



Terry Tamminen
Secretary for
Environmental
Protection

State Water Resources Control Board



Division of Water Rights

1001 I Street, 14th Floor • Sacramento, California 95814 • (916) 341-5300
Mailing Address: P.O. Box 2000 • Sacramento, California • 95812-2000
FAX (916) 341-5400 • Web Site Address: <http://www.swrcb.ca.gov>

Arnold Schwarzenegger
Governor

ORIGINAL

SEP 14 2004

Pacific Gas and Electric Company
c/o Mr. Tom Jereb, Project Manager
Mail Code N11C
P.O. Box 770000
San Francisco, CA 94177

FILED
OFFICE OF THE
SECRETARY
2004 SEP 23 P 4: 30
FEDERAL ENERGY
REGULATORY COMMISSION

Dear Mr. Jereb:

REQUEST FOR WATER QUALITY CERTIFICATION ON RELICENSING OF THE UPPER NORTH FORK FEATHER RIVER HYDROELECTRIC PROJECT (FERC NO. 2105)

Thank you for your letter to Celeste Cantú, the Executive Director of the State Water Resources Control Board (SWRCB), requesting water quality certification or waiver pursuant to Section 401 (a)(1) of the Federal Clean Water Act (CWA) (33 USC §1341), for the relicensing of Pacific Gas and Electric Company's (PG&E) Upper North Fork Feather River Hydroelectric Project (Project No. 2105). The letter, received September 7, 2004, also serves as a formal withdrawal of PG&E's prior request of record (September 15, 2003) for certification of this project. PG&E's faxed letter initiates a one-year time clock for the SWRCB to act on the request for 401 Certification subject to PG&E providing the information requested by the SWRCB and completing the environmental process described below. Since PG&E had previously submitted the application fee for the water quality certification, no fee is required with this refiling.

Prior to Federal Energy Regulatory Commission (FERC) issuance of a new license on Project No. 2105, a Section 401 Certification or waiver will be required (18 CFR §16.8 (d)(7)(i)). A 401 Water Quality Certification may be issued if it is determined that there is reasonable assurance that an activity is consistent with federal and state water quality standards. Issuance of a water quality certification is a discretionary act and is subject to the California Environmental Quality Act (CEQA). The SWRCB will act as the state lead agency for CEQA compliance on this relicensing action. Pursuant to the CWA and CEQA, SWRCB staff must analyze potential project-related environmental effects to the North Fork Feather River drainage prior to making a determination that continued operation of Project No. 2105 will be protective of the designated beneficial uses in the downstream reaches of that watershed. The document must identify measures, if necessary, that will avoid, reduce or mitigate potential significant impacts to the designated beneficial uses of the surface waters affected by the project and any monitoring program necessary to ensure compliance. Previous written correspondence from SWRCB staff (letter dated August 14, 2003) has identified various resource data that must be supplied by PG&E. Completed information to satisfy these concerns must be provided for the SWRCB to carry out its CEQA mandate and its certification decision for the project.

Mr. Tom Jereb

-2-

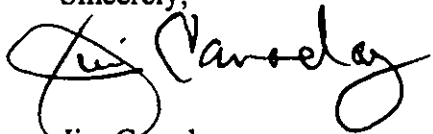
SEP 14 2004

FERC, acting as the federal lead agency under the National Environmental Policy Act (NEPA) for the project, has prepared a draft environmental document for their licensing action. Although CEQA encourages the use of an existing NEPA document in lieu of preparing a new environmental document (Public Resources Code §221083.7), the FERC timeline has guaranteed issuance of the NEPA document prior to completion of all previously requested resource data reports. As long as the federal document meets CEQA requirements, the final FERC NEPA document may be used to satisfy our CEQA needs. However, in the event that the NEPA document is not adequate for CEQA compliance, a separate effort will be required to meet the requirements of CEQA.

A final environmental document must be completed no later than June 7, 2005, to allow adequate time for SWRCB staff review and the preparation of water quality certification recommendations to the SWRCB Executive Director. If the final environmental document is not provided by the date identified above, SWRCB staff will recommend denial of water quality certification without prejudice subject to completion of an adequate environmental document. In the event that the final environmental document is not available for the SWRCB's use, PG&E may choose to withdraw its request for section 401 Certification and refile the request when the environmental document is final.

SWRCB staff appreciates the cooperation of PG&E staff and looks forward to working with you on this matter. Should you have questions regarding this letter please contact Sharon Stohrer at (916) 341-5397 or e-mail: sstohrer@waterrights.swrcb.ca.gov, or you may contact me by calling (916) 341-5308.

Sincerely,



Jim Canaday
Senior Environmental Scientist
FERC Licensing Team

cc: Ms. Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E., Room 1A
Washington, DC 20426

Ms. Alexis Strauss, Director
Water Division
USEPA, Region 9
75 Hawthorne Street
San Francisco, CA 94105

(Continued next page.)

Mr. Tom Jereb

-3-

SEP 14 2004

cc: (Continuation page.)

Mr. Thomas R. Pinkos, Executive Officer
Regional Water Quality Control Board
415 Knollcrest Drive
Redding, CA 96002

Mr. John Mudre
Federal Energy Regulatory Commission
888 First Street, N.E., Room 1A
Washington, DC 20426

Mr. Randy Livingston
Pacific Gas and Electric Company
Mail Code N11E
P.O. Box 70000
San Francisco, CA 94177-0001