



*Pacific Gas and
Electric Company™*



FOR IMMEDIATE RELEASE:

April 22, 2004

Collaborative Group Successfully Completes 3 Year Effort To Resolve Issues and Reach Agreement To Protect And Restore The Upper North Feather River and Lake Almanor

Chester, CA- Resource agencies, conservation organizations, recreation groups, Plumas County and Pacific Gas and Electric Company along with other stakeholders have reached a landmark agreement to enhance fish and wildlife habitat, maintain Lake Almanor lake levels, monitor water quality and provide for recreational facilities development at the utility's Upper North Fork Feather River hydroelectric project located in Plumas County.

The Upper North Fork Feather River project is part of Pacific Gas and Electric Company's hydroelectric development on the North Fork Feather River in Northern California. Lake Almanor is the principle project feature and is also notably one of the more desirable recreation spots in California as it provides more water surface area for recreation of all reservoirs in California with the exception of Clear Lake and Lake Shasta. The Upper North Fork Feather River project has five powerhouses that generate enough power to supply over 300,000 homes.

The U.S. Forest Service, U.S. Department of Interior, U.S. Fish and Wildlife Service, National Park Service, California Department of Fish and Game, State Water Resources Control Board, American Whitewater, Plumas County, Mountain Meadows Conservancy, Chico Paddleheads, Shasta Paddlers, California Sport Fishing Protection Alliance and Pacific Gas and Electric Company met over a three-year period to review numerous complex technical studies in an effort to balance often-competing uses and interests of the various entities with the project and its facilities. The effort resulted in the collaborative group producing a win-win agreement, which will be sent to the Federal Energy Regulatory Commission (FERC) that includes:

- River flows for the protection and enhancement of fish, wildlife and other aquatic biota in the project affected river reaches.
- River flows for channel maintenance.
- River flows for potential river boating opportunities.
- River flow gauging for compliance monitoring.
- Water level minimums at Lake Almanor and other project reservoirs for the protection of ecological, recreation and other beneficial uses.
- Lake water surface and river flow information for use by the public.
- Water quality monitoring to identify any trends in water quality conditions that may occur over time.
- Recreation facilities development including new camping and day-use facilities in the Lake Almanor area.

California faces more relicensing of existing hydroelectric projects than any other state in the next decade with approximately 150 dams requiring licenses set to expire in the state over the next 15 years. It is hoped that FERC will consider this settlement agreement as one truly reflecting stakeholder interests and providing the best balance of resources.

The settlement agreement will be submitted to FERC with a request that it form the basis for a new hydro project operating license.

#####

SETTLEMENT AGREEMENT PARTICIPANT QUOTES

Pacific Gas and Electric Company –

Randy Livingston, Manager, Hydro Generation, Pacific Gas and Electric Company

“This agreement strikes that necessary balance between the competing needs of the environment, recreation and generation. Now that we have taken this first step in reaching this settlement we look forward to working with everyone toward its implementation as part of PG&E’s long-standing tradition of environmental stewardship.

Mountain Meadows Conservancy

Steve Robinson, Executive Director

‘The Mountain Meadows Conservancy feels that the 2105 LG Settlement Agreement is a fair and workable document that should serve all parties for the length of the agreement.”

Plumas County

Bill Dennison, Supervisor District 3 and 2105 Committee, Chair

"The signing of the Negotiated Settlement is a big step toward providing the electrical needs of PG&E customers and establishing water flows which are beneficial to the fisheries and water levels in Lake Almanor and that are so important to the social and economic welfare of Plumas County and the Lake Almanor Basin in general. Californians will benefit for the next several decades from this settlement. At the same time, we must be cognizant of the work ahead that includes settlement of the water temperature issues down stream and implementation of the many projects that will be initiated by the FERC acceptance of the 2105 license application."

or

"The signing of the Negotiated Settlement on major issues which will be included in the final FERC Project # 2105 license is the result of many hours of meetings, where listening became essential. The 2105 Licensing Group was successful not only because of the expertise that each interest group brought to the table, but also the recognition that we could maintain our basic principles and goals while answering the "needs test" of "can we live with it?" on each issue."

or

"The 2105 Licensing Group proved to be a very diverse group that for the most part respected the needs and expertise of each organization. We learned to trust each other, to be candid and where necessary to be intolerant when inflexibility of viewpoints would have stalled the process."

or

American Whitewater

John Gangemi

“Natural resource issues particularly water related are very controversial and require complex solutions. The Parties to this Settlement Agreement were able to resolve issues through a complex balance between maintaining suitable upstream reservoir pool elevations, power generation needs, restoring instream flows for aquatic organisms and providing opportunities for flow dependent recreation activities.”

SETTELEMENT AGREEMENT CONTACTS

Pacific Gas and Electric Company – Lisa Randle (530) 896-4578
U.S. Forest Service - Lee Anne Schramel Taylor (530) 283-7850
California Department of Fish and Game – Banky Curtis (916) 358-2899
Plumas County – Bill Dennison (530) 258-2058
Mountain Meadows Conservancy – Steve Robinson (530) 256-3982
American Whitewater – John Gangemi (406) 837-3155
California Sport Fishing Alliance - Jerry Mensch – (541) 677-9830
Shasta Paddlers – Kevin Lewis (530) 211-8722
Chico Paddleheads – Dave Steindorf (530) 873-1335