE: It doesn't
5 amplify; it just goes to the recorder.

6 MS. LEIMBACH: Oh, it's going in there.
7 Okay.

8 So my name is Julie Leimbach and I am
9 with the Foothills Water Network. Sure, L-e-i-m-,
10 as in Mary, -b-a-c-h. And I'm the Coordinator for
11 the group.

12 So, first I just want to tell you a
13 little bit about Foothills Water Network and the
14 folks who told me to speak first.

15 We have a number of members. We're a
16 network of NGOs who are interested in these Yuba-
17 Bear and Drum-Spaulding relicensings, as well as
18 the Middle Fork American relicensing operated by
19 PCWA.

20 So because these watersheds are so
21 connected through the interbasin transfers, a lot
22 of the NGOs wanted to get together and really
23 understand the watersheds as one interconnected
24 piece. So we have two groups. One is a Middle
25 Fork American working group, and one is a Yuba-

1 Bear working group. So today I'm just going to
2 talk about the members of the Yuba-Bear working
3 group.

4 It's a long list. Some of them are more
5 active than others, but they include the Sierra
6 Club Mother Lode Chapter, American Whitewater,
7 Trout Unlimited, California's Sport Fishing
8 Protection Alliance, American Rivers, Social
9 Alliance Network, South Yuba River Citizens
10 League, Power Up, Friends of the River, Northern
11 California Council Federation of Fly Fishers, Gold
12 Country Fly Casters, Granite Bay Fly Casters,
13 Ophir Property Owners Association, Auburn Marine
14 Preservation Committee, Save Auburn Ravine Salmon
15 and Steelhead, Dry Creek Conservancy and various
16 other fisheries, scientists and local anglers.

17 So that's a long list. It's always
18 growing. I'm always trying to introduce people
19 into the relicensing and get their local knowledge
20 to feed into what we're doing here. So just know
21 this is an open group, and sometimes the members
22 sort of ebb and flow.

23 And I'm the person who gets to
24 coordinate all these groups, and it's been a
25 pleasure.

1 The first thing I want to talk about is
2 process. I just wanted to thank PG&E and NID for
3 starting early and really making a huge effort on
4 the collaboration starting, I think, about nine
5 months ago, as Steve had mentioned.

6 This was something the Foothills Water
7 Network saw as a goal three years ago. We met
8 with PG&E and NID, I think it's been a couple
9 years ago now. And that was one of our major
10 requests, that we have early and collaborative
11 study development, which we have done. And even
12 more than that, got studies on the ground in 2008.
13 And so I just really want to thank PG&E and NID
14 and our facilitator, Marie, for helping us get
15 there. But that has been a huge success, I think,
16 for the licensees, the agencies and the NGOs. So
17 I just wanted to start out with that.

18 I also just had a process comment for
19 the ILP for the future. This particular
20 relicensing obviously is very huge, and it covers
21 such a large number of hydropower facilities. And
22 you can see that even we started nine months
23 early, and as Steve said, we really probably have
24 only come to consensus on about half of the
25 studies.

1 And so I think we might need to look at
2 the ILP process, and look at, in the future for
3 other relicensings, how big the area is, and how
4 complex it is. And how much early time is really
5 going to be needed in order to get collaborative
6 study development.

7 In terms of content, in terms of the
8 area that we're talking about, I have stakeholders
9 who usually talk about the Bear River and the
10 western Placer creeks, and they're not here today.
11 So I'm going to represent some of their interests.

12 For the Bear River, one of the points
13 that they wanted me to make is that this scope for
14 the Drum-Spaulding and Yuba-Bear project really
15 goes down to Combie. And the reason is Combie is
16 still a Nevada Irrigation District project, I
17 understand, but it has power generation that's
18 ineligible. It's small, so it's ineligible for
19 FERC relicensing.

20 The comment really goes to if there were
21 going to be a betterment on that project, on the
22 Combie hydrogeneration that would make those
23 projects or facilities exceed the eligibility for
24 FERC relicensing, that we would hope that that
25 would be included in the EIS and the FERC

1 betterments and the PAD. I know the PAD already
2 came out, but the following documents that would
3 be coming up. So that's the first comment.

4 The second is that there are fall-run
5 Chinook and anadromous fisheries down below South
6 Sutter Water District and -- I'm sorry, South
7 Sutter Water District's Dam, which is Camp Far
8 West. And we know that that is currently outside
9 of the Yuba-Bear and Drum-Spaulding project scope,
10 but the operations that Yuba-Bear and Drum-
11 Spaulding have and their maintenance will and do
12 affect the fisheries down below this other project
13 dam.

14 So you go through Combie, and then Camp
15 Far West, and so obviously the water that is
16 available for those operators to work with then
17 affects the fisheries and the anadromous fish
18 below South Sutter Water District's Dam.

19 So these stakeholders, the Bear River
20 stakeholders, are concerned and really trying to
21 think about how the operations and how new
22 betterments could affect even down below
23 facilities that I know are not within this
24 relicensing, but for cumulative effects are really
25 important. Especially if water were to be

1 rearranged and diverted back into the Yuba or into
2 other areas.

3 So I think the major point there is that
4 the stakeholders don't want to preclude potential
5 anadromy recovery possibilities if they could get
6 anadromy -- the have anadromy down below South
7 Sutter Water District -- if they could even get
8 anadromy further up in terms of temperature and
9 water flow, they don't want to preclude recovery
10 possibilities there on the Bear.

11 And that segues to the study comment,
12 which is just that those Bear River stakeholders
13 would really like to see temperature modeling on
14 the Bear River. Some of the issues might not be,
15 let's see, how do I describe this.

16 Their major concerns lie in if water
17 were actually diverted away from the Bear in a
18 settlement or in a license condition, and what
19 effect would that actually have on the temperature
20 that would be left for the flows in the Bear
21 remaining.

22 So it might not be what is the
23 temperature today, but be able to model the
24 different scenarios and alternatives that we'd be
25 looking at for settlement.

1 Turning to western Placer creeks. It's
2 very important that the group know that the
3 stakeholders from western Placer creeks really see
4 that PG&E and NID have a responsibility for the
5 operations and fall-run Chinook and anadromous
6 fisheries in the western Placer creeks.

7 And when I say western Placer creeks,
8 I'm talking about Coon Creek, whose tributaries
9 are Rock Creek and Dry Creek, Auburn Ravine,
10 Secret Ravine and Miners Ravine from the
11 headwaters down to the confluence where they're
12 joining to become Dry Creek. There's a lot of Dry
13 Creeks, so I'm trying to be specific about which
14 ones I'm talking about.

15 Just the point here that the EIS should
16 make discovery and cover all this area, all four
17 of those creeks, not just Coon Creek and Auburn
18 Ravine, but also Secret Ravine and Miners Ravine.
19 And the reason being that PG&E and NID provide
20 water to PCWA, but PCWA doesn't have any re-
21 regulating reservoirs that could change the timing
22 of that water.

23 And so what our concern is that PCWA
24 doesn't have the total control over when that
25 water has been delivered to the creeks. It comes

1 to them and then they, as I understand, deliver it
2 through gravity-fed canals to customers. And then
3 they have an outflow that goes to Secret Ravine
4 and Miners Ravine.

5 And so those issues really need to be
6 covered in the EIS because there are fall-run
7 Chinook and steelhead in those creeks that could
8 be very very affected by any changes in the upper
9 watershed.

10 That just bring to me my last comment
11 about studies in this area. We are still talking
12 about studies in this area. And I think that we
13 probably will come to consensus about some studies
14 for the four creeks. But just the issues that I'd
15 like the EIS to cover really have to do with flow,
16 both optimal flow and minimum flows for steelhead
17 and fall-run Chinook in the creeks. And then the
18 existing fisheries that are there, which goes to
19 temperature and habitat.

20 So I think that with that I will turn it
21 over to one of the other Foothills Water Network
22 members to make points about other geographic
23 areas that are affected by the relicensing.

24 HEARING OFFICER MUDRE: Thank you,
25 Julie.

1 MR. STEINDORF: My name's Dave
2 Steindorf; I'm the California Stewardship Director
3 for American Whitewater. We're a national
4 nonprofit. We work on river restoration and river
5 recreation issues across the country.

6 And here in California we've
7 participated in approximately 20 hydroproject
8 relicensings. And we really believe in trying to
9 find collaborative solutions on these projects.
10 We've signed ten settlement agreements across the
11 state; many more if we look across the country.

12 And so we think, in going through these
13 processes, we really have the ability to find a
14 lot of common ground, and find some solutions that
15 work for everybody in the process.

16 On this particular project, as Rick
17 pointed out earlier, this is a very large, very
18 complicated project. In fact, of all the projects
19 that I've personally worked on across the state,
20 this is far and away the most complicated.

21 Looking at one of the issues that's near
22 and dear to American Whitewater's heart is looking
23 at whitewater recreation. And in going through
24 this we found over 20 different river reaches that
25 are potentially suitable for whitewater

1 recreation. That presents a huge challenge for a
2 project like this.

3 I've participated in, I think, 15
4 whitewater studies on different projects
5 throughout California, and having 20 just
6 potentially on this project, we are looking at a
7 situation where doing it the traditional way would
8 potentially break the bank and be very cumbersome
9 and difficult to deal with.

10 We were very happy to be able to
11 participate with the licensees and develop a study
12 plan that we think is going to meet the needs of
13 this really complex project. And be able to find
14 out the information that we have to in a timeframe
15 that won't take the entire five years.

16 In addition to that, these projects
17 occupy waters that are extremely important for
18 whitewater recreation needs. The South Fork Yuba
19 and the Middle Fork Yuba, as you can see from the
20 pretty pictures, are some of the highest quality
21 whitewater recreation opportunities in the State
22 of California. It's truly an amazing watershed.
23 Some amazing river reaches out there.

24 So, being able to gather the information
25 that we need in order to make those determinations

1 down the road for recreational needs is extremely
2 important. But also for the other aquatic needs
3 that are out there.

4 One of the big major interests that
5 American Whitewater has -- hit the next slide --
6 is looking at how do we go about restoring parts
7 of the natural hydrograph that are missing, in our
8 opinion.

9 These two hydrographs up there, one
10 shows the North Fork American, which is the next
11 drainage just to the south; and then we've got the
12 South Fork Yuba. And you can see that on
13 particularly what's called the descending limb of
14 the hydrograph you see a much more precipitous
15 decline on the South Fork Yuba than you see on the
16 North Fork American.

17 We've found from other projects that
18 we've worked on across the state, that having
19 rapid declines like that can be detrimental for
20 frogs and other critters out there in the
21 ecosystem.

22 So we think that really focusing on
23 those parts that are missing is definitely one of
24 our interests for the different resources that are
25 out there, for the different species, bugs, frogs,

1 fish, but also for recreational needs, also.

2 The next one. Quite often if you don't
3 have spill events out there you end up with a
4 situation like this where they're also radically
5 different, the two different flows. There is a
6 red line across the bottom that is the hydrograph
7 below Lake Spaulding. And this is what occurs in
8 a year where you do not have a spill event. You
9 can see the discrepancy between the two different
10 hydrographs out there. So, it's pretty
11 significant.

12 Looking at the next slide, this is in
13 2005, another wetter year. And at first blush it
14 appears that you see two hydrographs that are sort
15 of mimicking each other, but you're still missing
16 that critical component of having that gradual
17 descending limb that you see on the North Fork
18 American.

19 And as I said before, if you look at
20 some of the reaches on the South Fork Yuba, for
21 instance, we know that they have flow rate is
22 roughly that are between, you know, 1000 cfs and
23 500. Well, you can see in that particular
24 hydrograph it moves through that range very
25 quickly. So it definitely would have a big

1 impact. In 2006, which is the next one, you see
2 kind of a similar situation there. But in each of
3 those what really is missing is that gradual
4 descending limb.

5 Now, we absolutely understand that going
6 through this process we're not going to be able to
7 completely restore that, because that would
8 require taking out the project. And we don't
9 advocate for that because we like our lights to go
10 on and we want to be able to find solutions that
11 work for everybody.

12 But, getting those two closer together
13 is definitely something that's going to be very
14 important for us.

15 And one of the other things that's going
16 to be critical in order to be able to achieve that
17 is making sure that the projects have the ability
18 to function as they were originally constructed,
19 so that all the project works work effectively,
20 also.

21 So that's it for me. Thank you.

22 HEARING OFFICER MUDRE: Thank you very
23 much, Dave. Okay, I'll throw out a name and see
24 if they come up. Kelly.

25 MS. SACKHEIM: My name is Kelly

1 Sackheim; last name is S-a-c-k-h-e-i-m. And I'm
2 representing myself under the auspices of Sackheim
3 Consulting. I have over 20 years of experience
4 doing environmental impact assessment, and the
5 last nearly nine years has been under the auspices
6 of Sackheim Consulting, working, more than
7 anything else, with hydropower projects.

8 And in the last few years I've been
9 particularly interested in the opportunities that
10 can exist for small hydropower, particularly as
11 we're going through relicensing processes when
12 there are going to be changes made to facilities
13 and whether it's additional instream flow
14 requirements that mean you're discharging
15 quantities of water in areas that it had not been
16 discharged before; whether it means capturing
17 additional kinetic energy from drops along the
18 canals that may already be present.

19 A colleague and I have been working on
20 different projects where the question of scale is
21 very important, and we recognize that often it is
22 not cost effective to operate the very small
23 hydropower project if you happen to be a very
24 large organization that is capable of managing
25 projects such as the Drum-Spaulding and Yuba-Bear

1 projects that we're talking about today.

2 I have actually filed for the
3 opportunity to develop small hydropower through
4 FERC's preliminary permit process on May 12th.
5 FERC has not yet had an opportunity to respond to
6 that filing.

7 I filed two separate filings based on
8 whether it's within the existing project
9 boundaries for Yuba-Bear or Drum-Spaulding, and I
10 have some copies, if anybody's interested right
11 now, or it's possible to pull them from FERC's
12 elibrary for people who are familiar with it. The
13 P numbers are 13224 on the Yuba-Bear, and 13225 on
14 Drum-Spaulding.

15 And while I have not identified yet new
16 opportunities, there have been a number of
17 proposed facilities that have been evaluated in
18 the past. In fact, they're all found in the PAD
19 document.

20 On PG&E's project there are three so-
21 called drops, and the improvements to Rollins is
22 something that clearly, if it is going to be cost
23 effective, PG&E would be taking advantage of.

24 And my main concern is that in these
25 evaluations it's probably going to come much later

1 in the relicensing process, where it's determined
2 how much water is going in which directions and
3 with what kinds of facilities to preserve the
4 other resources, might also be captured.

5 And if it would not be cost effective
6 for PG&E to establish some new hydropowered
7 generation and operate it, then we would like to
8 have the opportunity to participate on perhaps
9 almost a concession-type basis, or outsourcing
10 some of the construction and operation of the new
11 facilities.

12 So I'm hopeful that by coming forward
13 early in the process, and keeping this in the back
14 of everyone's mind, that we can make sure that we
15 have as much power generation as possible; that it
16 is green, in the sense that it is not causing
17 additional impacts to the resources as we're
18 looking to raise the bar with relicensing and
19 environmental protection.

20 Thank you.

21 HEARING OFFICER MUDRE: Thank you,
22 Kelly.

23 (Pause.)

24 HEARING OFFICER MUDRE: Someone from the
25 PCWA, I can't read your handwriting.

1 (Parties speaking simultaneously.)

2 (Laughter.)

3 MR. MAISCH: I'm here. My name is Einar
4 Maisch; I'm the Director of Strategic Affairs for
5 Placer County Water Agency.

6 PCWA is a public agency. We have a
7 five-member elected board. We supply water in
8 western Placer County. The highest point in our
9 system is in Alta, and our service area goes down
10 and includes Rocklin and Lincoln.

11 We operate a system of canals and
12 treatment plants that by and large came to us from
13 PG&E. The PG&E Drum-Spaulding system was built
14 primarily for the gold rush back in the late
15 1800s.

16 This water supply was developed and put
17 to consumptive use first in gold mining, and then
18 in agriculture in western Placer County before
19 there was any hydroelectric development on the
20 project. And we think that that's significant in
21 the context of the relicensing.

22 In 1968 PG&E sold a major portion of
23 their water system to Placer County Water Agency.
24 And then in 1984 -- that was the zone 1 system.
25 And in 1984 they sold us what we call our zone 3

1 system.

2 We take about 115,000 acrefeet a year
3 from PG&E, delivered through their Drum-Spauldning
4 system into our canal systems. And with that, we
5 serve about 100,000 people that don't have any
6 other source of water, other than the water supply
7 that we get from PG&E.

8 So, the point there is that the water
9 supply that we get from the Drum-Spauldning
10 provides health and safety, economic benefits, and
11 it also provides, interestingly, environmental
12 benefits.

13 We just recently completed a study. We
14 looked at a portion of our system called the East
15 Loomis Basin, which we can convey to you the
16 results, because we just finished it up last week
17 and had a presentation to our board.

18 What we were looking for is we were
19 looking for -- we operate our canal system, which
20 is not -- I mean we get water from PG&E, but it's
21 not PG&E's canal system anymore. It's ours. And
22 so we're not trying to make a direct linkage, but
23 because of the operation of our canal system, we
24 end up, through operations of our canals and the
25 operations of our customers, there's a lot of

1 water that ends up in Miners Ravine and Secret
2 Ravine on a year-round basis.

3 And those creeks have been found to be
4 critical habitat for threatened steelhead. And
5 also fall-run Chinook salmon, which is a species
6 of interest to the Fish and Wildlife Service.

7 And the purpose of the study was to try
8 to identify whether or not if there was a cutback
9 in the deliveries of consumptive water to PCWA
10 from the PG&E system, as a result of terms and
11 conditions imposed by FERC, how could or would
12 PCWA be able to respond to that. And would it
13 likely have an impact on the environment.

14 And we think that the study concludes
15 that the operation of our canal systems is very
16 efficient. And that any reduction in deliveries
17 to PCWA would end up being reflected in not only
18 reduction of delivery to customers, which would
19 have those economic benefit impacts, but it would
20 also end up being a reduction of deliveries into
21 the receiving creeks that surround our system.
22 And we believe that would have an adverse impact
23 on the environment.

24 We're not asking that a study be done,
25 but we think in order to have a complete NEPA

1 document, that the impacts, the environmental
2 impacts, associated with potential conditions that
3 would reduce deliveries to PCWA would have to be
4 identified in the environmental document in order
5 to have a complete document.

6 And that's about all, thank you very
7 much.

8 (Pause.)

9 HEARING OFFICER MUDRE: Thank you very
10 much. Our next speaker is Steve Rotherth.

11 MR. ROTHERTH: My name's Steve Rotherth;
12 I'm the Director of the California Field Office
13 for American Rivers. And I personally, and our
14 organization, have been involved in relicensings
15 for quite a long time. And American Rivers was
16 one of the conservation groups that really pushed
17 for more collaborative approaches in relicensing
18 and settlement agreements. And feel good about
19 how the relicensing has changed, evolved for the
20 better over the last couple of decades.

21 And I think what we're seeing in this
22 relicensing is good evidence of that. And I just
23 want to applaud PG&E and NID for their
24 collaborative approach, for starting the
25 relicensing study plan meetings early, and for

1 getting resources out in the field this summer to
2 start collecting data.

3 The companies have definitely gone above
4 and beyond the requirements. And I just want to
5 acknowledge that, and say that we appreciate that.

6 This project is obviously a huge and
7 sprawling project. I'm sure you guys are just
8 thinking what have we gotten ourselves into. With
9 the tour last week I think you got a glimpse of
10 the project, but it will take quite awhile for you
11 to really get your arms wrapped all the way around
12 it.

13 And so it's important that we take
14 account of the impacts the project has, not only
15 on the big rivers, the mainstems, but also the
16 many many smaller tributaries to those rivers.
17 And the habitats that they do or would otherwise
18 support, absent the project.

19 Dave mentioned the impacts to the
20 hydrology and the interest in trying to restore
21 some of the missing parts of the hydrology.
22 American Rivers shares that interest, as well.

23 He talked a lot about the recession limb
24 in the spring, and I'll just mention we're
25 interested in that, as well. But also in the

1 effects of the project on the high flows, on peak
2 flows, and the effects that the reduction in peak
3 flows as a result that the project might have on
4 river habitat and river species.

5 And what studies have shown and I expect
6 they might show in this proceeding is that the
7 reduction in flows allows the -- I mean reduction
8 in peak flows allows the encroachment of riparian
9 habitat, which is important, just for example, to
10 western pond turtles that need basking and
11 greeting areas that might be affected by the
12 encroachment of riparian vegetation.

13 And also the reduction of scouring flows
14 can change the riparian communities from the more
15 typical cottonwoods and willows to more of an
16 alder-dominated community, which provides less
17 benefit to riparian wildlife species than the
18 natural communities.

19 And the Yubas used to support anadromous
20 fish, both salmon and steelhead, and they could
21 today if dams were not in the way. Obviously, NID
22 and PG&E's dams are not the dams that block salmon
23 in the lower Yuba, it's, of course, the
24 Englebright Dam. But, as I'm sure you're aware,
25 there are efforts to explore the feasibility of

1 restoring anadromous fish to the Yuba.

2 And American Rivers would want to make
3 sure that FERC, through the comprehensive planning
4 component of the EIS and section 10 of the Federal
5 Power Act, will consider the interests and goals
6 of agencies to restore anadromous fish to the
7 upper basin.

8 I know your list of comprehensive plans
9 might not include one that specifically lists
10 restoration of anadromous fish to the upper basin
11 as a goal or objective, but I imagine that that
12 list will include such a plan in the coming years
13 as we work through this process.

14 Our studies that we've developed
15 collaboratively through this process, particularly
16 in relation to the hydrology, don't really look at
17 the effects of projects below Englebright in the
18 lower Yuba. In fact, they stop above that. But I
19 would encourage FERC to take a look at the
20 cumulative impacts of these projects in addition
21 to YCWA's projects on the effects to hydrology in
22 the lower Yuba below Englebright, and the effects
23 that they might have on anadromous fish in that
24 reach.

25 And finally, just a comment about

1 climate change. Climate change is happening. It
2 will continue to happen. I think the main melt
3 that we experienced this year was unprecedented in
4 the experience of NID and PG&E.

5 And this fire season which started with
6 a big bang on Saturday with the lightning is also
7 unprecedented. And will have significant effects
8 on the watersheds, I think, that we're dealing
9 with. I think there's a fire burning out of
10 control right now near the Bowman facility. And
11 we expect to have some more fires in this season
12 and in the future.

13 There's obviously a connection between
14 climate change and fires, and also hydrology. And
15 I know that climate change has not really been
16 addressed in a systematic or comprehensive way,
17 rigorous way, in any proceeding, at least to my
18 knowledge. But we're talking about how to do
19 that. Whether and how to do that in this
20 proceeding. And we're making some progress in
21 that direction. And I think we obviously will
22 need to bring FERC into that conversation and
23 figure out how it can be dealt with.

24 And American Rivers, and I think others
25 in this proceeding, look forward to having that

1 conversation with FERC to figure out how to
2 account for climate change over the term of a new
3 license.

4 And as I think my colleagues plan, we
5 will submit more extensive written comments before
6 the August 11th deadline.

7 Thanks.

8 HEARING OFFICER MUDRE: Thank you. And
9 that is one thing I did want to remind people,
10 that certainly if you speak some today that
11 doesn't limit you, it doesn't stop you from being
12 able to comment again with more detailed comments
13 by August 11th. So, the more comments we get, the
14 better, as far as I'm concerned.

15 Next we will hear from Chris Shutes.

16 MR. SHUTES: Hi. My name's Chris
17 Shutes. I'm the FERC Projects Director for the
18 California Sportfishing Protection Alliance.
19 Right now I think CSPA is engaged in about ten
20 hydro projects. And, as many have said, this is
21 certainly the most complicated.

22 Several of the previous speakers have
23 gotten to one of the main points that I want to
24 talk about today, and that is that, as it says on
25 the front page of the NID PAD, water supply is the

1 highest priority. And as Rick pointed out
2 earlier, operations are driven by downstream water
3 demands.

4 These projects are operated for dual
5 purposes, water supply and power production. And
6 so I would say the main interest the CSPA has, and
7 one of our themes that we will be talking about,
8 is that you can't separate the power production
9 and water supply components.

10 And when you're going to look at the
11 project effects and project scope, we think it's
12 appropriate to do that in the broadest possible
13 sense. I think the gentleman from PCWA sort of
14 got to that. And I might even take it a step
15 farther.

16 The analysis really has to get to, in
17 the NEPA documents, has to get to how it all works
18 together. You can't just take one part and say
19 this is the power part or this is the consumptive
20 part. And even if the licensees don't have direct
21 control over certain parts of the overall system,
22 it is a system and it needs to be analyzed as
23 such.

24 According to the calculations made by
25 one of my colleagues, Bob Center (phonetic) from

1 American Whitewater, who unfortunately is out of
2 the -- well, fortunately for him, unfortunately
3 for us -- is out of the country today, these
4 combined systems, NID and PG&E's Yuba-Bear and
5 Drum-Spaulding projects, ship about 400,000
6 acrefeet of water out of the Yuba watershed on an
7 annual basis. Over 60,000 acrefeet a year
8 diverted out of the Middle Yuba at Milton
9 diversion.

10 CSPA believes that the magnitude of the
11 out-of-basin diversions creates a direct, as well
12 as a cumulative impact on the lower Yuba River
13 below Englebright Reservoir. Flows in the Middle
14 Yuba well downstream of the Milton diversion are
15 diverted through the Our House diversion and over
16 to New Bullards Bar Reservoir operated by YCWA.

17 Flows in the Lower Yuba below
18 Englebright are managed according to the actual
19 inflow to New Bullards Bar, not the unimpaired
20 inflow. The water diverted out of the Middle Yuba
21 at Milton diversion therefore directly affects the
22 flows in the Lower Yuba River.

23 We therefore believe that, at minimum,
24 the Yuba-Bear project requires a biological
25 opinion for the Lower Yuba River for steelhead and

1 spring-run salmon.

2 The Commission is no doubt aware of the
3 current catastrophic situation facing salmon
4 escapement in California's Central Valley. Some
5 of my colleagues have already described, and I'm
6 sure others will describe, some of the
7 opportunities for restoration of spring-run salmon
8 and steelhead in the Upper-, Middle- and South
9 Yuba Rivers. I won't go into the details, other
10 than to say that CSPA enthusiastically supports
11 those opportunities and looking at them, and
12 realizing them.

13 And that we believe that the Yuba Rivers
14 watershed and these two rivers, in particular,
15 offers perhaps the best opportunity for restored
16 anadromy in the Central Valley.

17 CSPA does not believe that we can
18 continue to have robust salmon and steelhead
19 populations if we rely solely on watersheds
20 downstream of existing rim dams. We think we need
21 to start looking upstream. And part of the
22 conversation will, in some measure, need to take
23 place in the context of this relicensing.

24 Regardless of whether anadromy is
25 restored, cold water is the key to project

1 fisheries in these projects. Especially in light
2 of the fact that the licensees are talking about -
3 - or PG&E, excuse me, is talking about the
4 possibility of pump storage betterments within the
5 Drum-Spaulding project.

6 We really need to understand how much
7 cold water there is in the system; how it's
8 managed; what opportunities exist to increase the
9 benefits of it; and what the obstacles are to
10 realizing those opportunities.

11 We need to understand what the
12 facilities are, to date, that might allow that or
13 that might limit it. We need to understand how
14 well or what limitations in the existing operation
15 of the facilities might do to limit the
16 possibilities of appropriately managing cold
17 water. And we need to look at possible facility
18 modifications that would allow best use of the
19 cold water resources in the system.

20 Rick Jones, not long ago, just flashed
21 up on the screen, yet another schematic beyond the
22 ones that were handed out today of the lower --
23 the west Placer creeks.

24 This is where a lot of the water from
25 the system goes. Much of it is used for

1 consumptive purposes, not only from NID, but from
2 the PG&E project.

3 As I stated at the beginning of my talk,
4 I think that the most robust approach to looking
5 at how this interacts with the combined effects of
6 the power production is needed. And because of
7 the presence of o.mykiss in these western Placer
8 creeks, we think that a biological opinion for
9 both of the projects would be appropriate.

10 Thanks.

11 HEARING OFFICER MUDRE: Thank you,
12 Chris. Katrina Schneider.

13 (Pause.)

14 MS. SCHNEIDER: Katrina Schneider, a
15 river scientist at the South Yuba River Citizens
16 League, focus on hydrology and fluvial
17 geomorphology, while my -- while Gary really
18 focuses on fishery resources. But I will hit on
19 both today. Obviously you can't separate them.

20 Do you need me to spell my name? It's
21 S-c-h-n-e-i-d-e-r. Okay.

22 So first I want to tell you about SYRCL
23 because SYRCL's been around for 25 years in this
24 watershed, be around far after this relicensing.
25 Worked for 16 years to get wild and scenic

1 designation for 39 miles of the South Yuba when
2 there was proposals for at least four dams within
3 one area, within the projects' extent we're
4 looking at now.

5 So, I come with a history of many people
6 who have been quite dedicated to the Yuba River.
7 And we've expanded our scope obviously beyond the
8 South Yuba, despite our name, because we look at
9 many resource issues that involve a much more
10 comprehensive extent within the watershed.

11 So in many ways we will look at some
12 aspects that go all the way out through the Golden
13 Gate Bridge for obvious reasons, such as our work
14 with anadromous fisheries.

15 Areas of concern that we suggest the EIR
16 address quite thoroughly be grouped here today in
17 three categories: water quality and aquatic biota,
18 I'd like to talk more about Chinook salmon and
19 steelhead, as well as climate change, water and
20 biodiversity.

21 First of all, the project operation's
22 diversions, as you have all seen on the field
23 tour, as well, they are quite substantial. We
24 talked about the complexity here. They've
25 certainly had quite a few impacts on -- I'd like

1 us to go to the smaller scale from the big rivers
2 to the tributaries and consider some of the
3 impacts to the tributary inflows.

4 We were out on a unique day when we had
5 the site visit where the Bowman-Spaulding Canal
6 was not in operation. But normally they captured
7 pretty much the entirety of flows that run along
8 the Bowman-Spaulding conduit.

9 And it's really important to consider
10 these tributary rivers. And not only from the
11 scale of impact to the watersheds right there, and
12 the species that inhabit them, but then the larger
13 picture as they enter into the larger mainstem
14 rivers. And the reduction in those flows.

15 Those tributary inflows are quite
16 important for not only the species, but their role
17 in temperature and providing temperature refugia
18 and bringing in cold water.

19 Also the discussion of some of the --
20 another impact to water quality from project
21 operations have been from the ramping rates
22 involved in project operations. And the scale of
23 change and how it impacts amphibian, fish,
24 insects, plants and other species.

25 And one of the biggest concerns that we

1 hold regarding -- I appreciated my colleague, Dave
2 Steindorf's graphs showing, sometimes, just how
3 low the flows can get within the mainstem rivers.
4 And we do experience tremendously low flows due to
5 project diversions and just the scale of
6 diversions out of the basin and the complexity of
7 how things are obviously moved around.

8 But this has a tremendous impact on the
9 water temperatures within the watershed. And
10 SYRCL submitted evidence to the State Water
11 Resources Control Board for the Middle and South
12 Yuba Rivers showing how the impaired water
13 temperatures are in excess of standards for the
14 basin plan, and the criteria for native species
15 such as rainbow trout. By late summer most of the
16 Middle and South Yubas can exceed 76 degrees.
17 It's very lethal to native trout.

18 Now, more on Chinook salmon and
19 steelhead trout. And throughout the course of the
20 existing licenses the licensees have had reason,
21 of course, to avert their responsibility for flows
22 below Englebright Reservoir. And this reach is
23 incredibly important because this is where, right
24 now, federally listed anadromous species occupy.

25 In many ways, there is a scale of impact

1 that directly results in the lower watershed from
2 the project operations and above that must be
3 addressed. But also the larger picture as we look
4 at future relicensing, the future relicensing of
5 the downstream reach.

6 And it is very important to us that we
7 take the larger picture of this watershed into
8 consideration, despite the three-year time
9 difference between the two licenses.

10 The Yuba-Bear and Drum-Spaulding
11 projects do, indeed, have an impact on listed
12 species. And FERC needs to recognize that impact.

13 Also, it's reasonable and feasible -- I
14 hear that's important language in relicensing, as
15 a newcomer to relicensing efforts -- but it very
16 clearly reasonable and feasible that salmon will
17 be recovered in the Upper Yuba River during the
18 term of the forthcoming license agreement.

19 This can be seen from the work of Upper
20 Yuba studies program where results suggested that
21 under 50 cfs flow augmentation the Upper Yuba can
22 support populations of spring-run Chinook salmon
23 and steelhead would be among the largest remaining
24 population in the Central Valley ESUs.

25 Also, the final report that came out of

1 Upper Yuba studies program analyzed the habitat
2 and temperature conditions in the Upper Yuba
3 River. And, as what I just said, -- excuse me --
4 they showed the capability of supporting
5 anadromous salmonids.

6 Also the viability of Central Valley
7 spring-run Chinook salmon and steelhead from NMFS
8 has concluded that the risk of extinction for
9 these threatened ESUs cannot be reduced without
10 providing access to historic habitat. And they
11 specifically cited the Upper Yuba as a primary
12 opportunity.

13 And then lastly, I think it's very
14 important that the NMFS Office in Santa Rosa right
15 now has a position they're hiring to evaluate the
16 feasibility and the development of preliminary
17 engineering solutions to fish passage at
18 Englebright.

19 So, given all these considerations, and
20 many more, it's essential to us that we see that
21 the potential re-introduction of salmonids as
22 reasonable and feasible, and warrants study and
23 very specific addressing in this relicensing.

24 And, in fact, these anadromous fish
25 species used to live in this watershed. There are

1 spawning sites we go out to, historic spawning
2 sites, although certainly changed with hopefully
3 high flows that change mobility, but these areas
4 were indeed spawning beds. And ignoring these
5 native species in this proceeding now that have
6 been extirpated, but could return, of course,
7 could very well preclude recovering opportunities
8 for anadromous fish species in the future.

9 As my colleague from American Rivers
10 mentioned about looking at climate change, I
11 would, as well, like to reiterate the importance
12 for SYRCL that any new license for these FERC
13 projects needs to best prepare for the potential
14 effects of climate change to water supply
15 hydropower and environmental resources in the Yuba
16 and Bear Basins by identifying the potential
17 resources to address the effects of climate
18 change, as well as the cold water pool and
19 understanding our cold water pool resources will
20 be integral to that.

21 So, with that said, SYRCL will
22 continually monitor the watershed with 100
23 different trained volunteers since 2000. And we
24 will continue to take our water quality and
25 temperature data. We really appreciate working

1 closely with the licensees. They've been really
2 wonderful in our attempts to integrate this data.
3 and also look for within the future as to how we
4 can build upon our monitoring to complement and
5 continue on the work that we're doing here into
6 the future.

7 So, I do appreciate that opportunity and
8 your consideration of these points. Thank you.

9 HEARING OFFICER MUDRE: Thank you,
10 Katrina.

11 Okay, that's all the individuals who
12 indicated on the sign-in sheets that they'd like
13 to speak. But if there's anyone who didn't sign
14 here that would like to speak, come on up on a
15 first come, first served basis.

16 MR. JACOBSEN: Shall I come up?

17 HEARING OFFICER MUDRE: Sure.

18 MR. JACOBSEN: Bill Jacobsen with Social
19 Alliance Network, and also a Nevada County
20 resident.

21 My affiliation is primarily here with
22 Indigenous Spiritual Elders, and part of my work
23 has been -- in this community has been to bring
24 the traditional people, indigenous people to this
25 area, together with folks from the science groups,

1 some of who have spoke, to bring a ceremony to
2 this river that remembers what this cultural
3 landscape was like prior to mining, prior to the
4 diversions of water and the generation of
5 electricity.

6 Our hope in this process is to help
7 bring about an awareness of what the cultural
8 landscape was in the last 50 years. And perhaps
9 what it can be for our entire community in the
10 next 50 years to 30 years.

11 And part of this is we would like to
12 see, we would like to study and look at the
13 importance of salmon to this culture. Not only to
14 the importance of them, but salmon were part and
15 parcel of their life. And we're trying to look at
16 ways that salmon can be reintroduced into this
17 watershed so that we can all live in ways that are
18 different than we are right now.

19 So, salmon is traditional cultural
20 properties; is something that we do want to
21 research in this upcoming study.

22 And also to look at the tribal views
23 from an economic standpoint. Someone had spoke of
24 microhydrogeneration. The economics of the people
25 that lived here were devastated. The people are

1 still here, and I applaud PG&E and NID for their
2 efforts to include all non-recognized people,
3 tribal people, in this process. Because these are
4 the people of the earth that have lived here for
5 generations, and they can help us all come up with
6 reasonable ways to proceed into the future.

7 So, with that, thank you very much.

8 HEARING OFFICER MUDRE: Thank you, Bill.
9 Would anyone else like to come up? Dennis first.

10 MR. SMITH: Good afternoon; I'm Dennis
11 Smith with the United States Forest Service.
12 Actually I'm pleased that the relicensing
13 licensees have started early on the process. I
14 think that will help us have a more successful
15 relicensing.

16 And also that it is a collaborative
17 process, even though, you know, it is difficult at
18 times, we appreciate that collaborativeness. And
19 that the 11 studies that have been proposed so
20 far, and will be put in the PAD, some of those
21 have been started.

22 I think that all will help our jobs,
23 make it easier in the end to make decisions.

24 I actually want to make two main
25 comments today. I think the scope that I've heard

1 so far is pretty comprehensive of the relicensing.
2 Relicensings in California are very complex, where
3 you maybe have 11 studies on the east coast, we
4 have 44 or 50 studies during these processes. And
5 that causes problems with the integrated licensing
6 process because the time allowed to review the
7 data and comment on the data for the agencies, but
8 also for the licensees, makes it very difficult to
9 make those timeframes.

10 And considering the numbers of
11 relicenses that the agencies are working on in the
12 State of California right now, and the number of
13 people we have to work on those relicenses, it
14 makes it very difficult to meet those statutory
15 deadlines.

16 So I just want to caution FERC that, you
17 know, we think it's going to be a difficult
18 relicensing, given the size of the project, the
19 complexity of the project, the numbers, different
20 subject matters that are being studied to meet
21 those deadlines in the ILP.

22 And we have asked for extensions in the
23 past. I know FERC, with the ILP, as a response
24 from the relicensing community has committed to
25 meeting those goals. But, I'm just going to

1 caution you that it will be very difficult to do
2 that. And may cause conflicts down the line if we
3 have insufficient time to do our jobs properly.

4 I actually was real pleased with the
5 PAD. You know, there was so much information in
6 that, that my wife actually uses that as a
7 footstool when she needs to reach --

8 (Laughter.)

9 MR. SMITH: -- shelves in the kitchen.
10 So, it's come in for other reasons, other than
11 having some great information in it. But it was
12 helpful to us, and it is continuing to be helpful.

13 But, again, one of the problems is just
14 reading all the information in there. And the
15 Forest Service actually, relatively to a lot of
16 these agencies, has more personnel and manpower.

17 The second thing I want to bring out
18 today is the issue of the Energy Policy Act of
19 2005. That's changed the landscape for the
20 federal agencies somewhat. We intend to file
21 preliminary terms and conditions sometime in 2011
22 after you declare that it's ready for
23 environmental analysis.

24 And at that time there's two processes
25 that never used to exist. One of those is that

1 the licensees and other parties can ask for a
2 trial-type hearing with all the evidentiary rules
3 of a court of law, and the costs associated with
4 it.

5 And because of that, the information we
6 need to go to court and defend in front of an
7 administrative law judge, that can hold up under
8 scrutiny of expert witnesses, is now much greater
9 from a statistical validity standpoint than it
10 used to be.

11 And so the Forest Service and other
12 agencies will be requesting more comprehensive
13 studies with more statistical rigor than we have
14 in the past. And unfortunately, that usually
15 means they cost more money because more data will
16 be needed to be collected.

17 And I just want to caution you that this
18 may come up in both the collaborative process and
19 in any kind of dispute resolution process that may
20 happen before you approve the final study plan.

21 The other thing is we're going to be
22 asking for empirical information instead of
23 modeling studies, that can hold up in a court of
24 law and be used with statistical rigor to make
25 decisions that can withstand challenges in those

1 courts of law.

2 And then also that will hopefully be
3 helpful for the licensees to develop any
4 alternative conditions that they may develop if
5 they think the mandatory conditions that we
6 develop are too costly, and they can meet the same
7 objectives at a least cost.

8 So, I think, given the complexity and
9 the Energy Policy Act, this will be a long
10 process. And hopefully we get through it before I
11 retire.

12 (Laughter.)

13 MR. SMITH: Thanks.

14 HEARING OFFICER MUDRE: Thank you,
15 Dennis.

16 MR. BREWER: Thank you. My name's Doug
17 Brewer. I'm with ECO:LOGIC Consultants, here on
18 behalf of the City of Lincoln.

19 I'd first like to thank you for the
20 opportunity to be here today to express the City
21 of Lincoln's comments on the FERC relicensing.

22 For those of you that don't know, the
23 City of Lincoln is one of the fastest growing
24 cities in northern California. And it enjoys --
25 has Auburn Ravine, one of the creeks that pass

1 through the City that people enjoy the ecosystem
2 that's being created there from the wheeling of
3 water from the project, NID, as well as PCWA.

4 And the City is primarily concerned with
5 two topics. First of all, the City has
6 constructed a \$70 million wastewater treatment
7 plant off of Moore Road that discharges to the
8 Auburn Ravine. So, naturally water quality is a
9 primary concern, making sure that -- it's an
10 award-winning wastewater treatment plant, but also
11 water quality conditions in Auburn Ravine are very
12 important to the City.

13 The second issue is also water
14 temperatures. As you know, Auburn Ravine is
15 critical habitat for steelhead. And so the City
16 and its residents are concerned about maintaining
17 that habitat, as well as the federal agencies.

18 We do have a temperature monitoring
19 system set up there at various locations
20 downstream in Auburn Ravine. And so we look
21 forward to working closely with FERC and their
22 consultants in the studies on Auburn Ravine.

23 So, that's all I have, thank you.

24 HEARING OFFICER MUDRE: Appreciate the
25 information, thank you.

1 Anyone else? Okay, so that will signify
2 the end of the official scoping comments section
3 of the meeting.

4 Are there any other issues that people
5 would like to discuss while we're here? Chris?

6 MR. SHUTES: (inaudible) --

7 HEARING OFFICER MUDRE: Well, why don't
8 we -- let's just go off the record for a minute.

9 (Off the record.)

10 HEARING OFFICER MUDRE: This meeting is
11 adjourned.

12 (Whereupon, at 12:05 p.m., the meeting
13 was adjourned.)

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CERTIFICATE OF REPORTER

I, DEBORAH L. BAKER, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing Federal Energy Regulatory Commission Meeting; that it was thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said meeting, nor in any way interested in outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 28th day of June, 2008.