

ORIGINAL



**Pacific Gas and
Electric Company**

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SECRETARY

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September 19, 2005

2005 SEP 21 P 3:40

FEDERAL ENERGY
REGULATORY COMMISSION

Magalie Roman Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**Re: Rock Creek - Cresta Project (FERC No. 1962)
Clarification of Report filed under License Article 401(b) and Condition 4D**

Dear Secretary Salas:

By letter dated July 28, 2005 the Pacific Gas and Electric Company (PG&E) filed a report titled "Rock Creek - Cresta Project, FERC Project No. 1962 License Condition 4D Report on Water Temperature Monitoring and Additional Reasonable Water Temperature Control Measures" (Report).

PG&E wishes to clarify the purpose of the filing and asks the Commission not to take any action on the filing except as noted below:

- 1) The filing of the Report is not to seek any Commission action at this time, and it would be premature to use the Report for this purpose.
- 2) The Report represents the results to date of PG&E's water temperature monitoring and modeling, and evaluation of water temperature control options. It is intended as a report for informational purposes.
- 3) The Report has been prepared by PG&E and its consultants, and reflects only PG&E's views. As such, and in consideration of PG&E's commitment to work cooperatively with the Rock Creek - Cresta Ecological Resources Committee (ERC), the Report and the data it contains are subject to revision based on review and comment by others.
- 4) Pursuant to Project No. 1962 License Condition 4D, the ERC is responsible for working towards recommendations concerning flow releases and Project operation that may be submitted to the Commission and, if feasible, for making any affirmative determinations regarding water temperature control actions.
- 5) It is PG&E's intent to also provide the Report to other appropriate forums which are open to the public and which are evaluating water temperature issues in the watershed, including the relicensing collaborative groups for the Upper North Fork Feather River Project (FERC Project No. 2105) and the Poe Project (FERC Project No. 2107).
- 6) PG&E encourages all interested parties to actively engage in the discussion and resolution of the complex issues surrounding water temperatures on the North Fork Feather River.

- 7) The final compliance date under Project No. 1962 License Condition 4D for the ERC to submit to the Commission recommendations for implementation of any additional reasonable water temperature control measures is February 28, 2008. PG&E will work collaboratively with the ERC to try to meet the needs of all parties within this timeframe. PG&E will provide to the Commission any additional data, comments, concerns, recommendations or determinations of the ERC within this timeframe prior to requesting Commission action regarding potential additional water temperature control measures.
- 8) To clarify the intended purpose of the Report, PG&E has produced a revised cover sheet, copy attached, with the statement shown below. PG&E will use this revised cover sheet on any future distribution of the Report. In addition, PG&E hereby requests that recipients of the Report filed by PG&E's July 28, 2005 letter either replace the cover or place the new cover in their file with the Report.

"This report represents the results of PG&E's evaluation of water temperature monitoring, modeling and control options, reflects only PG&E's views and is being submitted to the Rock Creek – Cresta Ecological Resources Committee (ERC) so that the ERC may review the report and begin working towards recommendations concerning flow and Project operations and, if feasible, for making any affirmative determinations concerning water temperature control actions."
- 9) To avoid any misunderstanding, the term "best scientific information available", used on page 67 of the report has been replaced with the term "best information available to PG&E". PG&E hereby requests that recipients of the Report filed by PG&E's July 28, 2005 letter either replace this page or place a copy of this correspondence in their file with the Report.

If you have any questions, please call me at (415) 973-1646.

Sincerely,



Bill Zemke
Senior License Coordinator

Original and eight copies to FERC

Attachments: - Revised cover and page 67 for Report titled "Rock Creek – Cresta Project, FERC Project No. 1962 License Condition 4D Report on Water Temperature Monitoring and Additional Reasonable Water Temperature Control Measures"

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September 19, 2005
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Attachments

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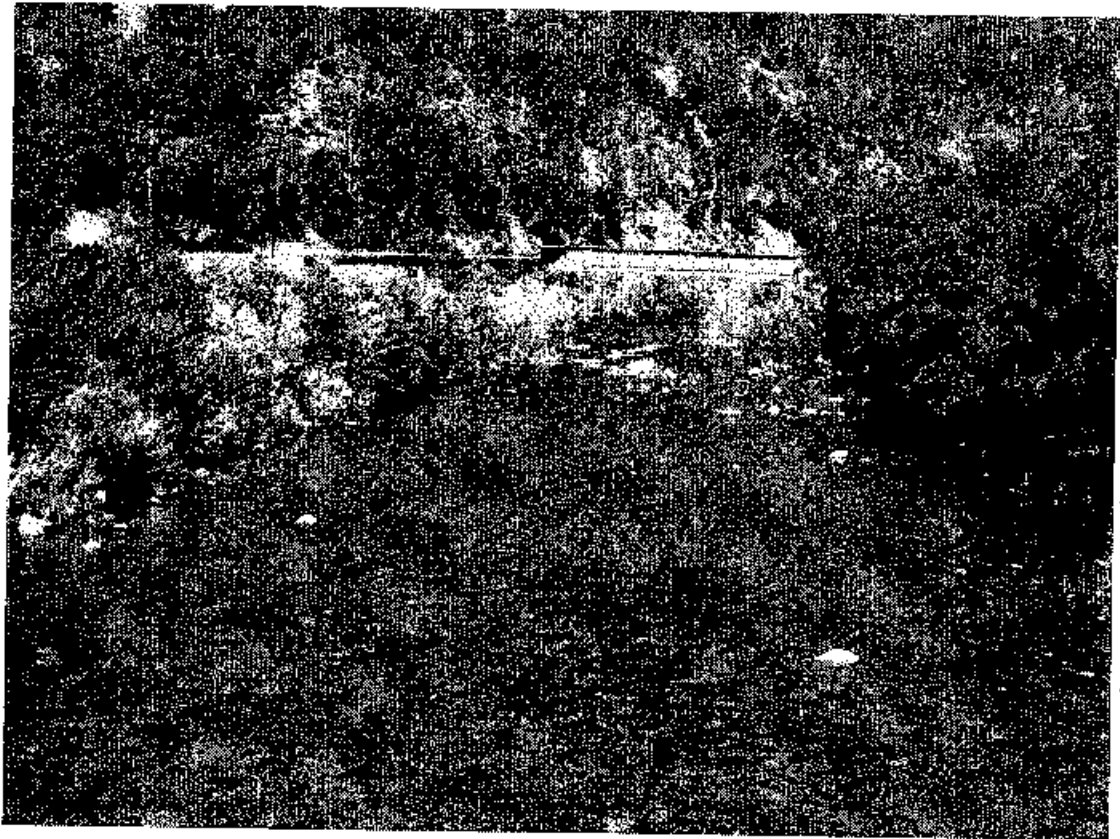
WEZernke (223-1646) (4D dispute final 091905.doc)

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Andrew Cordone
Elizabeth Frantz
Teri Gorham
Chris Herrala
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Michael Malloy
Bruce McGurk
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Alan Soneda
Neil Wong
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File copy: Project 1962, 026.1191

Attachments

**North Fork Feather River
Study Data and Informational Report on
Water Temperature Monitoring
and
Additional Reasonable Water Temperature Control Measures**



Amended September 2005

This report represents the results of PG&E's evaluation of water temperature monitoring, modeling and control options, reflects only PG&E's views and is being submitted to the Rock Creek - Cresta Ecological Resources Committee (ERC) so that the ERC may review the report and begin working towards recommendations concerning flow and Project operations and, if feasible, making any affirmative determinations concerning water temperature control actions.



***Pacific Gas and
Electric Company***

5 CONCLUSIONS

Licensee conducted water temperature monitoring in the Rock Creek, Cresta, and several other reaches of the NFFR during 2002, 2003 and 2004. Generally, water temperature monitoring showed that water temperatures of 20°C or less were achieved in all months except July and August. During July and August the water temperatures at the warmest location in both the Rock Creek and Cresta reaches exceeded 20°C most of the time.

Licensee has identified and evaluated twenty-four potential alternatives for achieving colder water for the NFFR. Twenty of the twenty-four alternatives have potential application to the Rock Creek and Cresta reaches. Evaluation of the twenty-four potential alternatives was conducted using the best information available to PG&E, sound scientific methods, consideration of the relative cost of the different alternatives and other relevant factors. The evaluation process was comprehensive and scientific, at an aggregate cost to the Licensee of data acquisition and analysis in excess of \$3 million to date.

Licensee has found no potential water temperature control alternative for which the level of water temperature benefits is commensurate with the corresponding adverse effects and costs. Therefore, Licensee concludes that there are no additional reasonable control measures for achieving year-round mean daily water temperature of 20°C or less in the Rock Creek and Cresta reaches of the NFFR.

Licensee's analysis of each of the twenty-four potential water temperature control alternatives indicates the following.

The twenty-four potential alternatives were grouped into three categories (Category 1, Category 2, and Category 3).

Category 1 alternatives deal with obtaining cold water from Lake Almanor through the use of thermal curtains or other means at the existing Prattville Intake located in the lake. Among these alternatives, Alternative 4 (Install two thermal curtains in Butt Valley Reservoir and one thermal curtain at Prattville Intake in Lake Almanor with dredging of the Prattville Intake area) has the best potential to reduce water temperatures in the Rock Creek and Cresta reaches. Licensee's analysis indicates that water temperature reductions of 1 to 3°C may be possible. However, sophisticated computer modeling (over the three, 5-year test flow periods) shows that this alternative would only increase the cold water trout habitat in the Rock Creek Reach by about 3 to 8 percent and in the Cresta Reach by about 0.5 to 2 percent in July and August of normal water years. Additionally, the model shows that in June and September, this alternative would cause a *decrease* in cold water trout habitat in the upper Belden Reach of -14.7 percent for juveniles and -4.6 percent for adults, while the rest of the reaches would generally show no change (0 to -0.4%) under normal water year conditions. Other fish species modeled, (hardhead, Sacramento sucker, Sacramento pikeminnow, and smallmouth bass) all showed various levels of decreased habitat for all months modeled (June-September). The overall benefits of such modest gains in trout habitat are expected to be very limited and not measurable given natural fish population variability. Also, this alternative has the potential for having a corresponding effect of *reducing* cold water fish habitat in Lake Almanor and *reducing*

fish production in Butt Valley Reservoir, resulting in a decrease of the aquatic resources and recreational value in each reservoir.

Category 2 alternatives deal with obtaining cold water from Lake Almanor by increasing the magnitude of seasonal water releases using the low-level gates in the existing Canyon Dam Outlet structure located in the lake and/or re-operation of the Licensee's Upper NFFR, Rock Creek-Cresta, Poe, and Bucks Creek projects. Among these alternatives, Alternative 6 (Re-operate Butt Valley Powerhouse to reduce Butt Valley Powerhouse flows to draw colder water from Lake Almanor for release to the NFFR, combined with increased magnitude water releases from Lake Almanor at Canyon Dam) has the potential to reduce water temperatures in the Rock Creek and Cresta reaches. Licensee's analysis indicates that water temperature reductions of 1 to 2°C may be possible. Because the temperature benefits in the Rock Creek and Cresta reaches are similar as under the Category 1 alternative (i.e., Alternative 4), the expected effects (positive and negative) to both the cold water trout habitat and other fish species habitat for Alternative 6 are essentially the same as described above (i.e., increased trout habitat and decreased habitat for other listed fish species for July and August). The overall benefits of such modest gains in trout habitat are expected to be very limited and not measurable given natural fish population variability. Also, this alternative has a potential for having a corresponding effect of *reducing* cold water fish habitat in Lake Almanor, *reducing* fish production in Butt Valley Reservoir, and *reducing* the quality of cold water fish habitat in the Seneca Reach, resulting in a decrease of the aquatic resources and recreational value in each reservoir and the Seneca Reach.

Category 3 alternatives deal with obtaining cold water from sources other than Lake Almanor. All of these alternatives are less effective in reducing the water temperatures in the Rock Creek and Cresta reaches compared to the more favorable Category 1 and 2 alternatives, and have significant siting constraints and corresponding adverse environmental effects.

All of the alternatives identified and evaluated have substantial costs in the range of tens of millions of dollars which, if implemented, would likely be borne by Licensee's electric customers. Other factors considered in the evaluations include the effects of each alternative on other beneficial uses (irrigation, power, recreation, aesthetic enjoyment, warm and cold water habitat), local economic considerations and public opinion expressed during the course of the evaluation.

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