



State Water Resources Control Board



Division of Water Rights

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Alan C. Lloyd, Ph.D.
Agency Secretary

Arnold Schwarzenegger
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December 21, 2005

To: Interested Parties

Pit 3, 4, and 5 Hydroelectric Project Notice of Intent to Rely on Federal Environmental Impact Statement

Pacific Gas and Electric Company (PG&E) filed an application with the Federal Energy Regulatory Commission (FERC) for a new license for the Pit 3, 4, and 5 Hydroelectric Project (Project), located on the Pit River in Shasta County, California. On March 14, 2003, FERC issued a draft environmental impact statement (EIS) for the Project, pursuant to the requirements of the National Environmental Policy Act (NEPA). On June 9, 2004, FERC issued the final EIS, which presents an evaluation of the Project, including PG&E's proposal to operate the Project in accordance with the Protection, Mitigation and Enhancement (PM&E) measures of the Pit River Collaborative Team (PRCT) Agreement. The final EIS evaluates the effects of the proposed PCRT provisions designed to protect and enhance environmental resources, including various measures to protect and monitor water quality; measures to control flows to the bypassed reaches and manage Lake Britton water levels to enhance habitat for aquatic biota; monitoring of aquatic, riparian, and terrestrial plants, fish, and wildlife; protective measures for fish and wildlife; various recreational enhancements; and development of several land use plans. In addition, the final EIS analyzes effects of the conditions issued by the Forest Service (FS) under section 4(e) of the Federal Power Act and other agency recommendations, and adds FERC staff measures that clarify, coordinate and make more specific, measures already proposed.

Before FERC can issue a new license for the Project, PG&E must obtain water quality certification under section 401 of the Clean Water Act from the State Water Resources Control Board (State Water Board) (33 U.S.C. § 1341). The State Water Board is the lead agency under the California Environmental Quality Act (CEQA), in connection with the proceeding to consider issuing water quality certifications for the Project. (Pub. Resources Code, §§ 21000-21177.) When a project requires compliance with both CEQA and NEPA, and the federal EIS is prepared first and meets the requirements of CEQA, the state agency should use the EIS rather than prepare its own environmental impact report (EIR). (Cal. Code of Regs., tit. 14, §15221.) Consistent with this policy, the State Water Board intends to use the FERC EIS rather than prepare an EIR for the purposes of CEQA. The only point of analysis required under CEQA but not covered in the EIS is a description of any growth-inducing effects caused by the Project. Higher base flows and generally longer ramping periods would translate to less annual power generation of the Project. A net reduction in power generation in itself would not facilitate population growth or remove an obstacle to growth. Furthermore, the Project would not divert or consume water and, therefore, would not facilitate population growth or remove an obstacle to growth.

Under NEPA and CEQA, a project may be analyzed for its incremental effects over existing baseline conditions. In an analysis of an already existing hydroelectric project, reauthorizing the

project will not yield many environmental impacts because most of the impacts have already occurred and, when compared to the existing condition, are not significant. Thus, most of the potentially significant impacts identified in the EIS are associated with the proposed PM&E measures, and are reduced to a level of less than significant with the implementation of mitigation measure(s) under various resource plans described in the PRCT PM&Es and additional FERC requirements.

The final EIS, supplemented by this notice, satisfies the requirements of CEQA. The State Water Board is circulating this letter in accordance with the standards set forth in section 15087, subdivision (a) of the California Code of Regulations, title 14. (14 Cal. Code Regs., tit. 14, §15225.) Members of the public and agencies have 45 days to submit comments to the State Water Board. **Comments must be received by February 10, 2006.** After the close of the designated public comment period, the State Water Board will issue a response document addressing any CEQA comments.

While not legally required, the State Water Board is providing a draft water quality certification that includes the rationale used in the development of the conditions in the certification. Comments on the draft water quality certification will be accepted. **Parties providing public comment should specify which comments are provided for CEQA purposes and which comments address general water quality certification issues.** Final water quality certification will include conditions to implement the mitigation, monitoring, and reporting plan required under CEQA. (Cal. Code of Regs., tit. 14, §15097.)

Copies of the final EIS can be found on the Division of Water Rights web site at www.waterrights.ca.gov and at the locations listed below. If you cannot access the document online or at one of the following locations, you may request that the Division send you a copy by calling Russ Kanz, Staff Environmental Specialist, at (916) 341-5341. Please make your request promptly so to allow enough time to receive and review the document within the comment period.

Eastern Shasta County Branch Library
37038 Siskiyou Street
Burney (530) 335-4317

Main Shasta County Library
1855 Shasta Street
Redding (530) 225-5769

California Environmental Protection Agency
State Water Resources Control Board
Records Unit (File Room), 2nd Floor
1001 I Street
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Comments can be submitted by letter or electronically to the following mailing or e-mail

To: Interested Parties

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addresses. Comments sent by e-mail should clearly identify the name and address of the commenter.

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Sincerely,

ORIGINAL SIGNED BY

James W. Kassel
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