



State Water Resources Control Board



Linda S. Adams

*Secretary for
Environmental Protection*

Division of Water Rights

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Arnold Schwarzenegger

Governor

August 28, 2009

Charles White
Pacific Gas and Electric Company
P.O. Box 770000, Mail Code N11C
San Francisco, CA 94177

REQUEST TO AMEND THE WATER QUALITY CERTIFICATION FOR THE PIT 1 HYDROELECTRIC PROJECT, FERC #2687

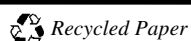
Dear Mr. White:

State Water Resources Control Board (State Water Board) staff received your request to amend the water quality certification issued on December 4, 2001, for the Pit 1 Hydroelectric Project (Project) (FERC #2687). Pacific Gas and Electric Company (PG&E) has requested that Conditions 13 and 14 be removed from the water quality certification. Condition 13 requires the release of flushing flows to control nuisance aquatic growth in the Fall River Pond. The Federal Energy Regulatory Commission license and water quality certification require the release of flushing flows three weekends per year, in May or June, July, and August. In addition to controlling vegetation in the Fall River Pond, the flows provide a whitewater boating opportunity in the bypass reach of the Pit River. PG&E is required to provide as much public notice as possible of the flow release through a boat-a-phone or website. Condition 14 requires monitoring of the effectiveness of the flushing flows for controlling aquatic growth and mosquitoes. PG&E is requesting the elimination of flushing flows because monitoring has shown the increase in minimum base flows required in the new license is more effective at controlling vegetation than the flushing flows. The water quality certification allows the Chief of the Division (hereafter known as Deputy Director for Water Rights) to modify or terminate the flushing flows.

PG&E is also requesting the amendment in response to concerns of the U.S. Fish and Wildlife Service that the flushing flows are facilitating the decline of Shasta crayfish in the Pit 1 Bypass Reach. On May 21, 2009, the U.S. Fish and Wildlife Service submitted a letter to the State Water Board requesting the suspension of flushing flows because of concern that the flows are facilitating the decline of Shasta crayfish. The Shasta crayfish was listed as endangered under both the California and Federal Endangered Species Acts in 1988.

Amendment of this water quality certification is a discretionary action that requires the State Water Board to comply with the California Environmental Quality Act (CEQA). In this case the State Water Board will be the lead agency for preparation of environmental documents. Under CEQA, the State Water Board must prepare an Environmental Impact Report if changes in the Project could have significant adverse environmental impacts or if the alternatives or mitigation measures could have significant adverse impacts, including incidental adverse impacts of changes that otherwise will provide an overall environmental benefit. Attached is a draft Memorandum of Understanding for the Preparation of Environmental Documents (MOU). The MOU provides details on the process that will be used to prepare necessary environmental

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documents to comply with CEQA. Once the MOU is executed and a contractor selected, the process of amending the water quality certification can begin.

If you have any questions about this letter or would like to discuss the MOU, please contact Russ Kanz at (916) 341-5341.

Sincerely,

ORIGINAL SIGNED BY

Victoria A. Whitney
Deputy Director for Water Rights

Enclosure

cc: (w/o enclosure)

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