

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

JUN 25 2003

OFFICE OF ENERGY PROJECTS

Project No. 2105-089--California
Upper North Fork Feather River Project
Pacific Gas and Electric Company

Mr. Robert Meacher, Chair
Plumas County Board of Supervisors
520 Main Street, Room 309
Quincy, California 95971

Reference: Additional Study Request

Dear Mr. Meacher:

This letter concerns your response to the Commission's Notice of Application Tendered for Filing with the Commission, Soliciting Additional Study Requests, and Establishing Procedural Schedule for Relicensing and a Deadline for Submission of Final Amendments, issued October 29, 2002, for the Upper North Fork Feather River Hydroelectric Project. By letter dated December 17, 2002, your agency requested several additional studies regarding: (1) development of a project recreation plan; (2) the Hamilton Branch Amendment; (3) clarification of the elevation of Lake Almanor; (4) Lake Almanor Boating Safety; (5) alternative recreation sites outside of the FERC boundary to address cultural resource issues; (6) explanation of why 700 cfs is considered a normal maximum release rate; (7) cumulative effects analysis; (8) hydrographic feasibility study; (9) compliance with Regional Water Quality Basin Plan protocols; (10) a review of the data used for the Wave Hindcast Analysis; (11) request for extension of the non-motorized trail on the west shore; (12) questionable recreation improvements and costs; and (13) an extension of the Recreation Suitability Analysis.

We acknowledge your additional study requests and have reviewed your requests based on standards set forth in section 4.32(b)(7) of the Commission's regulations. As a rule, we require additional studies only when we have determined that such studies are necessary to make an informed decision on the merits of an application. Thus, the results of any study that we would consider requiring must be currently unavailable and reasonably and directly relevant to a pending application.

Study Requests

(1) Development of a project recreation plan

You have requested the development of a project recreation plan. Pacific Gas and Electric Company (the Applicant) included a draft Recreation Resource Management Plan (RRMP) in their final License Application and we will conduct an independent analysis of proposed recreation enhancement measures, including the draft RRMP and will include that analysis in the Environmental Impact Statement we will prepare for the project. Depending on the results of that analysis, we may recommend that the Commission include a condition requiring the Applicant to finalize the RRMP, which may include modifications to that RRMP, in any order issuing a new license.

(2) The Hamilton Branch Amendment

You have expressed your opposition to the inclusion of the Hamilton Branch amendment to the application. The Applicant has conditionally proposed to include the existing Hamilton Branch Project in the Upper North Fork Feather River Project. In its cover letter accompanying the license application, the Applicant stated that the filing of an amendment application to include the Hamilton Branch Project as an Upper North Fork Feather River Project facility was dependent on the outcome of its bankruptcy proceeding. In April 2003, the Applicant distributed a First Stage Consultation Document for the Hamilton Branch amendment to the license application for the Upper North Fork Feather River Project. In accordance with Commission regulations, the deadline for filing amendments to an application for a new license is 30 days from the issuance of the Ready for Environmental Analysis (REA) Notice, which in this proceeding is scheduled for July 2003. We will address the processing of any such amendment following its timely filing.

(3) Clarification of the elevation of Lake Almanor

You have indicated that two different values have been provided for the average high summer level of Lake Almanor, one from the Applicant and one from the California Department of Water Resources. We have requested clarification of this matter from the Applicant in our June 23, 2003, Additional Information Request (AIR) item 9.

(4) Lake Almanor Boating Safety

You have listed three effects of the rapid lowering of Lake Almanor: negative aesthetic effects, shoreline erosion, and boating safety problems. You have indicated that the Applicant has agreed to fund half of a deputy sheriff's position for Lake Almanor

safety and law enforcement and that this agreement should have been included in the license application for this project. In the final License Application, the Applicant proposed to partially fund a land-based position for the Plumas County Sheriff's Department, if a new county ordinance is passed limiting vehicle travel below the 4,500 foot elevation (except in designated areas). This position will focus on improved visitor management and enforcement of rules and laws, peak period visitor crowd management, and enforcement of no vehicles below 4,500 feet elevation, with exceptions for boat dock maintenance and other related repairs.

(5) Alternative recreation sites outside of the FERC boundary to address cultural resource issues

You have expressed a concern with the possibility of a conflict between any development and important cultural sites. Therefore you have requested that the Applicant propose alternative sites for recreation development outside of the FERC project area. The Applicant was aware of the location of all cultural resource sites when they developed their proposed recreation development and likely would have included any appropriate mitigation in their recreation development proposals. Additionally, information on the locations of cultural resource sites has been filed with the Commission staff, who will conduct an independent analysis of the proposed recreation development sites, including any potential effects on those cultural resource sites. Therefore, we do not think that it is appropriate or necessary at this time for the Applicant to propose additional recreation sites outside of the project area.

(6) Explanation of why 700 cfs is considered a normal maximum release rate

You state that the maximum release capacity through the Canyon Dam outlet tower is 2,100 cfs but that 700 cfs is considered to be a normal maximum release rate. You have also indicated that you heard that the Canyon Dam tunnel gates may be partially inoperable and not capable of the full 2,100 cfs release. You have also requested an explanation of why 700 cfs is considered a normal maximum release rate. We agree that a better description of potential release rates is needed and have requested this information in our June 23, 2003 AIR item 13.

(7) Cumulative Effects Analysis

You have indicated the need to provide an entire Lake Almanor watershed analysis. We agree that a cumulative effects analysis of the project is necessary; however, this is not the responsibility of the Applicant. We will conduct an independent analysis of

the cumulative effects of the project and include that analysis in the Environmental Impact Statement we will prepare for the project.

(8) Hydrographic feasibility study

You have expressed concern with the effects on the fishery in Lake Almanor resulting from the potential withdrawal of cold water from the lake to provide cold water downstream of Lake Almanor. We agree with the need for the requested information. Our June 23, 2003, AIR item 13 requires the Applicant to provide information that Commission staff will use to address your request.

(9) Compliance with Regional Water Quality Basin Plan protocols

You have expressed concern with lack of data on fecal coliform bacteria in the final License Application and are also concerned that Regional Water Quality Basin Protocols for fecal coliform testing were not implemented. Additionally, you are concerned about the heavy metal bioaccumulation in the food chain.

In its letter commenting on the final License Application, the State Water Resources Control Board (SWRCB) indicated that the 1998 *Water Quality Control Plan for the California Regional Water Quality Control Board Central Valley Region, the Sacramento River Basin and the San Joaquin River Basin* (Basin Plan) designates contact recreation (REC-1) as a beneficial use for waters of the North Fork Feather River and for Lake Almanor and that protection of the REC-1 beneficial use requires compliance with the fecal coliform bacterial objective established in the Basin Plan. Our June 23, 2003, Additional Information Request (AIR) item 12 requested that the Applicant provide the results of the referenced studies of Lake Almanor coliform levels conducted by Henrici between 1993 and 1996 and the California Department of Water Resources (DWR) between 1995 and 1999. If the information provided by the Applicant does not meet the requirements of the Basin Plan, we may request the Applicant to conduct additional sampling. However, at this time, we conclude that no additional sampling is needed.

The SWRCB also requested that information be collected to assess the potential bioaccumulation of contaminants associated with the project. The Applicant conducted sampling of contaminants in October 2002, and at the May 21, 2003, Scoping Meeting held in Chico, California, the Applicant indicated that additional sampling would be conducted in June of 2003. This should provide the information you desire. It is our understanding that the results of the October 2002, sampling effort should be available the first or second week of June, and that the results of the June 2003, sampling effort would likely be available by the end of 2003.

(10) Review the data used for the Wave Hindcast Analysis

You have expressed concern with erosion along the shoreline of Lake Almanor and have expressed your belief that the Wave Hindcast Analysis used in the study to predict potential erosion based on wave height is in error because residents have observed higher waves than those predicted by the model. You have requested a review of the data used in this study. On page 16 of Attachment E2-B of the final License Application, the Applicant indicates that waves higher than the maximum wave heights used in their analysis (i.e., 1.3 to 2 feet) can be generated in winter storms. However, Lake Almanor is typically drawn down during this period so erosion of the shoreline by these waves would be unlikely.

(11) Request for extension of the non-motorized trail on the west shore of Lake Almanor

You have requested that the Applicant construct a non-motorized trail along the route on which Plumas County received easements during the settlement of the Plumas County/Pacific Gas and Electric Company water right dispute. In its final License Application, the Applicant has agreed to provide easements for public trails where suitable. Also included in their proposal are two shoreline access points that may serve as future trailheads for any planned extension from Chester to the non-motorized trail's current northern terminus. We will conduct an independent analysis of the Applicant's proposal relative to extending the non-motorized trail on the west shore of Lake Almanor included in the final License Application and will include that analysis in the Environmental Impact Statement we will prepare for the project.

(12) Questionable recreation improvements and costs

You have expressed concern regarding both the inclusion of and the cost estimates for some of the proposed recreation improvements. We will conduct an independent analysis of the proposed recreation enhancement measures of the project and include that analysis in the Environmental Impact Statement we will prepare for the project. If the Applicant's estimated costs do not appear reasonable, we may request information from the Applicant to verify its basis for such estimates.

(13) An extension of the Recreation Suitability Analysis

You have suggested that the Recreation Suitability Analysis should be extended to include some of the areas outside of the original 0.25 mile study area. We will conduct an independent analysis of proposed recreation enhancement measures included in the final

License Application and will include that analysis in the Environmental Impact Statement we will prepare for the project. We will consider the need for assessing areas beyond the 0.25 mile area that was evaluated for potential recreation sites. If our analysis indicates that additional suitable recreation sites need to be identified, we may recommend that the Commission include a condition requiring the Applicant to assess areas beyond the 0.25 mile area in any order issuing new license.

We hope that this letter adequately addresses your concerns. If you have any questions, please contact John Mudre at (202) 502-8902.

Sincerely,

A handwritten signature in black ink that reads "Lon R. Crow". The signature is written in a cursive style with a large initial "L" and "C".

Lon R. Crow
Chief
Hydro West Branch 2

cc: Public Files
Service List