



State Water Resources Control Board



Division of Water Rights

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Alan C. Lloyd, Ph.D.
Agency Secretary

Arnold Schwarzenegger
Governor

September 29, 2005

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

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 (State Water Board), 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 August 30, 2005, also serves as a formal withdrawal of PG&E's prior request of record (September 7, 2004) for certification of this project. The letter initiates a one-year time clock for the State Water Board to act on the request for 401 Certification subject to PG&E providing the information requested by the State Water Board 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 State Water Board will act as the state lead agency for CEQA compliance on this relicensing action. Pursuant to the CWA and CEQA, State Water Board 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.

PG&E, the consulting team of North State Resources, Inc. and Stetson Engineers (NSR Team), and the State Water Board have entered into a memorandum of understanding (MOU) for the NSR Team to assist in the development of an environmental impact report (EIR) for compliance with CEQA. A final EIR must be completed no later than June 26, 2006, to allow adequate time for

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State Water Board staff review and the preparation of water quality certification recommendations to the State Water Board Executive Director. If the final environmental document is not provided by the date identified above, State Water Board staff will recommend denial of water quality certification without prejudice subject to completion of an adequate environmental document. If the final EIR is not available for the State Water Board's use, PG&E may choose to withdraw its request for section 401 Certification and refile the request when the environmental document is final.

State Water Board 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@waterboards.ca.gov

Sincerely,

ORIGINAL SIGNED BY

Sharon Stohrer
Environmental Scientist

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

Ms. Alexis Strauss, Director
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Mr. Thomas R. Pinkos, Executive Officer
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415 Knollcrest Drive
Redding, CA 96002

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cc: (Continuation page.)

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