

State Water Resources Control Board

JUL 19 2017

Mr. Darold Perry
Sacramento Municipal Utility District
P.O. Box 1500
Pollock Pines, CA 95726-1500

Dear Mr. Perry:

AMENDMENT TO THE UPPER AMERICAN RIVER PROJECT WATER QUALITY CERTIFICATION; FEDERAL ENERGY REGULATORY COMMISSION PROJECT NO. 2101; EL DORADO AND SACRAMENTO COUNTIES

On May 25, 2017, the Sacramento Municipal Utility District (SMUD) requested a temporary variance to the water quality certification (certification) for the Upper American River Project (UARP), Federal Energy Regulatory Commission (FERC) Project No. 2101. The State Water Resources Control Board (State Water Board) provided public notice of the temporary variance request on June 8, 2017 and June 12, 2017, by posting information regarding the variance request on the Division of Water Rights' website and providing notification to interested parties via email, respectively. The variance entails amending Condition 5 of the certification to allow SMUD to lower the water elevations below the required end-of-month reservoir levels at Loon Lake and Ice House reservoirs. Lowering the water elevation at those two reservoirs is necessary to perform maintenance work at the deteriorated Loon Lake boat ramp and the seeping Ice House Auxiliary Dam toe drain. The tables below show the current required wet water year¹ reservoir levels and SMUD's proposed end-of month reservoir levels for Loon Lake and Ice House reservoirs in 2017.

End-of-Month Loon Lake Reservoir Levels (elevation in feet)			
	7/31/2017	8/31/2017	9/30/2017
Required (Wet Water Year)	6,400	6,393	6,390
SMUD Proposed	6,397	6,377	6,367

End-of-Month Ice House Reservoir Levels (elevation in feet)			
	7/31/2017	8/31/2017	9/30/2017
Required (Wet Water Year)	5,441	5,434	5,430
SMUD Proposed	5,441	5,424	5,418

¹ SMUD proposes to lower the Loon Lake and Ice House reservoirs in July, August, and September 2017. Per Bulletin 120 issued on May 9, 2017, by the California Department of Water Resources, the UARP is operating under the Wet water year reservoir level requirements outlined under Condition 5 of the certification.

The State Water Board finds the proposed amendment, with the standard conditions defined below, to be protective of state water quality standards and other appropriate requirements of state law. The State Water Board hereby temporarily amends Condition 5 of the certification to allow lower reservoir water levels at Loon Lake and Ice House reservoirs during July, August, and September 2017, to conduct operations and safety maintenance work. All other conditions of the certification, including but not limited to conditions for minimum instream flows, stream flow and reservoir gaging, stream flow and reservoir level information, a monitoring program, and adaptive management, remain in full effect during the temporary variance allowed by this amendment.

UARP AND VARIANCE BACKGROUND

The State Water Board issued a certification for the UARP on October 4, 2013. On July 23, 2014, FERC issued a new license for the UARP, which includes the October 4, 2013 certification.

Condition 5 of the certification requires that Loon Lake Reservoir water elevation for a wet water year be no less than 6,400 feet by the end of July; 6,393 feet by the end of August; and 6,390 feet by the end of September. For Ice House Reservoir, in a wet water year, the certification requires a water elevation of no less than 5,441 feet by the end of July; 5,434 feet by the end of August; and 5,430 feet by the end of September.

Loon Lake and Ice House reservoirs are in need of maintenance that requires the reservoirs to be drained below the minimum end-of-month reservoir levels allowed by the FERC license and certification. The boat ramp at Loon Lake Reservoir has significantly deteriorated over time as a result of normal wear and tear from wave action, vehicle operations, and seasonal freezing and thawing. Maintenance activities are required to restore the boat ramp to its original dimensions and allow for the safe deployment of boats into the reservoir. The Auxiliary Dam at Ice House Reservoir is showing increased seepage at the downstream toe drain. The seepage is likely due to partial failure of the subsurface toe drain, which was installed along the downstream toe of the dam embankment in 1961. Following field inspections in August 2016, both FERC's Division of Dam Safety and Inspection and California Department of Water Resource's Division of Safety of Dams, issued orders directing SMUD to implement a repair or replacement of the toe drain to control the seepage.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

SMUD, as lead agency for California Environmental Quality Act (CEQA) review, has determined that CEQA compliance for the proposed work is addressed in the Final Environmental Impact Statement and Supplemental CEQA Analysis prepared for the UARP in 2008.²

Issuance of a certification and amendment thereof is a discretionary action that requires the State Water Board to comply with CEQA. For this certification amendment, and for the purpose of CEQA compliance, SMUD is the lead agency. SMUD has determined that impacts due to UARP implementation were thoroughly analyzed in FERC's Environmental Impact Statement and SMUD's Supplemental CEQA document developed during relicensing. The State Water

² On September 18, 2008, SMUD adopted a resolution certifying that the Final Environmental Impact Statement and Final CEQA Supplement comply with the requirements of CEQA, including the CEQA Guidelines, and reflect the independent judgment and analysis of the SMUD Board. On July 19, 2012, the SMUD Board adopted a resolution approving the UARP, CEQA findings, and an addendum to the Final CEQA Supplement that details the greenhouse gas impacts of UARP.

JUL 19 2017

Mr. Darold Perry

- 3 -

Board has considered the FERC EIS and SMUD's Supplemental CEQA document developed during relicensing.

A Notice of Determination has been prepared and will be filed with the Office of Planning and Research within five days of issuing this amendment. (Cal. Code Regs., tit. 14, § 15094, subd. (d).)

CONDITIONAL APPROVAL

Approval of the amendment to the UARP certification is granted with the conditions described below. Failure to comply with the conditions outlined below constitutes grounds for enforcement for violation of the certification.

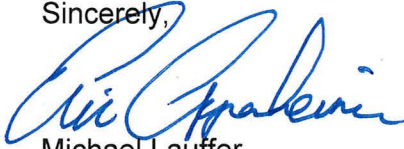
1. This certification amendment is subject to modification or revocation upon administrative or judicial review, including review and amendment pursuant to California Water Code section 13330 and California Code of Regulations, title 23, division 3, chapter 28, article 6 (commencing with section 3867).
2. This certification amendment is not intended and shall not be construed to apply to any activity involving a hydroelectric facility and requiring a FERC license or an amendment to a FERC license unless the pertinent certification application was filed pursuant to California Code of Regulations, title 23, section 3855, subdivision (b) and that application specifically identified that a FERC license or amendment to a FERC license for a hydroelectric facility was being sought.
3. This certification amendment is conditioned upon total payment of any fee required under California Code of Regulations, title 23, chapter 28 and owed by SMUD.

All documents and other information that constitute the public record for this amendment will be maintained by the Division of Water Rights and are available for public review at the following address: State Water Board, Division of Water Rights, 1001 I Street, Sacramento, California, 95814.

If you have questions regarding this letter, please contact Mr. Oscar Biondi at (916) 323-9397 or by email at Oscar.Biondi@waterboards.ca.gov. Written correspondence can be directed to:

State Water Resources Control Board
Division of Water Rights - Water Quality Certification Program
Attn: Oscar Biondi
P.O. Box 2000
Sacramento, CA 95812-2000

Sincerely,



Michael Lauffer
Acting Executive Director

Enclosure: Notice of Determination

cc on next page:

Mr. Darold Perry

- 4 -

cc: Ms. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Mr. Tomas Torres
U.S. Environmental Protection Agency
Region 9, Water Division
75 Hawthorne Street
San Francisco, CA 94105

Mr. Joshua Grover
California Department of Fish and Wildlife
830 S Street
Sacramento, CA 95811

Ms. Pamela Creedon
Central Valley Regional Water
Quality Control Board
11020 Sun Center Drive, Suite 200
Rancho Cordova, CA 95670