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GOVERNOR



MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board

APR 12 2016

Kimberly D. Bose, Secretary
FEDERAL ENERGY REGULATION COMMISSION
888 First Street, NE
Washington, DC 20426

Dear Secretary Bose:

COMMENTS ON NOTICE OF INTENT; CAMP FAR WEST HYDROELECTRIC PROJECT; FEDERAL ENERGY REGULATORY COMMISSION PROJECT NO. 2997; YUBA, NEVADA, AND PLACER COUNTIES

On March 14, 2016, the South Sutter Water District (Applicant) submitted a Pre-Application Document (PAD), Notice of Intent (NOI) to file for re-licensing, and request to use the Traditional Licensing Process (TLP) for the Camp Far West Hydroelectric Project (Project), also known as the Federal Energy Regulatory Commission (FERC or Commission) Project No. 2997. The PAD/NOI contains the Applicant's Project proposal and is available for stakeholder review and comment for 30 days from the submittal date.

In general, State Water Resources Control Board (State Water Board) staff prefers the pre-filing activities required by the Integrated Licensing Process (ILP), which includes:

- Increased assistance by Commission staff to the potential applicant and stakeholders during the development of a license application;
- Increased public participation in pre-filing consultation;
- Development by the potential applicant of a Commission-approved study plan(s);
- Opportunities for better coordination between the Commission's processes, including National Environmental Policy Act (NEPA) document preparation, and those of Federal and state agencies and Indian tribes with authority to require conditions for Commission-issued licenses;
- Encouragement of informal resolution of study disagreements, followed by study dispute resolution; and
- Issuance of public schedules.

The State Water Board recognizes that the ILP is the Commission's default process. However, as appropriate, the principles in the November 2013 Memorandum of Understanding between the Commission and State Water Board concerning coordination of pre-application activities for non-federal hydropower project proposals in California also pertain to the Commission's Traditional Licensing Process (18 C.F.R. Parts 4, 16) and Alternative Licensing Process (18 C.F.R. §4.34(i)).

State Water Board staff anticipates commenting on the PAD after the Commission has made a determination on which licensing process the Applicant will follow and the Joint Meeting and Project site visit are conducted.

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This letter lists the State Water Board staff comments on the request to use the Traditional License Process (18 C.F.R. § 16.8).

Comments on the request to use the Traditional License Process (TLP)

i. Likelihood of timely license issuance

The likelihood of timely license issuance is dependent upon the opportunities that the TLP provides for cooperative coordination regarding the proposed Project's operations and management. Cooperative coordination should include the Applicant, State Water Board staff, California Department of Fish and Wildlife, National Marine Fisheries Service, U.S. Fish and Wildlife Service, and any other relevant agency.

ii. Complexity of the resource issues

The Project's effects analysis may involve two Endangered Species Act (ESA) listed anadromous salmonids: 1) Central Valley spring-run Chinook salmon (*Oncorhynchus tshawytscha*); and 2) Central Valley steelhead (*Oncorhynchus mykiss*). Additionally, the effects analysis may involve six special status aquatic species that may occur in the Project area or be affected by the Project operations and management:

1. Central Valley fall-run and late fall-run Chinook salmon (*O. tshawytscha*)
2. Hardhead (*Mylopharodon conocephalus*)
3. Sacramento splittail (*Pogonichthys macrolepidotus*)
4. Sacramento-San Joaquin Roach (*Lavinia symmetricus*)
5. Foothill yellow-legged frog (*Rana boylei*)
6. Western (or Pacific) pond turtle (*Emys marmorata*)

Another issue that may contribute to the complexity of the Project operations and management is the legacy of historic gold mining practices in the Bear River watershed, in particular the introduction of mercury into the aquatic environment. The Camp Far West reservoir has been listed for mercury under the Clean Water Act section 303(d)¹. The Bear River below the Camp Far West dam has been listed under the Clean Water Act section 303(d) for cadmium, chlorpyrifos, copper, diazinon, fecal coliform, lead, mercury, nickel, and dissolved oxygen¹. While the Project's operations and management may not contribute to the pollutant loads aforementioned, there may be unforeseen interactions with Project operations and management on water quality, aquatic resources, and human health that may come to light.

iii. Level of anticipated controversy

The level of anticipated controversy regarding minimum instream flows for the Project operations and management has the potential to be medium to high. There is evidence to contribute to the controversy that stream flows during the fall months of October through December are not sufficient to support the special status fisheries of Central Valley fall-run and late fall-run Chinook salmon. Interrelated with this potential controversy are the effects the

¹ State Water Resources Control Board. 2012. Final 2012 California Integrated Report (Clean Water Act Section 303(d) List / 305(b) Report. Available at: http://www.waterboards.ca.gov/water_issues/programs/tmdl/integrated2012.shtml

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Project may have on downstream water quality, such as water temperature or contaminated sediment mobilization from the Camp Far West reservoir, which can impact the fisheries and habitat downstream.

iv. Relative cost compared to the Integrated License Process

No comments regarding this topic.

The State Water Board has authority under the federal Clean Water Act (33 U.S.C. § 1251-1357) to restore and maintain the chemical, physical, and biological integrity of the Nation's waters. Throughout the relicensing process the State Water Board maintains independent regulatory authority to condition the operation of the Project to protect water quality and beneficial uses of stream reaches consistent with section 401 of the federal Clean Water Act, the *Water Quality Control Plan for the Sacramento River and San Joaquin River Basins*, State Water Board regulations, California Environmental Quality Act, and any other applicable state laws.

The Applicant must file with the State Water Board an application for water quality certification once the Commission issues the Notice of Ready for Environmental Analysis. A complete application for water quality certification must include a description of any steps that have been, or will be taken to avoid, minimize, or compensate for loss of, or significant adverse impacts to beneficial uses of water. (Cal. Code Regs. tit. 23, § 3856, subd. (h)(6)). If the Project will adversely affect water quality, then the Applicant must describe the actions that the Applicant will take to bring the Project into compliance with applicable water quality requirements, including water quality objectives established in order to protect and maintain the beneficial uses of the state's waters. During the licensing process, State Water Board staff will act in an advisory role to inform the Applicant of the information necessary for a complete application for water quality certification. State Water Board staff cannot prejudge the outcome of any proceeding before the State Water Board on an application for water quality certification.

If you have questions, please contact Meiling Roddam by email at Meiling.Roddam@waterboards.ca.gov or by phone at 916-341-5369. Written correspondence should be addressed as follows:

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

Sincerely,



Meiling Roddam
Environmental Scientist
Water Quality Certification Program

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(cc's located on the next page)

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