COMMENTER	DATE COMMENT RECEIVED	SUMMARY OF COMMENTS RECEIVED	RESPONSE TO COMMENT
1. Richard D. Ely Davis Hydro, LLC/ KC LLC 27264 Meadowbrook Dr Davis, CA 95618 <u>kws@sackheimconsult.com</u>	9/11/07	<ul> <li>Davis Hydro is interested in continuing operation, perhaps by purchasing facilities under PG&amp;E current licensing status and, after five years of enhancement and study, relicensing some or all of the facilities. The alternative is suggested because it will be found preferable environmentally and for generating green power compared to destruction of facilities.</li> <li>We are proposing an aggressive intervention and study plan to enhance anadromous fish and generate green power in cooperation with the community who desperately wants parts of the facility to remain.</li> <li>We request that these alternatives be included under the NEPA study process as appropriate, with the following objectives:</li> <li>Increase knowledge of local anadromous fish behavior and recovery opportunities.</li> <li>Equal or greater increase in useful habitat and more important migrating fish.</li> <li>Increase in knowledge of how to screen and use diversions as habitat, and</li> <li>Sustained trout fishing.</li> </ul>	PG&E understands that Davis Hydro has expressed interest in continuing operation of the Project or portions of the Project. However, the regulatory path and schedule for the current Surrender Application was defined by the Federal Energy Regulatory Commission (FERC). When PG&E did not file an application for a new license by the statutory deadline of March 27, 2005, FERC issued a public notice inviting other parties to file Notice of Intent (NOI) to seek a new license for the Project. Davis Hydro did not timely file a NOI, and FERC denied Davis Hydro's later request to file a NOI. Therefore, it does not appear that FERC will further consider the question of Project acquisition and operation by Davis Hydro in the current Surrender Application process. FERC is responsible for conducting the NEPA environmental analysis for decommissioning the Project. FERC will conduct its environmental analysis after PG&E files the Surrender Application. NEPA alternatives will include disposition of the facilities, but will not include operational alternatives to decommissioning. If FERC believes it needs additional information, it will require PG&E to provide it. PG&E will provide your comments to FERC for consideration at the appropriate phase of the NEPA process.
2. Kelly Sackheim Davis Hydro, LLC/ KC LLC 27264 Meadowbrook Dr Davis, CA 95618 Kelly@kilarc.info dick@davishydro.com	9/17/07	<ul> <li>Request for FERC Guidance and action regarding P-606 License Surrender:</li> <li>Clarification of acceptable License Surrender Plan</li> <li>Order to immediately commence studies to support the environmental analysis of the Project and Alternatives under NEPA</li> </ul>	Comment addressed to FERC
3. Kelly W Sackheim Sackheim Consulting / Stakeholder 5096 Cocoa Palm Way Fair Oaks, CA 95628 <u>dick@davishydro.com</u>	09/17/07	Request for Update of FERC P-606 Service List. List includes U.S. mailing address from which letters are consistently returned, and numerous e-mail addresses that are undeliverable, or return receipts indicating that the correspondence served has been deleted or not read. Many parties appear to have no reason for interest in the current proceedings.	Comment addressed to FERC.
4. Kathe and John Martin Stakeholder <u>kandjmartin@earthlink.net</u>	9/18/07	Both my Husband and I were unable to attend either of the meetings held recently in Redding: however, we do wish to comment on the pending closure of this reservoir. PG&E officials say it's too late for another company to step into the process, but we must all agree that it is never too late to make better decisions regarding energy in this day and age. And although PG&E is not in the recreational business nor does it want to be, the fact remains that this reservoir has provided just that as a by-product for a century. There is a company that wants to use this facility for what it was originally intended as well as work towards providing a better habitat for fish. By allowing Davis Hydro to take over this Project, PG&E would be saving \$10.4 million in costs to remove a facility of parts <i>[sic]</i> that would be of little use to anything or anyone else. We just don't feel bureaucracy, either federal, regulatory, or state, should trump common sense. It's never too late to remedy a poor decision, and now is the time, before this	We understand that not everyone will be able to attend all of the public meetings PG&E holds to discuss the Kilarc- Cow Creek Project. We have established a web site that contains the presentations made at each public meeting as well as copies of documents PG&E has prepared and comments we have received from the public. Please visit the web site for this information at <u>www.kilarccowcreek.com</u> . For your comments regarding the FERC surrender process, please refer to the response to Comment #1. PG&E is not legally authorized to permit another entity to operate the Project. Only FERC has that legal authority. When PG&E decided not to relicense the Project, FERC issued an open solicitation to others to file a Notice of Intent (NOI) to file an application to operate the Project. Only one entity timely filed a NOI but that entity did not subsequently file a license application by the December 27, 2006

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5. Joanne Pryor Stakeholder 1450 Ridge Dr. Redding, CA 96001	9/18/07	I was very saddened by the suggestion of closing Kilarc. Our daughter and granddaughter both caught their first fish at Kilarc. It was the one place that my mother could walk into to fish which she dearly loved to do and easy to have children fish too, now my husband cannot walk to many places but this is one place he can. There are not many places that are easy to get too when you are handicapped, I could help my mother and watch our daughter at the same time since it is level and easy walking. We would take our lunch and picnic at the same time. I do hope this decision is reconsidered.	<ul> <li>PG&amp;E to prepare a Surrender Application.</li> <li>The FERC licensing process does not allow PG&amp;E a further opportunity to renew its operating license. PG&amp;E elected not to apply for a new license and the deadline for relicensing the Kilarc-Cow Creek Project has passed. PG&amp;E has no option but to decommission the Project. After decommissioning, Kilarc Forebay will not be operated as a recreation resource by PG&amp;E. If another entity is interested in taking responsibility to operate Kilarc Diversion and Kilarc Forebay for public recreation, PG&amp;E would be willing to meet with that entity to discuss their interest. Issues that would need to be addressed by a prospective recreational operator would include:</li> <li>Assume liability for future operation and maintenance as a recreation facility</li> <li>Procure water rights for recreation</li> <li>Upgrade diversion structure to current standards</li> <li>Obtain land rights or easements for public access and facilities</li> <li>The transfer of facilities for recreation purposes would need to be approved by FERC as well as by other State and Federal Agencies that would be involved in permitting the new Project. In addition, the Project Agreement would need to be modified by mutual consent of the signatories to the agreement.</li> </ul>
6. Laura and Randy Carnley Stakeholder P.O. Box 177 10471 Blue Mountain Ranch Rd Whitmore, CA 96096 calass@frontiernet.net	9/18/07	Request that studies be required immediately to identify the effects on migratory birds and other wildlife of the proposed draining and filling of Kilarc Reservoir.	As part of relicensing the Project, PG&E conducted environmental studies to describe the Project area. These studies addressed the occurrence of migratory birds and wildlife. PG&E has posted studies related to the decommissioning of the Project on the Project website www.kilarccowcreek.com. PG&E believes these studies provide most of the information needed to assess potential effects of decommissioning for the affected resources. Any additional information needed will be collected over the next year. This information will be included as part of the Surrender Application filed with FERC by March 2009.
<ol> <li>Maggie Trevelyan, Stakeholder P.O. Box 194</li> <li>13618 E Fern Rd Whitmore, CA 96096 maggiestewart@frontiernet.net</li> </ol>	9/18/07	Request that studies be required immediately to asses environmental effects of the proposed draining and filling of Kilarc reservoir on groundwater recharge and the viability our wells and springs that feed local ponds.	PG&E plans to evaluate potential adverse effects on groundwater wells from Project decommissioning.
8. Earl and Joan Wetmore Stakeholder 15132 Anthony Rd Oak Run, CA 96069	9/25/07	Request that studies be required immediately to assess environmental effects of the proposed draining and filling of Kilarc reservoir on downstream water temperatures.	Analysis of water temperature data collected during relicensing (under existing operations) shows that the Project does not provide any significant cooling benefits downstream. After Project decommissioning, instream water temperatures are expected to slightly decrease downstream of the diversion. (Draft Aquatic Resources Report, PG&E 2007).

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9. Richard N. Stapler, Sr. Stapler Ranch 26290 South Cow Creek Road, Mudville, CA 96062-9700	9/28/07	To what extent will PG&E be involved with the Abbott Ditch Diversion? In the past there had never been a problem with the irrigation water from the end of Abbott Ditch returning to South Cow Creek. Now that new ranchers have moved into the area, the water is being redirected to Clough Gulch, a distance of approximately one mile, bypassing my ranch and three others, a total of four ranches, which depends on the water returning to South Cow Creek for irrigation and domestic uses. This puts an additional burden on trying to maintain aquatic habitat values downstream of Hooten Gulch. As stated in the Agreement, PG&E intends to work with the parties involved to address these issues. (Pages 5-64). It becomes equally important that the waters diverted from South Cow Creek to the Abbott Ditch return directly at the end of the Ditch to South Cow Creek.	PG&E has met with the water rights holders who receive water from the Abbott Diversion to discuss their concerns with decommissioning the Project. PG&E intends to work with these water rights holders to reach a mutually agreeable solution to their concerns. Issues regarding the use and management of water in the Abbott Ditch should be addressed to the Abbott Ditch water users.
10. Steve Edmondson Northern California Habitat Supervisor National Marine Fisheries Services Southwest Region 777 Sonoma Ave, Room 325 Santa Rosa, CA 95404-4731	10/05/07	Davis Hydro proposes four alternatives to Pacific Gas and Electric (PG&E) plan. They suggest the alternatives benefit anadromous fish. Davis Hydro's proposal does not provide a substantial basis that compels NMFS to think that such benefits are likely, or proposed studies are warranted. Thermal benefits accrued are likely to be minimal. Davis Hydro does not provide a substantial basis from which to conclude that establishing a steelhead nursery in Kilarc Canal would be practical or beneficial. Finally, Davis Hydro does not provide analysis or evidence that any of their proposed alternatives would generate surplus revenues to fund the other restoration measures, as suggested. NMFS remains committed to the existing agreement previously signed along with PG&E This agreement remains the most viable alternative for maximizing benefits for anadromous fish.	PG&E appreciates the commitment of National Marine Fisheries Service to support the Project Agreement.
11. Laura and Randy Carnley Stakeholder P.O. Box 177 10471 Blue Mountain Ranch Road Whitmore, CA 96096 <u>calass@frontiernet.net</u>	10/05/07	PG&E has not taken public input into consideration. PG&E pretends that they are not responsible for assessing the environmental effects of removing the Project and its infrastructure, especially the Kilarc forebay based on the assumption (but no evidence) that this would be the best outcome for the anadromous fish. We are also in the middle of negotiations with the Stewardship Council to be a possible donee for these lands. Kilarc reservoir is a valuable part not only of our history, but for our plans to meet the Stewardship Council qualifications. PG&E is "pulling the rug out from under us" and at the same time possibly destroying valuable habitat. My understanding of the law is if a stakeholder requests such a study to be done and for sound reasons, they are required to complete a study. The stakeholder has the right to be a part of who does this study and some of the terms, as well. There are more than sufficient reasons to demand a study as I have noted. NMFS' letter says that "Davis Hydro's proposal does not provide a substantial basis that compels NMFS to think that such benefits are likely, or proposed studies are warranted," and "NMFS remains committed to the existing agreement" And, even if NMFS has reached this conclusion, doesn't NEPA require that the FERC ensure that more than one	<ul> <li>PG&amp;E believes it has taken public input into consideration in developing the PPDP, and will continue to consult with the public and stakeholders during the preparation of the Surrender Application.</li> <li>As part of relicensing the Project, PG&amp;E conducted environmental studies to describe the Project area. These studies addressed the occurrence of migratory birds and wildlife. PG&amp;E has posted studies related to the decommissioning of the Project on the Project website www.klarccowcreek.com. PG&amp;E believes these studies provide most of the information needed to assess potential effects of decommissioning for the affected resources. Any additional information needed will be collected over the next year. This information will be included as part of the Surrender Application filed with FERC by March 2009.</li> <li>As stated in Comments # 10, 12, and 24, the National Marine Fisheries Service, the U.S. Fish and Wildlife Service, and the California Department of Fish and Game all believe that decommissioning the Project, as proposed by PG&amp;E, is the best alternative for maximizing benefits for anadromous fish.</li> <li>PG&amp;E is a member of the Stewardship Council Board of Directors and as an active participant in the Land Conservation Plan development is keeping the Stewardship Council informed of the decommissioning</li> </ul>

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		alternative be evaluated publicly? PG&E, NMFS and the other parties to the March 2005 Agreement should not be trusted to provide an unbiased analysis of the best future for the P- 606 Project facilities after PG&E surrenders its license. Davis Hydro has put forward some great ideas that the signatories to the March 2005 Agreement are too stubborn to even consider.	<ul> <li>process. Additionally, several of the agencies represented on the Stewardship Council Board are signatories to the Project Agreement. However, disposition of lands within FERC project boundaries for the Kilarc-Cow Creek Hydroelectric Project will be addressed in the Surrender Application.</li> <li>After decommissioning, Kilarc Forebay will not be operated as a recreation resource by PG&amp;E. If another entity is interested in taking responsibility to operate Kilarc Diversion and Kilarc Forebay for public recreation, PG&amp;E would be willing to meet with that entity to discuss the proposal (please see response to Comment #5).</li> <li>With regard to the Davis Hydro proposal, please refer to our response to Comment #1. FERC is responsible for conducting the NEPA environmental analysis for decommissioning the Project. FERC will conduct its environmental analysis after PG&amp;E files the Surrender Application. NEPA alternatives will include disposition of the facilities, but will not include operational alternatives to decommissioning. If FERC believes it needs additional information, it will require PG&amp;E to provide it. It is PG&amp;E's intention to provide all the information needed for FERC to conduct its environmental assessment as part of the Surrender Application.</li> </ul>
12. Michael B. Hoover, Acting Field Supervisor United States Fish and Wildlife Service 2800 Cottage Way, Room W-2605 Sacramento, CA 95825-1846	10/05/07	The (Davis Hydro) Scoping Paper presents four alternatives to the Applicant's plan to decommission the Project. The Service concurs with the assessments and comments made by the National Marine Fisheries Service.	PG&E appreciates the commitment of U.S. Fish and Wildlife Service to support the Project Agreement
13. Laura and Randy Carnley Stakeholder P.O. Box 177 10471 Blue Mountain Ranch Road Whitmore, CA 96096 <u>calass@frontiernet.net</u>	10/08/07	I just re-read the National Fisheries' letter about the Davis Hydro proposal and have further comments. They stated that PG&E spent more than a year working on this proposal. I want to say that it doesn't matter how long they spend on a proposal. The proposal is an arbitrary piece of paper. They only spent 5 days studying the environmental impact of destroying the area. And Davis Hydro is presenting more information that can save, protect and promote these fish through their scientific research and evidence than PG&E has presented with their proposal. I reiterate that an environmental study must be done to know what the impact is going to be if they continue with their plan and all alternatives need to be looked at. I request a hearing and to be heard fully. On behalf of all wildlife in the Kilarc area known and unknown, Migratory birds, plants, eagles, osprey, and others, please consider our plea to have PG&E develop a proper environmental impact report before they move forward with their plans of destroying the century old eco system. Surely if there is a chance to save this ecosystem and provide the steelhead and other anadromous fish safety. This should be our goal and our responsibility as stewards of the environment.	FERC is responsible for conducting the NEPA environmental analysis for decommissioning the Project. FERC will conduct its environmental analysis after PG&E files the Surrender Application. NEPA alternatives will include disposition of the facilities, but will not include operational alternatives to decommissioning. If FERC believes it needs additional information, it will require PG&E to provide it. It is PG&E's intention to provide all the information needed for FERC to conduct its environmental assessment as part of the Surrender Application. As part of its initial attempt to relicense the Project, PG&E conducted environmental studies over the course of several years to describe the Project area. PG&E has posted studies related to the decommissioning of the Project on the Project website www.kilarccowcreek.com. PG&E believes these studies provide most of the information needed to assess potential effects of decommissioning for the affected resources. With regard to the request for a hearing and to be heard fully, PG&E agrees that all interested stakeholders need to be fully heard and provided an opportunity to offer their comments on the proposed decommissioning plan. The 30-day comment period on the Preliminary Proposed Decommissioning Plan and the public/agency meetings scheduled November 7-8 provide those opportunities. There will be further opportunities for public comment in the course the Surrender Application that is

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			planned to be released during late summer 2008. There will also be an opportunity to comment during the FERC's NEPA process following the acceptance of the Surrender Application, currently estimated to occur in spring 2009.
14. David Albrecht Stakeholder 198 Sprucemont Place San Jose, CA 95139 <u>dtalbrecht@sbcglobal.net</u>	10/12/07	Commenter requested more detail on land ownership and water rights, and submitted detailed editorial comments. Map should be revised to correctly reflect the information in the text and actual facilities.	PG&E appreciates the time spent to provide a detailed review of the text of the Preliminary Proposed Decommissioning Plan which will be helpful in the preparation of the Surrender Application.
15. Robert Roth Stakeholder PO Box 116 Whitmore, CA 96096 rroth@frontiernet.net	10/12/07	Please state your plan to mitigate the recreation opportunities underlined below? <u>Public Recreational Opportunities</u> a) <u>Achieve balance between lost recreation opportunities at Kilarc forebay with other recreation opportunities (e.g. fishing and picnicking</u> )         b) <u>Recreation stream fisheries opportunities enhanced</u> c) <u>Public access available to recreational opportunities</u> What is the purpose of listing the resources in the PPDP. Were you trying to say there is more than recreation in our area? From the list Keswick Reservoir, is closest to Whitmore at >40 miles. Why do you not even mention your own areas, Grace and Nora Lakes, at only 20 miles from Whitmore?         What mitigation do you propose for the loss of catch and keep (harvest) local fishing?	In the Surrender Application PG&E will assess the effects of decommissioning the Project on recreation resources, including assessing whether mitigation for the loss of the local recreation fishery is warranted. PG&E has provided regional recreation information in the Preliminary Proposed Decommissioning Plan for context regarding the recreational opportunities currently available in the Project area. In the recreational resources report posted on the public website, PG&E does assess the recreational opportunities at Lake Nora and Lake Grace, as well as McCumber and North Battle Creek reservoirs.

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16. Art Hagood Synergics Energy Services, LLC 191 Main Street Annapolis, MY 21401 <u>AHagood@synergics.com</u>	10/12/07	SES is submitting comments on behalf of Olsen Power Partners. SES has made numerous attempts to obtain ownership of the Kilarc-South Cow Creek Hydroelectric Project. We continue to feel the proper outcome would be to keep these hydroelectric Projects operating. With regard to comments on the Preliminary Proposed Decommissioning Plan, we are concerned when removal of upstream diversions and structures occur, the material behind the diversions will cause turbidity in the stream and the sediment released will end up in the Olsen intake with the possible result being the Olsen plant generation reduced or the intake completely filled with the material and the generation of the Olsen plant halted. We strongly recommend PG&E reviewing this portion of the plan to see how the release of sedimentation will effect downstream hydropower operations and property owners. PG&E should conduct studies to determine water quality and sediment load when these structures are removed from the stream.	PG&E appreciates the concerns of SES regarding operations at the Olsen Project. PG&E will monitor water quality during decommissioning as permits conditions require, evaluate sediment stored behind Kilarc Diversion Dam, and determine the appropriate disposition of the sediment. These concerns will be taken into consideration as PG&E prepares the Surrender Application. During decommissioning, measures to control sediment will be employed in compliance with applicable permits.
17. Scott A Morris Kronick, Moskovitz, et al on behalf of Mr. and Mrs. Steven Tetrick 400 Capitol Mall, 27 <sup>th</sup> Floor Sacramento, CA 95814-4416 <u>spowell@kmtg.com</u>	10/12/07 9/18/07	Impacts of Decommissioning of Kilarc – Cow Creek Hydroelectric Project on Tetrick Ranch. The Powerhouse must either continue to be operated or continue water diversions through existing diversions, so that Tetrick Ranch can continue their operations which have relied upon the releases of water from Powerhouse for so many years. If PG&E chooses not to allow others to operate the Powerhouse and diversion, PG&E must continue to make provisions to allow a significant diversion of water through the facilities and to cover the costs to operate and maintain the diversion facilities. We propose that PG&E decommission the Powerhouse in a way that would maintain a significant level of discharges to Hooten Gulch. PG&E should consider alternatives, including transfer of South Cow Creek facilities to Tetrick Ranch and water users who take delivery from the Abbott Ditch, or development of a new diversion at the high point on Tetrick Ranch.	PG&E is not obligated to continue providing benefits to those who have benefited in the past from Project operations. However, PG&E is willing to discuss the concerns of Tetrick Ranch regarding decommissioning of the Kilarc-Cow Creek Project to reach a mutually agreeable solution. The FERC licensing process does not allow PG&E a further opportunity to renew its operating license. PG&E elected not to apply for a new license and the deadline for relicensing the Kilarc-Cow Creek Project has passed. PG&E has no option but to decommission the Project. PG&E is not legally authorized to permit another entity to operate the Project. Only FERC has that legal authority. When PG&E decided not to relicense the Project, FERC issued an open solicitation to others to file a Notice of Intent (NOI) to file an application to operate the Project. Only one entity timely filed a NOI but that entity did not subsequently file a license application by the December 27, 2006 deadline established by FERC. Therefore, it does not appear that FERC will further consider the question of Project acquisition and operation by other parties in the current Surrender Application process.
18. Scott A Morris Kronick, Moskovitz, et al on behalf of Abbott Ditch Water Users 400 Capitol Mall, 27 <sup>th</sup> Floor Sacramento, CA 95814-4416 <u>spowell@kmtg.com</u>	10/12/07 9/26/07	Impacts of Decommissioning of Kilarc – Cow Hydroelectric Project on the Abbott Ditch Water Users. The Abbott Ditch Water Users are in agreement with letter written on behalf of Tetrick Ranch. PG&E's responsibility reflects the fact that the Abbott Ditch Users allow PG&E to divert water upstream so that its benefit for hydropower generation. The Abbott Ditch Users have foregone maintenance of their diversion facilities on South Cow Creek and constructing a new replacement diversion would be difficult. Any new diversion facilities will need to provide the Abbott Ditch with equivalent reliability, water quality, operation and maintenance cost, capital cost, and operational effort as the present diversion. PG&E should consider such factors as securing new easements, acquiring all required permits, achieving environmental compliance, evaluating the hydrology and water rights, and evaluating the economics of a new diversion facility. Considering the many factors involved in developing a new diversion point, the best alternative is to continue to use releases from the	PG&E is not obligated to continue providing benefits to those who have benefited in the past from Project operations. However, PG&E is continuing to discuss the concerns of the Abbott Ditch water users regarding decommissioning of the Kilarc-Cow Creek Project in an effort to reach a mutually agreeable solution. The FERC licensing process does not allow PG&E a further opportunity to renew its operating license. PG&E elected not to apply for a new license and the deadline for relicensing the Kilarc-Cow Creek Project has passed. PG&E has no option but to decommission the Project. PG&E is not legally authorized to permit another entity to operate the Project. Only FERC has that legal authority. When PG&E decided not to relicense the Project, FERC issued an open solicitation to others to file a Notice of Intent (NOI) to file an application to operate the Project. Only one entity filed a NOI but that entity did not subsequently file a license application by the December 27, 2006 deadline established by FERC. Therefore, it does not appear that FERC will further consider the question of Project acquisition and operation by other parties in the current Surrender Application process.

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		Powerhouse.	
19. Laura Carnley Stakeholder P.O. Box 177 10471 Blue Mountain Ranch Road Whitmore, CA 96096 calass@frontiernet.net	10/15/07	It does seem very black and white for the FERC to decide solely on one entity, PG&E's word, that it would be best not to relicense the Project at Kilarc. PG& E plans to decommission Kilarc without considering alternatives it will adversely affect environmental issues throughout our community. In summer some of these creeks would dry up and the viability of maintaining a healthy water way for the steelhead may be impossible due to the ranching in the area and the types of irrigation that is currently being used. I reiterate that if we can find an answer to enhancing the chances for steelhead that may exist and the bald eagles, osprey, migratory birds that do exist, as well as other birds that are known and unknown at this time, because a proper environmental study has been conducted, we should do it.	PG&E made a business decision not to relicense the Project. FERC cannot require PG&E to relicense and operate the Project. As stated in Comments # 10, 12, and 24, the National Marine Fisheries Service, the U.S. Fish and Wildlife Service, and the California Department of Fish and Game all believe that decommissioning the Project, as proposed by PG&E, is the best alternative for maximizing benefits for anadromous fish. As part of relicensing the Project, PG&E conducted environmental studies to describe the Project area. These studies addressed the occurrence of migratory birds and wildlife. PG&E has posted studies related to the decommissioning of the Project on the Project website www.kilarccowcreek.com. PG&E believes these studies provide most of the information needed to assess potential effects of decommissioning for the affected resources. Additional information will be collected to evaluate potential adverse effects on groundwater wells from the removal of Kilarc Forebay: sediment characterization in impoundments upstream of PG&E's dams on South Cow and Old Cow Creeks; historical properties assessment for Project facilities; archeological investigations and rare plant surveys for areas affected by decommissioning activities not previously surveyed. Any additional information needed will be collected over the next year. This information will be included as part of the Surrender Application filed with FERC by March 2009. FERC is responsible for conducting the NEPA environmental analysis for decommissioning the Project. FERC will conduct its environmental analysis of the environmental information needed for FERC to conduct its environmental assessment as part of the Surrender Application. NEPA alternatives will include disposition of the facilities, but will not include operational alternatives to decommissioning. If FERC believes it needs additional information at the appropriate phase of the NEPA process. The NEPA process will begin with public scoping, at which time FERC will invite comments on alternatives
20. Richard Ely, Kelly Sackheim Davis Hydro, LLC/ KC LLC 27264 Meadowbrook Dr Davis, CA 95618 <u>Kelly@kilarc.info</u> <u>dick@davishydro.com</u>	10/16/07	<ul> <li>Comments of Davis Hydro on the PG&amp;E Preliminary Decommissioning Plan are summarized as follows:</li> <li><i>NEPA:</i> The baseline alternative is "no action", which would be to continue operation. Alternatives analysis should compare action to no action. The PPDP should study the effects of transition from the baseline condition. FERC must review a range of alternatives that reduce the environmental effects of the proposed action. The method used to reach the Preliminary Agreement (with agencies) is at variance with any known NEPA process.</li> </ul>	<ul> <li>NEPA: Davis Hydro's comments addressing the NEPA No Action alternative, baseline conditions, and desired conditions expressed in the Kilarc-Cow Creek Project Agreement applies to FERC's NEPA process that will occur after PG&amp;E files its Surrender Application. It will initiate with public scoping, at which time FERC will invite comments on alternatives and baseline conditions.</li> <li>FERC is responsible for conducting the NEPA environmental analysis for decommissioning the Project. FERC will conduct its environmental analysis after PG&amp;E files the Surrender Application. NEPA alternatives will include disposition of the facilities, but will not include operational alternatives to decommissioning, as PG&amp;E is now precluded from obtaining a new license to operate the Project. If FERC believes it needs additional information, it will require PG&amp;E to provide it. It is PG&amp;E's intention to provide all the information needed for FERC to conduct its</li> </ul>

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		<ul> <li>Old data: The PPDP relies on surveys conducted between 1965 and 1986, which are inadequate for characterizing the current baseline condition.</li> <li>Fish habitat: Removing the Kilarc-Cow facilities will cause greater harm than leaving them in place. PG&amp;E studies should answer the question "what is the most new useful habitat that can be created in decommissioning process to make up or extend the habitat changes during decommissioning process' <i>[sic]</i>. We suggest an examination of how the current facilities could be used to best remediate the sites. Include in that study an examination of a continued operation of some of the facilities by others that will create fruitful habitat as a condition of their tenure. The best enhancement would be to create habitat that remediates the ESA concern for listed fish. Natural barriers limit anadromy in Project waters. Study offsite enhancement. Consider improving the Kilarc Min Canal for fish spawning.</li> <li>Water temperature: Kilarc outflows provide cool water downstream in the summer when water temperatures are a key determinant of fish habitat. A study is needed of the effects of removing Kilarc on instream temperatures.</li> <li>Instream flows: Decommissioning will not increase the amount of water in the natural stream when all the water is claimed by downstream consumptive rights.</li> <li>Recreation: Recreation is not addressed in the PPDP. Unclear how public access or recreation stream fisheries would be enhanced. There is virtually no public access to these creeks for public fishing in or near the project areas. Removing Kilarc has no substitute. Unclear now public access or theoreation at Kilarc Forebay with other recreation apportunities. Removing the reservoir destroys the best handicapped fishing in the state.</li> </ul>	environmental assessment as part of the Surrender Application. <i>Old Data:</i> This statement is incorrect. The information used in the development of the PDDP included resources studies conducted by PG&E in 2002 and 2003 as part of the second stage consultation for relicensing as well as the information collected by the Cow Creek Watershed Group and published in their 2000 report. Other information used in the PDDP was summarized in the first stage consultation document PG&E filed with FERC in 2002. Additional information will be collected to evaluate potential adverse effects on groundwater wells from the removal of Kilarc Forebay; sediment characterization in impoundments upstream of PG&E's dams on South Cow and Old Cow Creeks: historical properties assessment for Project facilities; archeological investigations; and rare plant surveys for areas affected by decommissioning activities which were not previously surveyed. The additional information needed will be collected over the next year. This information will be included as part of the Draft Surrender Application schedule to be available in August 2008. <i>Fish habitat:</i> As stated in Comments # 10, 12, and 24, the National Marine Fisherles Service, the U.S. Fish and Wildlife Service, and the California Department of Fish and Game all believe that decommisgioning the Project, as proposed by PG&E, is the best alternative for maximizing benefits for anadromous fish. PG&E does not agree that removing the facilities would 'cause greater harm than leaving them in place' and notes that the state and federal agencies responsible for the management of these fish and wildlife resources also do not agree. <i>Water temperature:</i> Analysis of water temperature data collected during relicensing (under existing operations) shows that the Project does not provide any significant cooling benefits downstream. After Project decommissioning, instream water temperatures are expected to sliphtly decrease downstream of the diversion. (Draft Aquatic Resources R

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			as well as McCumber and North Battle Creek reservoirs. In the Surrender Application PG&E will consider the effects of decommissioning the Project on resources, including recreational resources.
		• <i>Fire:</i> Fire prevention is not addressed. This is a major forest fire area.	<i>Fire:</i> Potential effects of decommissioning on public safety and fire protection will be included in the Draft Surrender Application. The Draft Surrender Application will be available in August 2008, and will consider the effects of decommissioning the Project on resources, including water resources. Public review and comment will be invited on the Draft Surrender Application. However, alternative sources for use in fighting forest fires are available in the area.
		<ul> <li>Replacement generation: A "green" energy resource is being lost.</li> <li>Kilarc-Cow will be replaced by fossil-fueled thermal generation, creating acid rain and greenhouse gases.</li> </ul>	<i>Replacement generation:</i> The California Energy Commission responded to a similar claim as follows in a letter to the California Department of Fish and Game dated December 21, 2004 (p. 6)::
			"In the view of Energy Commission staff, decommissioning small energy facilities like Kilarc - Cow Creek would create no measurable difference in air emissions in Califomia, but can significantly contribute to increases in wild salmonid habitats. The claims in the Synergics letter about increases in air pollution and climate change gases from the loss of small increments of hydropower are exaggerated and unsubstantiated."
		<ul> <li>Proposal: Retain a sufficient diversion through Kilarc Canal to preserve all the other benefits identified by community stakeholders that would be lost with the abandonment of Kilarc Reservoir while</li> </ul>	<i>Proposal:</i> This proposal is similar to the proposal to retain Kilarc Forebay for recreation purposes. Issues that would need to be addressed for this proposal would include:
		providing the same net benefit to anadromous fish as under the PPDR.	<ul> <li>Assume liability for future operation and maintenance as a recreation facility</li> </ul>
			Procure water rights for recreation
			<ul> <li>Upgrade diversion structure to current standards</li> <li>Obtain land rights or easements for public access and facilities</li> </ul>

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21. Thomas Glen Dye Save Kilarc 30655 Whitmore Road Whitmore, CA 96096	10/19/07	<ul> <li>To summarize in conclusion are some hard questions that need to be answered:</li> <li>How can you "restore" (NOAA response 9/25/07) a condition that never existed naturally?</li> <li>Should an existing facility that parallels the aims of the Pacific Forest and Land Conservation Stewardship Council (which is spending millions of dollars to convert divested PG&amp;E properties to youth recreation facilities in the outdoors) be destroyed?</li> </ul>	<ol> <li>The decommissioning process does not propose a restoration Project as such. In the opinion of NOAA Fisheries, USFWS and CDFG, decommissioning the Project will improve fish passage.</li> <li>The potential for a new owner to operate the Kilarc-Cow Creek Project (or a portion thereof) for recreational purposes may be considered under the FERC process. As part of the FERC Surrender Application, PG&amp;E will look at a range of alternatives for the Kilarc Forebay. PG&amp;E has stated that if another entity comes forward and is interested in taking responsibility to operate Kilarc Diversion and Kilarc Forebay for public recreation, PG&amp;E would be willing to meet with that entity to discuss their interest (please see response to Comment #5 above). The transfer of facilities would need to be approved by FERC as well as other State and Federal agencies, as part of the standard permitting process. PG&amp;E, as a member of the Stewardship Council Board of Directors and an active participant in the Land Conservation Plan development, is keeping the Stewardship Council informed of the decommissioning process. Additionally, many of the agencies represented on the Stewardship Council Board are also active in the decommissioning process. However disposition of lands within FERC project boundaries for the Kilarc-Cow Creek Project will be addressed in the Surrender Application.</li> </ol>																		
					3) Can the potential loss of Ground Water affecting the quality of life and property values be justified?	3) PG&E plans to evaluate potential adverse effects on groundwater wells from Project decommissioning.															
		5) In a climate of action to reduce Global Warming and promote resources, can the removal of historic green power generation that does not improve spawning, be justified?	5) The California Energy Commission has concluded that claims about increases in climate change gases from the loss of small increments of hydropower are "exaggerated and unsubstantiated." In addition, as stated in Comments # 10, 12, and 24, the National Marine Fisheries Service, the U.S. Fish and Wildlife Service, and the California Department of Fish and Game all believe that decommissioning the Project, as proposed by PG&E, is the best alternative for maximizing benefits for anadromous fish.																		
																6	6	6) Does the removal of outdoor recreation for the handicapped contradict the ADA route?	<ul> <li>6) The Americans with Disabilities Act sets forth requirements for public access to public accommodations. It does not govern the removal of compliant facilities.</li> </ul>		
		7) How will the destruction of a 104 year old natural ecology increase migration route?	7) PG&E appreciates the concern of the local community to protect the local ecology, however it does not agree that it will be "destroyed" by Project decommissioning. In the opinion of NOAA Fisheries, USFWS and CDFG, decommissioning the Project will enhance habitat for special- status fish species.																		
			spawnin stakeho 9) Does th life, poll	8	8]	8) Why cannot the Agencies establishing the requirements for spawning grounds respond to the requests or meet with the affected stakeholders for arbitration?	<ul><li>8) Comment addressed to permitting agencies.</li><li>9 and 10) Please see responses to Comments #2 and #4 regarding the</li></ul>														
					decommissioning process. PG&E no longer has the option to operate the Kilarc-Cow Creek Project. FERC has ordered PG&E to prepare a Surrender Application, and PG&E is now engaged in that process. FERC																
		10) Why is private operation of the existing facilities (saving Ratepayers millions of dollars) not considered, as proposed, while working to satisfy requirements?	invited other parties to submit applications to license the Project when PG&E decided not relicense it, but no applications were received by the deadline established by FERC.																		

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22. Thomas Glen Dye Save Kilarc 30655 Whitmore Road Whitmore, CA 96096		Pursuant to our conservation at your 12 Sept. 2007 meeting at Foothill High School, I am responding to your request for the property in the Whitmore area that could be affected by the decommissioning of the Kilarc Reservoir. These properties have wells, springs, and ponds that can be adversely affected with loss of the century old reservoir and canal system. Surface water history is well known over the years, abut little has been done to study ground water.	PG&E appreciates the comments on potential adverse affects to groundwater wells that provide domestic water supplies. PG&E intends to collect additional information on potential adverse impacts of decommissioning on groundwater wells and will include the findings in the Surrender Application.
		The Shasta County Board of Supervisors met on 4/21/92 to address rezoning of tract 1774-Whitmore. The Staff in reviewing the Eastern Shasta Ground Water Study of 1984 noted the Project (Tract) "site is located 1 ¼ miles northeast of the study area. The text indicates the water potential in the Whitmore area is poor-to-moderate and future development 'should proceed very cautiously'".	
		Twenty three years have elapsed since this ground water study and significant development has and is taking place. The concerns of Whitmore Citizens for the quality of life and property values are very real. A study of current ground water conditions is a realistic request.	
		The requested list with a number of residents/owners in the immediate area (as currently complied) is attached. It is not yet complete and will be augmented. It provides an opportunity for early assessment. Many residents in Whitmore are likewise concerned, even though not in the immediate area as the impact may be wide spread. Permits for wells on Fern Rd E. and adjacent Grind lay Rd. drilled in the 1980's show some as shallow as 80 – 100 ft. Any drop in water level would be immediately impacting.	
23. Gary Stacey California Department of Fish and Game 601 Locust Street Redding, CA 96001		One area of the September 2007 Plan where we request greater detail is the disposition of PG&E's six water rights which support current Project operations. The original Agreement anticipated a transfer of appropriative water rights to a resource agency or other acceptable entity to protect, preserve or enhance aquatic resources. The Agreement also identified securing enforceable and permanent water rights as a desired condition of the decommissioning process. The section on water rights in the new Plan represents a significant	PG&E remains committed to ensuring that its water rights are utilized to enhance aquatic resources once they are no longer needed for hydro generation. However, PG&E believes that a water transfer in an adjudicated basin would require court approval. PG&E believes abandoning its water rights will achieve the same goal as transferring them but will do so more efficiently and with greater certainty. PG&E plans to discuss this issue with appropriate agencies about how best address this issue in light of the previous adjudication in the basin.
		modification to the original Agreement. PG&E proposes to abandon the subject water rights in order to avoid re-opening the 1969 Adjudication. It is not clear to DFG what information PG&E relied on in making this new proposal. In signing the 2005 Agreement, DFG anticipated PG&E would	PG&E looks forward to continuing to work with DFG and other stakeholders to explore recreational opportunities. In the Surrender Application PG&E will consider the effects of decommissioning the Project on resources, including recreational resources.
		ultimately change their non-consumptive use of water from power to environmental enhancement. It is not clear to us why the actions of change of use and transfer of ownership would require re-opening of the 1969 Adjudication. The proposal to simply abandon the water rights does not identify how	PG&E has provided regional recreation information in the Preliminary Proposed Decommissioning Plan for context regarding the recreational opportunities currently available in the Project area. In the recreational resources report posted on the public website, PG&E does assess the recreational opportunities in the area, such as Lake Nora and Lake Grace,
		such an action would achieve the desired outcome of enforceable and permanent water rights that are protected and used to preserve or enhance aquatic resources. It is our understanding that there are water right holders, as well as undeveloped riparian rights, within both of the Project reaches where surface flows would be enhanced by decommissioning. The nature of these existing and potential water rights, and how an abandoned versus a dedicated water right would affect them needs to be clearly presented in order for DFG to provide an informed	as well as McCumber and North Battle Creek reservoirs. In general, PG&E has committed to donate lands in fee simple to one or more public entities or qualified non-profit conservation organizations, whose ownership will ensure the protection of the beneficial public values. Lands can only be sold or transferred to a private entity if a finding is made by the Stewardship Council Board of Directors that the lands lack significant public interest value.

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		assessment of this new proposal. Until such detailed explanation is provided, DFG recommends the disposition of water rights as described. DFG is unclear about the timing, schedule, and sequence of the removal for both the Kilarc and Cow Creek developments. Will they be removed simultaneously or treated individually with different schedules? DFG would like to see more detailed descriptions and as built drawings of the diversion structures on both developments in order to further our understanding of these facilities so appropriate recommendations can be made for their removal. DFG would like to continue to work with PG&E to explore additional recreational opportunities within the watershed. Examples include, but are not limited to, working with the Stewardship Council to look at the possibility of a land transfer with Roseburg Forest Products for lands around Buckhorn Lake, and/or providing a fishing platform and access point at the Kilarc Powerhouse and Switchyard. In conclusion, DFG still considers the decision made by PG&E to surrender the Project to be the best alternative for meeting our resource objectives. Our review of all available information, including Davis Hydro's Alternative, has not caused us to change our position.	As part of the FERC Surrender Application, PG&E will look at alternatives to maintain recreational opportunities at the Kilarc Forebay. PG&E has stated that if another entity comes forward and is interested in taking responsibility to operate Kilarc Diversion and Kilarc Forebay for public recreation, PG&E would be willing to meet with that entity to discuss the proposal. PG&E is willing to work with these prospective operators to help them understand the scope of activities that are required to operate the project features in support of the fishery in Kilarc Forebay and to maintain the picnic area. The transfer of facilities would need to be approved by FERC as well as other State and Federal agencies, as part of the standard permitting process PG&E, as a member of the Stewardship Council Board of Directors and an active participant in the Land Conservation Plan development, is keeping the Stewardship Council informed of the decommissioning process. Additionally, many of the agencies that are active in the decommissioning process. However disposition of lands within FERC project boundaries for the Kilarc-Cow Creek Project will be addressed in the Surrender Application.
24. Michael B. Hoover, Acting Field Supervisor United States Fish and Wildlife Service 2800 Cottage Way, Room W-2605 Sacramento, CA 95825-1846	10/24/07	More specific details on the Project's decommissioning actions will need to be provided to determine the potential effects on fish and wildlife resources, including how, where, and when additional roads or access would be constructed, various segments of the Project's facilities would be dismantled, as well as specific mitigations for these various decommissioning actions. Specific protocols for pre-construction, deconstruction and monitoring surveys to assess potential threats to environmental, fish, and wildlife resources also need to be developed, provided, or referenced other than "standard procedures" or "best management practices."	PG&E will provide in the Surrender Application more detailed information on decommissioning actions and will consult with USFWS.

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