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Electric Company*

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FEDERAL ENERGY
REGULATORY COMMISSION

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ORIGINAL

March 30, 2005

Honorable Magalie R. Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: Pacific Gas And Electric Company's Application For Amendment
Of License To Revise Project Boundary To Remove A Residential
Development Area From The Project; Upper North Fork Feather
River Project No. 2105 - 095**

Dear Secretary Salas:

Enclosed for filing in the above-referenced proceeding are the original and eight (8) copies of Pacific Gas and Electric Company's ("PG&E") **Application For Amendment Of License To Revise Project Boundary To Remove A Residential Development Area From The Project** ("Application"). As explained in detail in the Application, PG&E is proposing to amend the license for the Upper North Fork Feather River Project No. 2105 ("Project") to revise a portion of the Project boundary so as to remove from the Project a 12.46-acre area of land located near the Project's reservoir (Lake Almanor). This land, which consists of land within a residential development and an adjacent road, is not needed for Project purposes.

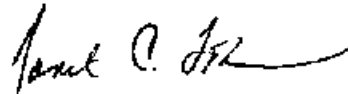
Please note that the original and each copy of the Application contain two Exhibit G maps (Attachments I and J) that are considered as "Non-Internet Public" documents in

Honorable Magalie R. Salas
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accordance with Order No. 649 (108 FERC ¶ 61,121 (2004), P9). These two Attachments are enclosed within a sealed envelope marked "Non-Internet Public" included within each Application.

Also submitted with this letter (original only) is a single copy of a privileged archaeology survey enclosed within a sealed envelope marked "Contains Privileged Information - Do Not Release." PG&E respectfully requests that the archaeology survey, which is exempt from the mandatory public disclosure requirements of FOIA, be withheld from public disclosure pursuant to 18 C.F.R. § 388.112.

Sincerely,


Janet C. Loduca

Enclosures

Honorable Magalie R. Salas
March 30, 2005
Page 3

Addressees:

Mike Aceituno NOAA Fisheries 650 Capitol Mall, Suite 8-300 Sacramento, CA 95814	Environmental Protection Agency 75 Hawthorne San Francisco, CA 94105
Steve Bowes National Park Service 1111 Jackson Street, Suite 700 Oakland, CA 94607	Jim Canaday State Water Resources Control Board P.O. Box 2000 Sacramento, CA 95825
Deborah Giglio U.S. Fish and Wildlife Service 2800 Cottage Way, Rm W-2605 Sacramento, CA 95825	Terry Roscoe California Department of Fish and Game 1701 Nimbus Road, Suite A Rancho Cordova, CA 95670
Kathy Turner U.S. Forest Service Hat Creek Ranger District P.O. Box 220 Fall River Mills, CA 96028	Mike Taylor Plumas National Forest 875 Mitchell Ave. Oroville, CA 95965-6500
Tom Hunter Plumas County, Public Works 1834 East Main Quincy, CA 95971	Milford Wayne Donaldson SHPO California Dept. of Parks and Recreation Office of Historic Preservation P.O. Box 942896 Sacramento, CA 94296-0001
Ms. Stacy Dixon Susanville Indian Rancheria P.O. Box Drawer U Susanville, CA 96130	Ms. Lorie Jaimes, Tribal Chair Greenville Rancheria P.O. Box 279 Greenville, CA 95974
Mr. Farrell Cunningham, Stewardship Coordinator Maidu Cultural and Develop. Group P. O. Box 426 Greenville, CA 95947	Mr. Ron Morales, Chairman Honey Lake Maidu 1101 Arnold Street Susanville, CA 96130

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Pacific Gas and Electric Company)	Project No. 2105-_____
)	(Upper North Fork Feather River)

**APPLICATION OF PACIFIC GAS AND ELECTRIC COMPANY
FOR AMENDMENT OF LICENSE TO REVISE PROJECT
BOUNDARY TO REMOVE A RESIDENTIAL
DEVELOPMENT AREA FROM THE PROJECT**

Pursuant to Subpart L of Part 4 of the Commission's regulations, Pacific Gas and Electric Company ("PG&E"), licensee of the Upper North Fork Feather River Project No. 2105 ("Project"), hereby applies to the Commission to amend the Project license to revise a portion of the Project boundary so as to remove from the Project a 12.46-acre area of land located near the Project's reservoir. As discussed below, this land, which consists of land within a residential development and an adjacent road, is not needed for Project purposes.

COMMUNICATIONS

Communications with regard to this application should be addressed to the following individuals, whose names should be placed on the Commission's official service list for this proceeding:

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PURPOSE OF APPLICATION

The purpose of this application is to seek Commission authorization for PG&E to revise a portion of the current Project boundary so as to remove from the Project a 12.46-acre area of land located near the Project's reservoir (Lake Almanor) that is not needed for Project purposes. Removal of this land, which consists of land within a residential development and an adjacent road, is consistent with the Commission's policy of not including within project boundaries land used for private residential development that is not needed for project purposes. *See, e.g., South Carolina Electric & Gas Co.*, 106 FERC ¶ 61,086, at P 10 (2004) ("SCEG").

BACKGROUND

The Project, which is located on the North Fork Feather River and tributaries thereto in Plumas County, California, was licensed by the Commission in 1955. *See Pacific Gas and Electric Co.*, 14 FPC 518. The Project boundary around Lake Almanor is located at the 4,500 foot contour elevation; however, the normal maximum water surface elevation of Lake Almanor is only 4,494 feet. The 12.46-acre area of land which PG&E proposes to remove from the Project is located between the 4,500 and 4,498 foot contour elevations on the west side of Lake Almanor south of the Town of Chester. The east side of this area of land is located approximately 750-1,000 feet west of the 4,494 foot contour elevation.

PG&E has the right to use any or all of this 12.46-acre area of land for Project purposes pursuant to § 24 of the Federal Power Act ("FPA"), 16 U.S.C. § 818.¹ In 1962, the then-owners of this and adjacent land recorded in the Official Records of Plumas County a map for a residential development called the Vision Lake Subdivision ("VLS") that would include, but not be limited to, the 12.46-acre area that is the subject of this application. Since a number of the proposed homesites would be located on the 12.46-acre area and thus would be subject to PG&E's rights under its license, PG&E and the various owners of the VLS property attempted over the years to reach agreement on how to resolve this matter. However, those efforts were not successful.

In mid-2003 it came to PG&E's attention that construction had commenced on a few VLS homesites below the 4,500 foot contour elevation on Project property. PG&E sent a letter to the entity that owned and was developing these sites (Lake Almanor Homes, LLC ("LAH")) requesting that LAH cease all construction activities within the Project boundaries. PG&E and LAH thereafter entered into discussions, and reached agreement, on how to resolve the matter.

DESCRIPTION OF PROPOSAL

The Project's current boundary line in this area follows the 4,500 foot contour elevation and crosses the VLS property on a generally diagonal line from the northeast to the southwest, with the roughly triangular-shaped 12.46-acre area located to the south of the

¹ Except for the land underlying the road running north-south along the eastern edge of this area (First Avenue) that PG&E owns in fee, the 12.46-acre area originally was owned by the United States and was subject to a power site reservation under § 24 of the FPA. The land was opened for entry and transferred by the United States to a private party in 1932 by patent that, consistent with the requirements of § 24 of the FPA, reserved to the United States and its licensees the right to enter upon, occupy, and use any part or all of the land for FPA Part I purposes.

diagonal. PG&E proposes to revise the Project boundary line so that at the point the 4,500 foot contour line first meets the VLS property in the north it would turn due south for approximately 1,000 feet and then turn due west for approximately 800 feet, where it would then continue along the existing 4,500 foot contour line. The north-south portion of the revised boundary line would be located just east of a local road serving the VLS (First Avenue)² and would vary in elevation from 4,500 feet to 4,498.2 feet. The east-west portion of the revised boundary line would vary in elevation from 4,498.2 feet to 4,500 feet. Under this proposed revised Project boundary line, no portion of the 12.46-acre area would remain within the Project. Appended hereto as Attachment A is an aerial photograph of the area showing the VLS site, the current Project boundary line, and the proposed revision to that boundary line.

As discussed below, since the state-approved maximum storage elevation at Lake Almanor is 4,494 feet, there is little chance that the excluded 12.46-acre area would be flooded or otherwise impacted as a result of Project operations. However, to minimize any property damage that might occur if Lake Almanor were ever to rise to the maximum level permitted under the license (elevation 4,500 feet), LAH, which owns most of the developable lots in this area, has agreed that it will place fill in this area as necessary such that floors of all finished living spaces, garages, and other buildings built by LAH in this area are built to a finished elevation in excess of elevation 4,500 feet.

APPROVAL OF THE APPLICATION IS IN THE PUBLIC INTEREST

I. The Land Proposed To Be Removed From The Project Is Not Needed For Any Project Purpose

The 12.46-acre area proposed to be removed from the Project is not needed for any Project purpose. PG&E does not currently use, and has no plans to use in the future, this

² As noted previously, PG&E owns in fee the land underlying this road.

land for any Project-related activities. The land is not designated or set-aside for recreational use in the approved Exhibit R for the Project. Further, no recreational or other use of this land is proposed in either PG&E's October 23, 2002 application for new license for the Project or in the relicensing settlement agreement between PG&E, resource agencies, and other interested parties that PG&E filed with the Commission on April 30, 2004.

As noted previously, the Project boundary around Lake Almanor is located at the 4,500 foot contour elevation, the maximum water level allowed under the Commission's 1955 license for the Project. However, the state-approved maximum water storage (surface) elevation for Lake Almanor is 4,494 feet. Thus, the 12.46-acre area, which is located well above the 4,494 foot elevation (the lowest elevation of the parcel is elevation 4,498.2 feet), is not needed for Project operations, and the revision of the Project boundary line to remove this area from the Project will not cause alteration of Project operations in any manner. Indeed, PG&E notes in this regard that in 1997 the Commission approved PG&E's request to revise the Project boundary so as to exclude from the Project a nearby 30-acre area of land located between the 4,500 and 4,494 foot contour elevations to be used by the Chester Public Utility District ("CPUD") for an expansion of its wastewater treatment facility. *See Pacific Gas and Electric Co.*, 79 FERC ¶ 62,110 (1997). The Commission concluded therein (*id.* at p. 64,322) that "[t]he change in the project boundary will not affect the project's operation or maintenance, or the project's environmental quality, recreational facilities, or cultural or scenic resources." Further, the Environmental Assessment attached to that order noted that the site was "not used for any project purposes including flood control or recreational use." *Id.* at p. 64,326.

II. Removal Of The Land From The Project Is Consistent With Commission Policy

The Commission's long-standing policy is to remove from project boundaries lands used for private residential development unless such lands are clearly needed for project

purposes. *See, e.g., SCEG, supra*, 106 FERC at P 10; *South Carolina Public Service Authority*, 7 FERC ¶ 61,148, at p. 61,236 (1979). *See also* 18 C.F.R. § 4.41(h)(2). Since the 12.46-acre area PG&E proposes to remove from the Project herein is to be used for private residential development (the VLS) or access thereto (First Avenue) and is not needed for any Project purpose, approval of PG&E's request to revise the Project boundary line to remove this area is consistent with Commission policy.

III. The Land Does Not Possess Any Unique Environmental Characteristics

The 12.46-acre area proposed to be removed from the Project does not possess any unique environmental characteristics. It is a sparsely-wooded area consisting mostly of mixed conifers and lodgepole pine with understory bush and grasses typical of the area. It does not contain any wetlands, contains numerous roads, and is adjacent to portions of the VLS outside the Project that are already developed or under development. Further, as discussed in the report appended hereto as Attachment B prepared by one of PG&E's Senior Cultural Resources Specialists, it does not appear, based on an archaeology survey of the area conducted by Dr. Makoto Kowta on behalf of PG&E in 1974,³ that any cultural resource sites are located on or near the 12.46-acre area of land. Thus, there is no environmental-related reason for keeping the 12.46-acre area within the Project boundary.

CONSULTATION

Pursuant to 18 C.F.R §§ 4.38(a)(1) & (a)(7), PG&E has consulted with the following agencies as to this application:

- U.S. Forest Service, Lassen and Plumas National Forests
- National Marine Fisheries Service

³ A single copy of Dr. Kowta's 1974 report discussing his survey results is being submitted with the original of this application marked "Privileged Information -- Do Not Release."

- U.S. Fish and Wildlife Service
- National Park Service
- U.S. Environmental Protection Agency
- California Department of Fish and Game
- California State Water Resources Control Board ("SHPO")
- California State Historic Preservation Officer
- Plumas County

PG&E has also consulted as to this application with the Indian Tribes with which it had consulted on its October 23, 2002 application for new license. Copies of PG&E's December 21, 2004 letters to the above-referenced entities and Indian Tribes seeking their comments on the proposal are appended hereto as Attachments C and D.⁴

The following comments were received:

- *Plumas County ("County"), Director of the Department of Public Works (Tom Hunter)* – By letter dated January 28, 2005 (copy appended hereto as Attachment E), Tom Hunter, Director of the Plumas County Department of Public Works, indicated that the County did not oppose PG&E's proposal. However, Mr. Hunter also stated as follows: "The County wishes to be engaged in the transaction. Should the parcel...become disposed, the County has an interest in acquiring a right-of-way deed for portions of First Avenue, Purdy and Willhoite as recorded on the map." Mr. Hunter explained during a subsequent conversation with PG&E personnel that his comment was based on his belief that PG&E was

⁴ The Attachment C letter was sent to all of the above-referenced entities except for the SHPO. The Attachment D letter was sent to the SHPO, with copies to the relevant Indian Tribes.

proposing to sell the road to the VLS. After the PG&E personnel explained to Mr. Hunter that PG&E was not proposing to sell the road, but rather just remove it from the Project boundary, he verbally rescinded this comment.

- *SHPO* - Following receipt of PG&E's December 21, 2004 letter seeking comments (Attachment D hereto), the SHPO requested additional information from PG&E, which PG&E provided to the SHPO and the relevant Indian Tribes by letter dated February 25, 2005 (copy (without attachments) appended hereto as Attachment F). By letter dated March 2, 2005 (copy appended hereto as Attachment G), the SHPO concurred with PG&E's assessment that the removal of the land from the Project boundary would have no effect upon significant historic properties.⁵

ATTACHMENTS

The following attachments are submitted herewith and are hereby made a part of this application:

- **Attachment A:** Aerial photograph of the 12.46-acre area showing the existing and proposed revised Project boundary lines.
- **Attachment B:** Vision Lake Subdivision Cultural Resources Report.
- **Attachment C:** PG&E's December 21, 2004 letter to the agencies.
- **Attachment D:** PG&E's December 21, 2004 letter to the SHPO and Indian Tribes.
- **Attachment E:** Plumas County's January 28, 2005 comment letter.

⁵ By letter dated March 17, 2005 (copy appended hereto as Attachment H), PG&E forwarded a copy of the SHPO's March 2, 2005 letter to the relevant Indian Tribes.

- Attachment F: PG&E's February 25, 2005 additional information letter to the SHPO and Indian Tribes.
- Attachment G: The SHPO's March 2, 2005 letter to PG&E.
- Attachment H: PG&E's March 17, 2005 letter forwarding the SHPO's March 2, 2005 letter to Indian Tribes.
- Attachment I: Exhibit G-3 map for the Project filed with PG&E's application for new license, which shows the existing Project boundary line.⁶
- Attachment J: Revised Exhibit G-3 map incorporating the revised Project boundary.

CONCLUSION

For the foregoing reasons, PG&E respectfully requests that the Commission approve this application, approve the revision of the Project boundary so as to remove the 12.46-acre area from the Project as discussed herein, and approve the revised Exhibit G-3 map appended hereto as Attachment G.

Respectfully submitted,



Janet Loduca, Esq.
 Annette Faraglia, Esq.
 Pacific Gas and Electric Company
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 E-mail: ARF3@pge.com

Dated: 3/30/05

⁶ The Exhibit G-3 maps submitted as Attachments I and J hereof are considered to be "Non-Internet Public" documents and therefore are being submitted in a sealed envelope so marked.

Attachment A

LARGE-FORMAT IMAGES

One or more large-format images (over 8½" X 11") go here. These images are available in E-Library at:

For Large-Format(s):

Accession No.:

20050405-0168

Security/Availability:

- PUBLIC
- NIP
- CEII
- NON-PUBLIC/PRIVILEGED

File Date:

3/31/05

Docket No.:

P2105-095

Parent Accession No.:

20050405-0159

Set No.:

1

of

1

Number of page(s) in set:

1

Attachment B

ATTACHMENT B

VISION LAKE SUBDIVISION CULTURAL RESOURCES

Pacific Gas and Electric Company (PG&E) is proposing to modify the FERC license boundary for PG&E's Upper North Fork Feather River Project No. 2105 (Project) to remove from the Project an approximately 12.46-acre area of land located on the west side of the Project's reservoir (Lake Almanor) (Lake) to be used as part of a private residential development known as the Vision Lake Subdivision. The FERC license boundary in this area is located at the 4,500 foot contour elevation around the Lake; however, the normal maximum water surface elevation of the Lake is only 4,494 feet. The parcel of land proposed to be removed from the Project is located approximately 750-1,000 feet west of the 4,494 foot contour elevation between the 4,500 and 4,498 foot contour elevations.

Removal of this parcel of land is considered an "undertaking" under the regulations implementing Section 106 of the National Historic Preservation Act (NHPA) (36 C.F.R. § 800.16). As such, FERC is required to take into account the effect of the "undertaking" on historic properties before approving it.

To assist FERC in carrying out its responsibilities under § 106 of the NHPA as to the proposal to remove the 12.46-acre area from the Project, PG&E has reviewed past archaeological/cultural studies undertaken in the general area to determine if any survey examined the specific area of land proposed for removal.

One previous study appears to have addressed the area. In 1974, Dr. Makoto Kowta of the Society for California Archaeology District 2 Clearinghouse, California State University, Chico, conducted a survey of the Lake shoreline between the elevations of 4490 feet and 4500 feet (PG&E datum). This survey was undertaken for PG&E. A general survey strategy by a two-person team was employed. Exceptions to the strategy were in a shoreline area where the terrain was too steep and rocky to examine on foot and in another area on the "northwestern shore" of the Lake near Chester where dense vegetation, silt deposition, wet conditions and sewage outflow prevented a complete examination of the ground surface. In this second area, archaeological survey was confined to areas of higher ground. Regarding this area, Kowta states (1974:2-3):

It is this latter that is the more likely to harbor undetected sites, however, McMillin (p.c.) reports the absence of sites in this area, and Riddell (1974) records only one post-contact temporary encampment along this northwestern sector, and this site apparently lies below the survey zone. Noticeable erosion of stream channels and cattle grazing activities further diminish the possibilities of there being overlooked sites of significance in this area. Furthermore, recent surveys to the north and south of Chester (Boynton 1974 and Kowta 1974) indicate that sites on this side of the lake are more likely to be encountered along stream channels rather than along the undifferentiated low gradient slopes.

While PG&E's copy of Kowta's report does not contain a map depicting this second "northeastern shoreline" location, Kowta's description of the area does not appear to describe the lands within the Vision Lake Subdivision area. While it is located near the northeastern end of the Lake, the subject property could not be described as "shoreline" because it is separated from the Lake by First Avenue. Furthermore, the lands here have not been subject to cattle grazing, nor are there eroding stream channels present. The "northeastern shoreline" described by Kowta better describes the lands that lie north of the Lake Almanor causeway approximately 1.5 miles to the north. It is in this area where cattle grazing and swampy conditions occur. If this presumption is correct, then Kowta's survey would indeed have encompassed the Vision Lake Subdivision area. Kowta's survey resulted in the identification of eight cultural resource sites along the shoreline. None are located near the subject property.¹

Current archaeological survey of the Vision Lake Subdivision area is not possible due to winter weather conditions. Additionally, grading, home construction, and other disturbances associated with past and current Subdivision activities have greatly impacted the ground surface in this area. While Kowta's 1974 survey report is not recent, it is nonetheless deemed adequate for the current undertaking, and, in accordance with 36 C.F.R. § 800.4(d)(1), it is recommended that FERC find that no historic properties will be affected by the removal of the Vision Lake Subdivision area from the FERC license boundary.

Prepared by: Alison Macdougall
Senior Cultural Resources Specialist
Pacific Gas and Electric Company
350 Salem Street
Chico, CA 95926

¹ A single copy of Kowta's report is submitted herewith marked "Privileged Information - Do Not Release."

Attachment C



December 21, 2004

Re: Request For Review And Comments On A Pacific Gas And Electric Company Proposal To Amend Its License For The Upper North Fork Feather River Project No. 2105 To Remove A 12.46-Acre Area Of Land From The Project

Dear Addressees:

The purpose of this letter is to request your review and comments on a Pacific Gas and Electric Company ("PG&E") proposal to amend its Federal Energy Regulatory Commission ("FERC") license for the Upper North Fork Feather River Project No. 2105 ("Project") to revise the Project's approved boundary to remove from the Project a 12.46-acre area of land located near the Project's reservoir (Lake Almanor). This area of land, which consists of privately-owned land within a residential development called the Vision Lake Subdivision ("VLS") and an adjacent road, is not needed for any Project purpose, and its removal should not impact environmental resources.

Background

The Project, which is located on the North Fork Feather River and tributaries thereto in Plumas County, California, was licensed by FERC in 1955. *See Pacific Gas and Electric Co.*, 14 FPC 518. The Project boundary around Lake Almanor is located at the 4,500 foot contour elevation; however, the normal maximum water surface elevation of Lake Almanor is only 4,494 feet. The 12.46-acre area of land which PG&E proposes to remove from the Project is located between the 4,500 and 4,498 foot contour elevations on the west side of Lake Almanor south of the Town of Chester. The east side of this area of land is located approximately 750-1,000 feet west of the 4,494 foot contour elevation.

PG&E has the right to use any or all of this 12.46-acre area of land for Project purposes pursuant to § 24 of the Federal Power Act ("FPA"), 16 U.S.C. § 818. Specifically, except for the land underlying the road running north-south along the eastern edge of this area (First Avenue) that PG&E owns in fee, the 12.46-acre area originally was owned by the United States and was subject to a power site reservation under § 24 of the FPA. The land was opened for entry and transferred by the United States to a private party in 1932 by patent that, consistent with the requirements of § 24 of the FPA, reserved to the United States and its licensees the right to enter upon, occupy, and use any part or all of the land for FPA Part I purposes.

In 1962, the then-owners of this and adjacent land recorded in the Official Records of Plumas County a map for the VLS that would include the 12.46-acre area that PG&E proposes to remove from the Project. PG&E and the entity that now owns and is developing most of the homesites in the VLS (Lake Almanor Homes, LLC ("LAH")) have had discussions

Addressees
December 21, 2004
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on how to accommodate residential development on this area of land and have agreed that, given that this land is not needed for Project purposes, removal of the land from the Project would be the most appropriate action.

PG&E's Amendment Proposal

The Project's current boundary line in this area follows the 4,500 foot contour elevation and crosses the VLS property on a generally diagonal line from the northeast to the southwest, with the roughly triangular-shaped 12.46-acre area located to the south of the diagonal. PG&E proposes to revise the Project boundary line so that at the point the 4,500 foot contour line first meets the VLS property in the north it would turn due south for approximately 1,000 feet and then turn due west for approximately 800 feet, where it would then continue along the existing 4,500 foot contour line. The north-south portion of the revised boundary line would be located just east of a local road serving the VLS (First Avenue) and would vary in elevation from 4,500 feet to 4,498.2 feet. The east-west portion of the revised boundary line would vary in elevation from 4,498.2 feet to 4,500 feet. Under this proposed revised Project boundary line, no portion of the 12.46-acre area would remain within the Project. A copy of the draft application to amend the Project license is enclosed, along with Attachments A, B, and D to the draft application. This letter and any responses we receive will be attached to the final application as Attachment C. We are currently preparing Attachment E, a revised Exhibit G-3 map incorporating the proposed revision to the Project boundary.

Since the state-approved maximum storage elevation at Lake Almanor is 4,494 feet, there is little chance that the excluded 12.46-acre area would be flooded or otherwise impacted as a result of Project operations. However, to minimize any property damage that might occur if Lake Almanor were ever to rise to the maximum level permitted under the license (elevation 4,500 feet), LAH has agreed that it will place fill in this area as necessary such that floors of all finished living spaces, garages, and other buildings built by LAH in this area are built to a finished elevation in excess of elevation 4,500 feet.

Impacts Of PG&E's Amendment Proposal On The Project And Environmental Resources

The 12.46-acre area proposed to be removed from the Project is not needed for any Project purpose. PG&E does not currently use, and has no plans to use in the future, this land for any Project-related activities. The land is not designated or set-aside for recreational use in the approved Exhibit R for the Project. Further, no recreational or other use of this land is proposed in either PG&E's October 23, 2002 application for new license for the Project or in the relicensing settlement agreement that PG&E filed with FERC on April 30, 2004.

As noted previously, the Project boundary around Lake Almanor is located at the 4,500 foot contour elevation, the maximum water level allowed under the Commission's 1955 license for the Project. However, the state-approved maximum water storage (surface) elevation

for Lake Almanor is 4,494 feet. Thus, the 12.46-acre area, which is located well above the 4,494 foot elevation (the lowest elevation of the parcel is elevation 4,498.2 feet), is not needed for Project operations, and the revision of the Project boundary line to remove this area from the Project will not cause alteration of Project operations in any manner. PG&E notes in this regard that in 1997 FERC approved PG&E's request to revise the Project boundary so as to exclude from the Project a nearby 30-acre area of land located between the 4,500 and 4,494 foot contour elevations to be used by the Chester Public Utility District for an expansion of its wastewater treatment facility. See *Pacific Gas and Electric Co.*, 79 FERC ¶ 62,110 (1997). FERC concluded therein (*id.* at p. 64,322) that "[t]he change in the project boundary will not affect the project's operation or maintenance, or the project's environmental quality, recreational facilities, or cultural or scenic resources." Further, the Environmental Assessment attached to that order noted that the site was "not used for any project purposes including flood control or recreational use." *Id.* at p. 64,326.

The 12.46-acre area proposed to be removed from the Project also does not possess any unique environmental characteristics. It is a sparsely-wooded area consisting mostly of mixed conifers and lodgepole pine with understory bush and grasses typical of the area. It does not contain any wetlands, contains numerous roads, and is adjacent to portions of the VLS outside the Project that are already developed or under development. Further, it does not appear, based on an archaeology survey of the area conducted by Dr. Makoto Kowta on behalf of PG&E in 1974, that any cultural resource sites are located on or near the 12.46-acre area of land.¹

Request For Comments

PG&E requests that you review and provide comments on the amendment proposal discussed herein as soon as possible, but in no event later than 60 days from the date of this letter. Following receipt of comments, PG&E will expeditiously prepare and file with FERC an application to revise the Project's boundary as discussed herein that will address any comments that are received.

¹ PG&E is providing the California State Historic Preservation Officer with a copy of Dr. Kowta's 1974 report, along with a report prepared by one of PG&E's Senior Cultural Resources Specialists discussing the adequacy of Dr. Kowta's report for National Historic Preservation Act purposes.

Addressees
December 21, 2004
Page 4

Please contact me at (415) 973-2109 if you have any questions.

Sincerely,



Neil J Wong
License Coordinator
Hydro Generation

Enclosures

Addressees:

Mike Aceituno NOAA Fisheries 650 Capitol Mall, Suite 8-300 Sacramento, CA 95814	Environmental Protection Agency 75 Hawthorne San Francisco, CA 94105
Steve Bowes National Park Service 1111 Jackson Street, Suite 700 Oakland, CA 94607	Jim Canaday State Water Resources Control Board P.O. Box 2000 Sacramento, CA 95825
Deborah Giglio U.S. Fish and Wildlife Service 2800 Cottage Way, Rm W-2605 Sacramento, CA 95825	Terry Roscoe California Department of Fish and Game 1701 Nimbus Road, Suite A Rancho Cordova, CA 95670
Kathy Turner U.S. Forest Service Hat Creek Ranger District P.O. Box 220 Fall River Mills, CA 96028	Mike Taylor Plumas National Forest 875 Mitchell Ave. Oroville, CA 95965-6500
Tom Hunter Plumas County, Public Works 1834 East Main Quincy, CA 95971	

Attachment D



**Pacific Gas and
Electric
Company**

ALISON MACDOUGALL
Senior Cultural Resources Specialist
Corporate Real Estate

Mailing Address
350 Salem Street
Chico, CA 95928

Tel: (530) 894-4652
Fax: (530) 894-4657
Email: AJMC@PGE.com

December 21, 2004

Milford Wayne Donaldson SHPO
California Dept. of Parks and Recreation
Office of Historic Preservation
P.O. Box 942896
Sacramento, CA 94296-0001

**Re: Request for Expedited Review: Upper North Fork Feather River
Hydroelectric Project (FERC No. 2105): Proposal To Amend License To
Remove A 12.46-Acre Area Of Land From The Project.**

Dear Mr. Donaldson,

Enclosed you will find information pertaining to Pacific Gas and Electric Company's (PG&E's) proposal to remove a 12.46-acre parcel of land from the Federal Energy Regulatory Commission (FERC) project boundaries for PG&E's Upper North Fork Feather River Hydroelectric Project (FERC No. 2105; the Project) located in Plumas County, California. As the removal of these lands requires FERC approval, it is considered an "undertaking" as defined in Section 106 of the National Historic Preservation Act (as amended). *The purpose of this letter is to request your concurrence that the removal of these lands from the Project boundary will have no effect upon significant historic resources in accordance with 36 CFR § 800.4(d)(1).* PG&E is providing you and other federal and state agencies, as well as potentially affected Indian tribes (as identified in FERC's November 23, 2004 Draft Programmatic Agreement for the Upper North Fork Feather River Project), with a copy of the DRAFT license amendment application, and has requested comments on the DRAFT no later than February 21, 2004. *We therefore request expedited review in accordance with 36 CFR § 800.3(g) and ask for your response no later than February 21, 2004.*

The 12.46-acre area of land (the Area of Potential Effects), is shown in Attachments A and B to the enclosed DRAFT application to amend license. This parcel, which consists of privately-owned land within a residential development called the Vision Lake Subdivision ("VLS") and an adjacent road, is not needed for any Project purpose. PG&E does not own or currently use this land and has no plans to use it in the future for any Project-related activities. Furthermore, no recreational or other use of this land is

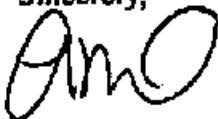
proposed in either PG&E's October 23, 2002 application for new license for the Project or in the relicensing settlement agreement that PG&E filed with FERC on April 30, 2004.

The 12.46-acre area proposed to be removed from the Project also does not possess any unique environmental characteristics. It is a sparsely-wooded area consisting mostly of mixed conifers and lodgepole pine with understory bush and grasses typical of the area. It does not contain any wetlands, contains numerous roads and other development-related ground disturbance, and is adjacent to portions of the VLS outside the Project that are already developed or under development. Further, it does not appear, based on an archaeology survey of the area conducted by Dr. Makoto Kowta on behalf of PG&E in 1974, that any cultural resource sites are located on or near the 12.46-acre area of land (see Attachment C to the DRAFT application and Dr. Kowta's report, which is also enclosed with this letter).

In accordance with 36 CFR § 800.4(d)(1), PG&E respectfully asks for your concurrence that no historic properties will be affected by the removal of the 12.46-acre Vision Lake Subdivision lands from the Upper North Fork Feather River Hydroelectric Project boundaries.

Thank you very much, and please feel free to contact me if you have any questions.

Sincerely,



Alison Macdougall
Senior Cultural Resources Specialist

Attachment E

DEPARTMENT OF PUBLIC WORKS

1834 EAST MAIN, QUINCY, CA 95971 PHONE (530) 283-6268 FAX (530) 283-6323



TOM HUNTER
DIRECTOR

MARTIN BYRNE
ASST. DIRECTOR

MIKE MANIT
DEPUTY DIRECTOR

Randal Livingston
Senior Director, Power Generation
Pacific Gas and Electric Company
245 Market, Room 1103 (N11E)
San Francisco, CA 94177

1/28/2005

RE: Comments on a Pacific Gas and Electric Company proposal to amend its License for the Upper North Fork Feather River Project No. 2105 to remove a 12.46-Acre Area of land from the Project

Dear Mr. Livingston:

Plumas County (County) is in receipt of Pacific Gas and Electric's (PG&E) request to review and comment on the Company's desire to remove a section of land south of the town of Chester from the Project boundary.

The County understands why PG&E might pursue this course of action, and is not opposed. However, the County wishes to be engaged in the transaction. Should the parcel (described as being within W ½, SW ¼ Section 8 T. 28 N, R. 7 E MDB & M, and as recorded in Book 2 of Record Maps, page 41), become disposed, the County has an interest in acquiring a right-of-way deed for portions of First Avenue, Purdy and Willhoite as recorded on the map.

Thank you for an opportunity to comment on issues affecting Plumas County.

Sincerely,

A handwritten signature in cursive script that reads "Tom Hunter".

Tom Hunter
Director

CC: Service List for p-2105, John Whittaker IV, Janet Loduca, Annette Faraglia

Attachment F



**Pacific Gas and
Electric
Company**

ALISON MACDOUGALL
Senior Cultural Resources Specialist
Corporate Real Estate

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February 25, 2005

Milford Wayne Donaldson SHPO
California Dept. of Parks and Recreation
Office of Historic Preservation
P.O. Box 942896
Sacramento, CA 94296-0001

**Re: Upper North Fork Feather River Hydroelectric Project (FERC No. 2105):
Proposal To Amend License To Remove A 12.46-Acre Area Of Land From
The Project; Additional Information**

Dear Mr. Donaldson,

Enclosed you will find additional information pertaining to Pacific Gas and Electric Company's (PG&E's) proposal to remove a 12.46-acre parcel of land from the Federal Energy Regulatory Commission (FERC) project boundaries for PG&E's Upper North Fork Feather River Hydroelectric Project (FERC No. 2105; the Project) located in Plumas County, California. A letter regarding this removal was submitted to your office on December 21, 2004. This subject parcel, which consists of privately-owned land within a residential development called the Vision Lake Subdivision ("VLS") and an adjacent road, is not needed for any Project purpose. PG&E does not own or currently use this land and has no plans to use it in the future for any Project-related activities.

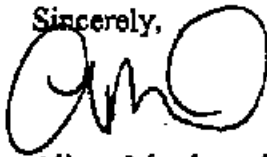
On February 10, 2005, Julia Huddleson of your office requested that we provide her with a copy of an archaeological survey map that had been inadvertently omitted from a survey report (Kowta 1974) that we had attached to our previous letter. PG&E subsequently requested a copy of this map from the Northeast Information Center at California State University (NIC), and we have included here as Attachment A. This map shows that in the vicinity of the Vision Lake Subdivision (just south of the community of Chester), Kowta's "DIRECT IMPACT SURVEY ZONE" extended to the 4500 foot elevation. The subject parcel of land that PG&E requests be removed from the FERC license boundary is located between 4498.2 and 4500 feet in elevation and would therefore have been included in Kowta's survey.

The NIC also provided PG&E with additional information specifically pertaining to Vision Lake Subdivision cultural resources surveys of which we had been previously unaware. Copies of this information are included here as Attachments B and C. Attachment B demonstrates that Unit 1 of the Vision Lake Tract Subdivision had been previously surveyed in 1989 for subdivision development. Attachment C addresses a second 1989 survey of the Vision Lake Subdivision that took place for a subdivision Timber Harvest Plan (THP) filed with the California Department of Forestry (CDF). During these two studies, a single historic-era resource was identified. This resource, a historic trash dump, was recommended as not significant and no specific treatment was identified. This site is located outside of the current subject parcel.

I hope that this additional information answers any questions that you might have regarding the removal of the 12.46-acre Vision Lake Subdivision property from the Upper North Fork Feather River Hydroelectric Project boundaries. In accordance with 36 CFR § 800.4(d)(1), PG&E respectfully asks for your concurrence that no historic properties will be affected by this removal.

Thank you very much, and please feel free to contact me if you have any questions.

Sincerely,



Alison Macdougall
Senior Cultural Resources Specialist
Pacific Gas and Electric Company

Attachment G

**OFFICE OF HISTORIC PRESERVATION
DEPARTMENT OF PARKS AND RECREATION**

P.O. BOX 942686
SACRAMENTO, CA 94298-0001
(916) 653-6524 Fax: (916) 653-6524
calshpo@ohp.parks.ca.gov
www.ohp.parks.ca.gov



March 2, 2005
REPLY TO: FERC041222A

Alison MacDougall, Senior Cultural Resources Specialist
Corporate Real Estate
Pacific Gas and Electric
350 Salem Street
Chico, CA 95928

Re: Upper North Fork Feather River Hydroelectric Project (FERC No. 2105): Proposal To Amend License To Remove A 12.46-Acre Area of Land from the Project

Dear Ms. MacDougall:

Thank you for submitting to our office your December 21, 2004 letter initiating consultation on the above referenced undertaking. You are consulting with me in accordance with 36 CFR Part 800, regulations implementing Section 106 of the National Historic Preservation Act. Pacific Gas and Electric Company (PG&E) is proposing to remove a 12.46-acre parcel of land from the Federal Energy Regulatory Commission (FERC) project boundaries for the above referenced project.

The two archaeological surveys of the area (Kowitz 1974 and Garr 1989) demonstrate that there are no archaeological sites within this 12.46-acre parcel. I am able to concur with your finding that "the removal of these lands from the Project boundary will have no effect upon significant historic resources in accordance with 36CFR § 800.4(d)(1)."

Thank you for the opportunity to comment on this undertaking. If you have any questions about my comments, please contact staff archaeologist Julia Huddleson at (916) 651-6956 or at jhudd@ohp.parks.ca.gov.

Sincerely,

A handwritten signature in black ink that reads "Milford Wayne Donaldson" followed by a small flourish.

Milford Wayne Donaldson, FAIA
State Historic Preservation Officer

Attachment H



**Pacific Gas and
Electric
Company**

ALISON MACDOUGALL
Senior Cultural Resources Specialist
Corporate Real Estate

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March 17, 2005

Ms. Stacy Dixon
Susanville Indian Rancheria
P.O. Box Drawer U
Susanville, CA 96130

Ms. Lorie Jaimes, Tribal Chair
Greenville Rancheria
P.O. Box 279
Greenville, CA 95974

Mr. Farrell Cunningham,
Stewardship Coordinator
Maidu Cultural and Develop. Group
P. O. Box 426
Greenville, CA 95947

Mr. Ron Morales, Chairman
Honey Lake Maidu
1101 Arnold Street
Susanville, CA 96130

**Re: Upper North Fork Feather River Hydroelectric Project (FERC No. 2105):
Proposal To Amend License To Remove A 12.46-Acre Area Of Land From
The Project; Additional Information**

Dear Ms. Dixon, Ms. Jaimes, Mr. Cunningham, and Mr. Morales,

As you know, Pacific Gas and Electric Company's (PG&E's) has proposed to remove a 12.46-acre parcel of land from the Federal Energy Regulatory Commission (FERC) project boundaries for PG&E's Upper North Fork Feather River Hydroelectric Project (FERC No. 2105; the Project) located in Plumas County, California. Letters to the California State Historic Preservation Officer (SHPO) regarding this removal were sent on December 21, 2004 and February 25, 2005. Copies of these letters were also forwarded to you. This subject parcel, which consists of privately-owned land within a residential development called the Vision Lake Subdivision ("VLS") and an adjacent road, is not needed for any Project purpose. PG&E does not own or currently use this land and has no plans to use it in the future for any Project-related activities.

Attached for our records you will find a copy of the SHPO's letter concurring with our recommendation that the removal of the Vision Lake Subdivision lands will not affect historic properties.

Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Alison MacDougall".

Alison MacDougall
Senior Cultural Resources Specialist
Pacific Gas and Electric Company