



Mendocino County Farm Bureau

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Affiliated with the California Farm Bureau Federation and the American Farm Bureau Federation

June 8, 2022

Ms. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
Office of Energy Projects
888 First Street, N.E., Room 1A
Washington, DC 20426

Via Electronic Filing

COMMENTS: FERC No. P-77-311/P-77-313: Potter Valley Hydroelectric Project 2022 Flow Variance Request Due to Limited Water Availability

Dear Secretary Bose,

The Mendocino County Farm Bureau (MCFB) is a non-governmental, non-profit, voluntary membership, advocacy group whose purpose is to protect and promote agricultural interests throughout the county and to find solutions to the problems facing agricultural businesses and the rural community. MCFB would like to submit the following comments on the flow variance request for FERC Project No. 77-311, the Potter Valley Hydroelectric Project (Project), as submitted on May 13, 2022, by Pacific Gas and Electric Company (PG&E).

Lack of Engagement with the Drought Working Group

In past drought years, PG&E has engaged with the Project Drought Working Group to consult on proposed flow variances. However, like last year, PG&E once again did not offer an opportunity for the Drought Working Group to discuss the variance proposal prior to the May 13th filing.

As part of the 2021 variance request, FERC provided several comments to PG&E¹ that included specific references to the Drought Working Group as cited in the language below:

Should PG&E contemplate a request for an additional variance due to ongoing drought conditions, it must make such a request by February 28, 2022, and must provide evidence of consultation with the Drought Working Group. In order to provide Commission staff adequate time to consider the request, we ask that PG&E provide us with 60 to 90 days' notice prior to filing the request for a new temporary variance related to the drought.

¹ FERC ORDER APPROVING EXTENSION OF TEMPORARY VARIANCE OF FLOW REQUIREMENTS UNDER LICENSE ARTICLE 52 (176 FERC ¶ 61,082, August 11, 2021), P. 13.

Based on the previous direction from FERC in 2021, it is apparent that PG&E did not follow through on several of the directives in last year's variance communications. To the public's knowledge it does not appear that PG&E submitted an official notice for a change request for 2022 by February 28, 2022, and there was no evidence of consultation with the full Drought Working Group prior to submitting the May 13, 2022 flow variance request.

PG&E's unwillingness to engage the Drought Working Group, with representatives from both the Russian River and Eel River watershed, prior to submitting variance requests has needlessly created frustration related to the management of the water supply connected to the Project. FERC should not condone these actions and should strongly consider the lack of follow through by PG&E on the points raised above when considering the current variance request.

Lake Pillsbury Minimum Pool

In 2017, PG&E submitted a technical memo to FERC which defined the storage levels in Lake Pillsbury that were required to prevent bank sloughing and related impacts to infrastructure. These lake levels were between 5000-12,000-acre feet.

For the current variance request, there is language that states, *"PG&E will operate the Project to maintain at least 30 TAF in storage through September 15 per Agencies' request to limit depletion of cold-water pool."*

It appears that the request for maintaining an additional 18,000-acre feet in storage is based on conversations with the fisheries agencies with the goal of maintaining a water supply with satisfactory temperature parameters for fish species. However, as further discussed in Enclosure 1, from National Marine Fisheries Service staff, that there are unknowns with how specific storage levels will or will not achieve the goal of maintaining water releases at temperatures that support the fishery in the summer months.

Enclosure 1 states, *"Therefore, we acknowledge that the best available information to maintain suitable summer temperatures for coldwater salmonids is limited and we strongly encourage that PG&E pursues completion of the water quality model that was proposed by PG&E and approved by FERC during there licensing process. NMFS has also made this request on multiple occasions during previous drought variance efforts and included it as an Interim Protective Measure in NMFS' letter submitted to FERC, dated March 17, 2022. A properly developed water quality/temperature model will inform reservoir management and provide resource managers with the best water management strategies to conserve cooler water for federally ESA-listed salmonids, while balancing water storage in Lake Pillsbury that also supports water interests in the Russian River."*

Again, if PG&E had moved forward with completing the water quality model as approved by FERC and supported by the fisheries agencies in the past decades of operating the Project, then determining the minimum pool levels in Lake Pillsbury for temperature needs would not be a guessing game as seen in this year's variance request.

The sudden increase in the minimum storage levels in Lake Pillsbury from 12,000 to 30,000-acre feet, without discussion of the impacts to water interests in the Russian River, is another example of the lack of transparency that PG&E has had with this variance request. FERC should consider this communication breakdown in their consideration of the request.

Flow Variance Requests

In order to achieve the previously described storage goal in Lake Pillsbury of 30,000-acre feet, PG&E is proposing to reduce flow levels at several compliance points. One of the proposed reductions is for E-16, the East Fork of the Russian River, and would change the release from the current normal year designation of 75 CFS (plus 5 CFS buffer) to a critical year designation of 5 CFS with no buffer. There is some vague language about the potential of increasing the flows at E-16 to 25 CFS, a dry year designation, based on storage levels in Lake Pillsbury over the summer months.

MCFB understands that drought conditions and unknowns with future precipitation events dictates the need to consider a variance from normal year designated flows. If PG&E had convened an honest and transparent conversation with the Drought Working Group members prior to releasing the variance request, then there would have been more faith in the request. However, to drastically reduce the flow into the East Fork Russian River with this variance from 75 CFS to 5 CFS is unwarranted and not supported.

The blunt reduction in flows adds insult to injury with the already reduced inflows that were released into the Russian River due to the transformer bank failure at the Project last year. Add in the unwillingness by PG&E to consider increasing bypass flows during significant storms events this past winter and one can see that this variance request is another nail in the coffin for the Russian River water supply.

It is not lost on MCFB that the license surrender process that PG&E will be entering into is steering their decisions on the current and future operation of the Project. However, the fact remains that PG&E is the owner and operator of the Project under the current license terms. Proposing drastic flow reductions to meet vague storage goals in Lake Pillsbury, without input from the Drought Working Group or the public, is not a positive indicator of how PG&E plans to operate the Project, within the current license parameters, for the next several years.

The Project has been providing power and water benefits to the Russian River communities for 100+ years. This isn't a new fact. So, it shouldn't be a surprise to FERC that the interests in the Russian River, including MCFB do not support the variance request. MCFB feels that the request to reduce the flows into the East Fork of the Russian River from 75 CFS to 5 CFS should not be approved by FERC.

Instead, the variance should reduce the flows from 75 CFS to a minimum of 25 CFS under a dry year designation. This reduction could be considered for further adjustment by the Drought Working Group between June and September. FERC has supported the need for consultation with the Drought Working Group, so it is asked that strong consideration be given to NOT automatically approving the variance request as proposed.

Block Water Use

An additional new proposal in the recent variance request is to allow for the fisheries agencies to roll-over unused block water allocations from one year to the next. Since Lake Pillsbury is over 50,000-acre feet on June 1, 2022, it is assumed that PG&E plans to allocate a total of 5,000-acre feet of water for block water use this year.

Since the public was not aware of the conversations that were had between PG&E, the fisheries agencies or other interests, it is not known as to why there was no block water use in 2021 nor what the plans would be to use twice the amount of block water in 2022. If PG&E and the fishery agencies are proposing to continue to allow for the potential to double the current license required annual allotments of block water

through a roll-over mechanism, then there would be a more extensive description of how the water would be planned to be used.

Requests to FERC

1. FERC should strongly consider the lack of communication by PG&E with all the Drought Working Group members prior to submitting the variance, and the lack of follow through on the same request from 2021, when deliberating the current request.
2. The lack of PG&E's willingness to complete the FERC approved water quality model to provide guidance on determinations for minimum pool levels in Lake Pillsbury for temperature needs has led to the nebulous 30,000-acre foot minimum storage level being included in the 2022 variance. As PG&E will be operating this Project for years to come, FERC should direct a better process to be utilized for looking at establishing a minimum pool level for Project operation within current license parameters.
3. The lack of a vetted process for establishing the minimum pool level and the lack of any discussion with the Drought Working Group has direct correlation with PG&E's problematic request to significantly reduce releases at E-16 into the East Fork of the Russian River. FERC should NOT approve the variance as presented but should direct PG&E to reduce flows to a minimum of 25 CFS under a dry year designation with the ability to provide further adjustment with consultation with the Drought Working Group between June and September.

MCFB and our members are vested in the current and future operations of the Project. PG&E, although beginning a license surrender process, is the owner and operator of this Project. As such, they have a responsibility to work with interests in both the Eel and Russian River watersheds. This collaboration was not evident in the development of this proposed variance request. MCFB encourages FERC to consider the points raised above prior to deciding on the approval of this variance request.

Sincerely,

A handwritten signature in cursive script that reads "George Hollister". The signature is written in black ink and is positioned above the printed name and title.

George Hollister
President