

SOUTH SUTTER WATER DISTRICT

2464 Pacific Avenue • Trowbridge, CA 95659 • Office (530) 656-2242 • FAX (530) 656-2416



Bradley J. Arnold
General Manager / Secretary
sswd@hughes.net

March 14, 2016

Filed via Electronic Submittal (e-File)

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

SUBJECT: Camp Far West Hydroelectric Project
FERC Project No. 2997
Request for Authorization to Use the Traditional Licensing Process

Dear Secretary Bose:

Pursuant to Section (§) 5.1(f)(2) of Title 18 of the Code of Federal Regulations (C.F.R.), the South Sutter Water District (SSWD) requests the Federal Energy Regulatory Commission's (FERC of Commission) authorization for SSWD to use the traditional process (TLP), as described in 18 C.F.R., Part 4, Subparts D-H and, as applicable, Part 16, to relicense SSWD's Camp Far West Hydroelectric Project, FERC Project Number (No.) 2997 (Project). The initial license for the Project was issued by FERC to SSWD on July 2, 1981, effective on July 1, 1981 for a period of 40 years. On or around March 14, 2016, SSWD filed with FERC a Notice of Intent to File an Application for a New License by June 30, 2019 (NOI) and a Pre-Application Document (PAD).¹

In addition, this letter is provided to all affected resource agencies, Native American tribes and members of the public likely to be interested in the Camp Far West Hydroelectric Project relicensing.

BACKGROUND

The Camp Far West Hydroelectric Project is located on the Bear River in Nevada, Yuba and Placer counties, California. The principal Project facilities include: the 185-foot high Camp Far West Dam; the 93,740 acre-foot Camp Far West Reservoir; the 6.8 megawatt Camp Far West Powerhouse at the base of the Camp Far West Dam; and two recreation areas on Camp Far West Reservoir. The existing FERC Project Boundary includes approximately 2,863.7 acres of land, 95 percent (2,710.5 ac) of which is owned by SSWD; the boundary includes no federal land nor is any federal land adjacent to the boundary. At this time, SSWD proposes no significant changes to the Project or on the Bear River downstream of the Project.

¹ FERC's decision regarding whether to grant SSWD's request to use the TLP, rather than the ILP, has no effect on the contents of SSWD's NOI or PAD. SSWD developed the NOI and PAD so that they would apply regardless of which process is used.

BOARD OF DIRECTORS

Thomas A. Cuquet • Matthew R. Conant • Gregory J. Nelson • David Rai • Walter P. Trevethan • James C. Van Dyke • John W. Vertrees

JUSTIFICATION FOR USE OF THE TLP

As required by 18 C.F.R. Section 5.3(c)(1), SSWD's justification to use the TLP is provided below.

Complexity of Resource Issues

With one exception, none of the anticipated resource issues associated with the relicensing is complex because the Project and its operation are not complex. The Project includes a single reservoir and powerhouse. The Project does not include any canals, bypass reaches or transmission lines. Over 95 percent of the land within and adjacent to the FERC Project Boundary is owned by SSWD, and the boundary does not include any federal land or encompass any special environmental areas (e.g., refuges, cores or protected areas). There are no residences or tribal land around the reservoir, nor any United States Army Corps of Engineers' jurisdictional wetlands. There is no federal land or tribal land along the Bear River downstream of the Project, nor is the river designated or proposed for inclusion in either the federal or California Wild and Scenic Rivers acts. There are no wilderness areas, national or state parks or California recreation areas near the Project. SSWD operates the Project to fill in the spring, and then from about March through October releases water from the reservoir to meet downstream irrigation demands. The irrigation water is diverted about 1.3 miles downstream of the Project at a non-Project facility that has no associated hydropower facilities and is not used or useful for the generation of power from the Project. At this time, SSWD proposes no significant changes to Project facilities or operations. Given this relatively simple Project, SSWD anticipates resource issues will primarily relate to recreation around the reservoir, protection of cultural properties, mitigation of terrestrial adverse effects, and protection/enhancement of aquatic resources between the Project dam and the downstream diversion dam.

The one potentially complex issue may be addressing the Project's cumulative effect in combination with the downstream irrigation diversion and other past, present and reasonably foreseeable activities downstream of the non-Project diversion dam. This issue would be straight forward except that the cumulative effects analysis might involve two Endangered Species Act (ESA)-listed anadromous salmonids: 1) Central Valley spring-run Chinook salmon (*Oncorhynchus tshawytscha*) Evolutionarily Significant Unit (ESU); and 2) Central Valley steelhead Distinct Population Segment (DPS) (*O. mykiss*). In the Bear River, the upstream extent of critical habitat for spring-run Chinook salmon ESU is around river mile 5 and the upstream extent of critical habitat for CV steelhead DPS is at the non-Project diversion dam at river mile 16.9. The non-Project diversion dam is a complete block to anadromous fish upstream migration, and there are no anadromous fish upstream of the Project.

In consideration of these potential cumulative effects, SSWD requested in its NOI that FERC designate SSWD as FERC's non-federal representative for the purposes of consultation under Section 7 of the ESA.

While the cumulative effects analysis on these anadromous salmonids may be moderately complex, SSWD sees no reason why the analysis cannot be just as adequately addressed in the

TLP as it can in the ILP. Nor is there any reason why the Section 7 ESA consultation can not occur just as effectively under the TLP as it could under the ILP.

Level of Anticipated Controversy

As with the complexity of resource issues, with one exception, SSWD anticipates little controversy because, as described above, the Project is constrained geographically and contains no federal or tribal land, and its operation is simple.

In anticipation of SSWD's request to FERC to use the TLP, on August 31, 2015 SSWD met with the United States Department of Commerce, National Oceanic and Atmospheric Administration, National Marine Fisheries Service (NMFS), State Water Resources Control Board (SWRCB) and California Department of Fish and Wildlife (Cal Fish and Wildlife) to visit the Project and discuss SSWD's request to use the TLP.² At the meeting, none of the agencies expressed opposition to using the TLP, though they all reserved expressing a final position until the appropriate time in the relicensing proceeding.

Cost of Using the TLP as Compared to the Cost of Using the Integrated Licensing Process

SSWD's relicensing consultant, HDR, Inc., estimates, using some gross assumptions this early in the relicensing, that the cost to relicensing the Project using the ILP is between \$5 million and \$6 million, as compared to a cost of between \$3 million and \$4 million using the TLP. The main reason for the difference is process cost (e.g., the greater number of meetings, reports, and FERC filings required by the ILP). Using the TLP would result in very important cost savings to SSWD.

Amount of Available Information and Potential for Significant Disputes over Studies

With regards to available information, SSWD has found a large amount of existing, relevant and reasonably available information regarding the Project and resources potentially affected by the Project. This information is summarized in the PAD.

SSWD does not expect significant disputes over studies. As stated above, SSWD owns over 95 percent of the land within the FERC Project Boundary; there is no federal or tribal land within the boundary or along the Bear River downstream of the Project, and the Project does not block the upstream migration of anadromous fish.

SSWD expects the only real potential for study disputes may be studies downstream of the non-Project diversion dam to gather information regarding the Project's cumulative effect on resources in that section of river. If these occur, SSWD sees no reason why these differences, if they occur, cannot be just as adequately addressed in the TLP as they can in the ILP.

² In addition, SSWD invited the United States Department of the Interior (USDOI), Fish and Wildlife Service (USFWS) to participate in the site visit and meeting. Unfortunately, USFWS was unable to attend. SSWD offered to provide USFWS with a site visit and opportunity to discuss SSWD's request to use the TLP, but these have not occurred as of the date this letter is filed with FERC.

Likelihood of Timely License Issuance

For the reasons stated above, SSWD believes that FERC can issue a timely new license for the Project using the TLP. Further, regardless of whether the TLP or ILP is used, any ESA Section 7 consultation, if needed, between FERC and NMFS would occur after SSWD files its application in June 2019. This would occur whether or not SSWD uses the TLP or ILP.

Other Pertinent Factors

While it is repetitious, it is worth repeating that the Camp Far West Hydroelectric Project is a simple Project and a simple relicensing – the Project is geographically constrained to one reservoir with no residential development, SSWD owns the vast majority of the land within the FERC Project Boundary, there are no federal or tribal lands or special areas adjacent to the boundary or along the river downstream of the Project, the Project does not block the migration of ESA-listed fishes, and SSWD is not proposing any significant changes to Project facilities or operations. SSWD feels that this straight-forward relicensing is the very reason that FERC's regulations provide an applicant with the option to request the TLP, which would cost significantly less than the ILP.

In addition, given the simplicity of the Project and its relicensing, SSWD believes the level of process effort that must be invested in an ILP by FERC, resource agencies, and other interested parties is not warranted. Simply stated, SSWD feels that use of the TLP, rather than the ILP, would also cost significantly less for FERC, agencies and other interested parties.

REQUEST TO USE TLP

For the reasons stated in this letter, SSWD requests FERC's authorization for SSWD to use the TLP, as described in 18 C.F.R., Part 4, Subparts D-H and, as applicable, Part 16, to relicense the Camp Far West Hydroelectric Project.

COMMENTS BY POTENTIALLY INTERESTED PARTIES

As required by 18 C.F.R. Section 5.3(d)(1), by copy of this letter, SSWD makes all affected resource agencies, Native American tribes and members of the public likely to be interested in the Camp Far West Hydroelectric Project relicensing aware of SSWD's request for FERC's authorization to use the TLP.

These parties are advised that comments regarding this request must be filed with FERC within 30 days of the date that SSWD files its request with FERC, and that comment letters filed with FERC should reference the Camp Far West Hydroelectric Project, FERC Project No. 2997.

SSWD has filed a notification of this request, which includes the information required in 18 C.F.R. Section 5.3(d)(2), in the following daily and weekly newspapers of general circulation in each county in which the Project is located: The Union (Nevada County); Auburn Journal (Placer County); and Appeal-Democrat (Yuba County).

Secretary Bose
March 14, 2016
Page 5

If you have any questions about this request, please contact me.

Sincerely,

A handwritten signature in black ink that reads "Brad Arnold". The signature is written in a cursive, flowing style.

Brad Arnold
General Manager/Secretary
SOUTH SUTTER WATER DISTRICT

cc: Frank Blackett – Regional Engineer, FERC, San Francisco Regional Office
Camp Far West Hydroelectric Project Contact List of Potentially Interested Parties (via
e-mail)

*Secretary Bose
March 14, 2016
Page 6*

Page Left Blank