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## State Water Resources Control Board

### NOTICE OF INTENT TO ADOPT A NEGATIVE DECLARATION FOR ISSUANCE OF A WATER QUALITY CERTIFICATION FOR THE CHILI BAR HYDROELECTRIC PROJECT, AND CONCURRENT PUBLIC COMMENT PERIOD FOR THE DRAFT WATER QUALITY CERTIFICATION

Pacific Gas and Electric Company (PG&E) submitted an application for license to the Federal Energy Regulatory Commission (FERC) for its Chili Bar Hydroelectric Project (Chili Bar Project), FERC Project No. 2155. PG&E is required by federal regulations to seek water quality certification under Section 401 of the Clean Water Act (401 Certification) as part of the hydroelectric facility licensing process. 401 Certification is issued by the State Water Resources Control Board (State Water Board), and is a discretionary act subject to the California Environmental Quality Act (CEQA). The State Water Board prepared an Initial Study (IS) and Draft Negative Declaration (ND) addressing the potential environmental consequences of the continued operation of the Chili Bar Project.

The Chili Bar Project is located in El Dorado County on the South Fork American River near Placerville, immediately downstream of the Sacramento Municipal Utility District's (SMUD) Upper American River Project (UARP). The Chili Bar Project began operation in 1965 and has been operating since then pursuant to its existing project license. A description of the Chili Bar Project facilities can be found in the IS and Draft ND. There is no project transmission line because the 21-kilovolt switchyard connects directly to the local distribution grid.

The current Chili Bar FERC Project boundary ranges from approximately 50 to 250 feet on either side of the American River, and starts approximately 320 feet downstream of Chili Bar Dam (Dam) extending to approximately 3.2 miles upstream of the Dam. PG&E proposes to revise the Chili Bar FERC Project boundary by reducing it from its current 254.63 acres to 103.14 acres. The proposed Chili Bar Project boundary would be at the normal maximum water surface elevation of 997.5 feet above mean sea level and would enclose all existing project works including, but not limited to: the Dam and downstream tailrace; intake structure; powerhouse; switchyard; access roads; stream gage; and Chili Bar Reservoir. In addition, the proposed Chili Bar Project boundary would include a 12-foot-wide corridor for a proposed hiking trail (Sand Bar Trail), as described below.

As part of the *Relicensing Settlement Agreement for the UARP and Chili Bar Project* (Settlement Agreement)<sup>1</sup>, (Article 2-13), PG&E agreed to construct the following recreation improvements: (1) a gravel parking area for three to four vehicles off Rock Creek Road; (2) a 36-inch-wide trail (the Sand Bar Trail) with a grade of five percent or less from the parking area to Chili Bar Reservoir shoreline; (3) a kiosk sign along the trail near its beginning, explaining the rules of the area; and (4) one picnic table on a leveled out area that is outside of the floodplain. Construction of the proposed recreation improvements would occur within three years after issuance of the FERC license. There are currently no formal recreation facilities within the Chili Bar Project boundary.

As detailed in the Settlement Agreement, PG&E proposes to implement a comprehensive set of

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<sup>1</sup> The Settlement Agreement is available on the State Water Board website at:  
[http://www.waterboards.ca.gov/waterrights/water\\_issues/programs/water\\_quality\\_cert/ceqa\\_projects.shtml#chili](http://www.waterboards.ca.gov/waterrights/water_issues/programs/water_quality_cert/ceqa_projects.shtml#chili)

environmental measures that addresses environmental resources in the South Fork American River Basin (Articles 2-1 through 2-21). The measures included in the draft 401 Certification are intended to minimize impacts to water quality and improve existing conditions at the Chili Bar Project site. These measures include: minimum streamflows and recreational streamflows; ramping rates; coordination with the UARP licensee (SMUD); implementing programs for monitoring, adaptive management, and sediment management; addressing large woody debris; streamflow and reservoir elevation gaging; an annual review of ecological conditions; consideration of future reintroduction of anadromous fish; a hazardous materials plan; water quality protection measures during recreation facility construction; and public information services.

As lead agency, in accordance with CEQA, the State Water Board is releasing the IS and Draft ND to the public and the resource agencies for review and comment. Although not required, State Water Board staff will also accept comments on the Draft 401 Certification. **The State Water Board will accept written comments on the IS, Draft ND, and Draft 401 Certification until noon (12:00 pm) on February 13, 2012. Written comments should specifically identify the document the comment(s) applies to, and must be submitted to:**

Jennifer Watts  
State Water Resources Control Board  
Division of Water Rights  
P.O Box 2000  
Sacramento, CA 95812-2000

or

by email to: [jwatts@waterboards.ca.gov](mailto:jwatts@waterboards.ca.gov)

The IS, Draft ND, and Draft 401 Certification will be available on the State Water Board's webpage at: [http://www.waterboards.ca.gov/waterrights/water\\_issues/programs/water\\_quality\\_cert/ceqa\\_projects.shtml#chili](http://www.waterboards.ca.gov/waterrights/water_issues/programs/water_quality_cert/ceqa_projects.shtml#chili) . Persons without internet access can obtain a paper copy of the IS, Draft ND, or Draft 401 Certification by contacting Jennifer Watts by phone at (916) 341-5397.

A copy of the IS, Draft ND, and Draft 401 Certification will also be available at the State Water Board's office in the Cal/EPA Building, by visiting the Division of Water Rights Records Unit, located at: 1001 I Street, 2<sup>nd</sup> Floor, Room 114, Sacramento, CA 95814.



Erin Ragazzi  
Manager, Water Quality Certification  
and Public Trust Section

1/11/2012  
Date