

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



**Notice of Availability of Draft Environmental Impact Report
for the
Proposed Valuation and Divestiture of Hydroelectric Generation and Related Assets
by Pacific Gas and Electric Company
Application No. 99-09-053**

This Notice of Availability announces the publication of a Draft Environmental Impact Report (EIR), prepared under the direction of the California Public Utilities Commission (CPUC). Pacific Gas and Electric Company has specifically proposed to sell by auction its hydroelectric generation assets and other related assets including associated water rights and watershed land. The “project” evaluated in the Draft EIR is the transfer of ownership, and the possibility that this ownership change, and perhaps ownership by multiple entities, would result in changed operation of Pacific Gas and Electric Company’s hydroelectric generation assets, including the land for sale. Specifically the Draft EIR evaluates how changes in operating the hydroelectric facilities affect water quality, fisheries, recreation, agriculture and water supply. The Draft EIR also evaluates the effects of potential development of Project Land for such uses as residential, commercial, and recreational land uses, mineral extraction, timber harvest, and grazing.

The Draft EIR identified significant impacts in all of the following disciplines except for Population, Employment and Housing, and Forestry. The EIR finds that the auction would produce 47 significant adverse environmental impacts that can be mitigated and two that are unavoidable. These impacts would affect a wide range of environmental resources, including water and water quality, fish and aquatic biology, terrestrial plants and animals, recreation, aesthetics, and cultural—especially Native American—resources. Both the sale of the land and changes in the operation of the hydroelectric facilities by new owners would produce these results. Of the 49 significant impacts, 24 would be the result of hydroelectric operations, 20 would result from land development, and five would result from the effects of both factors. The mitigation measures, which range from requiring new owners to follow existing practices to specifying environmentally sound practices for purchased land, are designed to reduce or avoid as many impacts as possible. The environmental resource areas evaluated are provided below:

- Land Use
- Forestry
- Hydrology and Water Quality
- Fisheries and Aquatic Biology
- Terrestrial Biology
- Recreation
- Cultural Resources
- Agriculture
- Hazards and Hazardous Materials
- Population, Employment, and Housing
- Public Services and Utilities
- Transportation
- Noise
- Air Quality
- Aesthetics
- Geology, Soils, and Minerals

More specific impact information can be found on the website provided below:

Notice of Availability of Draft EIR

Pacific Gas and Electric Company Valuation & Divestiture of Hydroelectric Generation and Related Assets

LOCATION AND AVAILABILITY OF DRAFT ENVIRONMENTAL IMPACT REPORT

Copies of the Draft EIR are available at the repositories listed on the last page of this Notice. In addition, the document may be viewed on the CPUC's Internet website at: <http://cpuc-pgehydro.support.net/>

The DEIR has been published in several formats, including paper and CD-Rom (the entire document and all graphics are in Adobe Acrobat format). It is available at a reduced charge for non-profit organizations, governmental entities, and individuals not affiliated with any of the parties in this case. The reduced rates for those eligible are as follows:

Paper Copy - \$50 (instead of the full \$510 charge)

Paper Executive Summary - no charge (instead of the full \$35 charge)

Electronic Copy on a CD - no charge (instead of the full \$5 charge)

Requests for copies can be made by any of the following means:

1. Call the project hotline at (877) 779-2782 and leave a voice message containing your specific request. Include your name, telephone number and full mailing address.
2. Fax a request to: (415) 291-8943. Include your name, telephone number and full mailing address.
3. Send an e-mail message to cpuc-pgehydro@pamsf.com This e-mail should include your name, telephone number, and full mailing address

PROJECT DESCRIPTION

On September 30, 1999, Pacific Gas and Electric Company filed an application (Application No. 99-09-053) with the CPUC to market value and sell its hydroelectric generating facilities and related assets through an auction. The facilities Pacific Gas and Electric Company proposes to sell include 68 powerhouses, 110 generating units with a capacity of 3,896 megawatts (MW), close to 2.3 million acre feet of reservoir capacity, certain land and non-consumptive water rights associated with the powerhouses, consumptive water rights, and other land associated with the hydroelectric facilities. Facilities stretch from the Pit River in the north to the Kern River in the south. With the exception of three facilities and 88,000 acres of associated land, Pacific Gas and Electric Company has authority to operate the facilities it proposes to sell under licenses granted by the Federal Energy Regulatory Commission (FERC).

Pacific Gas and Electric Company proposes to transfer all powerhouses, reservoirs, water conveyances, equipment, support facilities and its interest in land used to support the generation function of the hydroelectric powerhouses, as well as its interest in other associated watershed land. In some cases, Pacific Gas and Electric Company proposes to retain certain land, or support facilities, and grant access to the new owners through appropriate easements, leases, or shared services agreements. Pacific Gas and Electric Company proposes to retain ownership of transmission and distribution assets and lines from each generating facility. Pacific Gas and Electric Company also proposes that the new owners would be expected to reach agreements with the utility that would cover shared access to facilities or services and allocation of responsibility for maintenance and environmental issues.

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Pacific Gas and Electric Company assets to be transferred include

- **Hydroelectric Facilities and Equipment:** 110 generating units at 68 powerhouses with a total generating capacity of 3,896 megawatts. This system includes 26 FERC licenses, and three projects not covered by FERC licenses. It includes 99 reservoirs, 76 diversions, 174 dams, 184 miles of canals, 44 miles of flumes, 135 miles of tunnels, 19 miles of pipe and five miles of natural waterways.
- **Water Rights:** Pacific Gas and Electric Company claims numerous consumptive and non-consumptive water rights to support its hydroelectric operations, including pre-1914 appropriative rights, riparian rights, permitted and licensed rights governed by the State Water Resources Control Board (SWRCB), and rights to use water based on agreements with third parties. These rights are described, in part, in 161 current statements of water diversion and use, 84 licenses, 9 permits, and 2 contracts.
- **Land Interests:** Pacific Gas and Electric Company has interest in approximately 140,000 acres of land that are part of this proposed sale. Pacific Gas and Electric Company's proposal is to sell its interest in all land to the new owners of the generating facilities. Approximately 52,000 of these acres are within FERC boundaries and contain major components of the generating facilities (for example, powerhouses, lakes, reservoirs, dams, and intake structures).

PUBLIC MEETINGS & HEARINGS

Public meetings and hearings on the Draft EIR will be held from January to March 2001. At the information meetings, the CPUC staff and consultants who prepared the DEIR will be available to answer your questions on various topical issues (such as hydrology, land use and recreation). These staff will be available from 1:00 pm for the afternoon sessions, and 6:00 pm for the evening sessions, and while the hearing is underway. The Public Participation hearings begin at 2:00 for the afternoon sessions pm (except at Burney, which begins at 2:30) and 7:00 pm for the evening sessions, and are devoted to hearing your thoughts and opinions.

San Francisco
January 29, 2001
CPUC Auditorium
505 Van Ness Avenue

Jackson
February 7, 2001
Jackson Rancheria
12224 New York Ranch Road

Fresno
January 31, 2001
Holiday Inn – Airport
5090 East Clinton Avenue

Sacramento
February 8, 2001
Convention Center
13 and K Street

Porterville
February 1, 2001
Porterville College
100 East College Avenue

Chester
February 13, 2001
Elks Club
162 Main Street

Sonora
February 6, 2001
Mother Lode Fairgrounds
Finish Line and Manzanita Bldgs.
220 Southgate Drive

Oroville
February 14, 2001
State Theater
1489 Myers Street

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Grass Valley

February 15, 2001
Nevada County Fairgrounds, Northern
Mines Bldg.
11228 McCourtney Road

Fortuna

February 27, 2001
The River Lodge
1800 Riverwalk

Redding

February 21, 2001
Convention Center and Visitors Bureau
700 Auditorium Drive

Ukiah

February 28, 2001
County Administration Bldg.
501 Low Gap Road

Burney **

February 22, 2001
Mountain View High School
20375 Tamarack Avenue
***NOTE:* Hearings will begin at 2:30 and
7:00, not 2:00 and 7:00, for this location only.

COMMENT ON THE DRAFT EIR

Written comments on the Draft EIR are required to be submitted no later than February 5, 2001. Oral comments will be accepted at the public hearings listed above. All written comments must be sent to:

Mr. Bruce Kaneshiro, CPUC EIR Project Manager
c/o Public Affairs Management
101 The Embarcadero, Suite 210
San Francisco, CA 94105

Messages for Mr. Kaneshiro may be left at (877) 779-2782. His fax number is (415) 291-8943.

By Electronic Mail: Comments on the Draft EIR may be submitted by E-mail; however, please remember to include your name and return address in the e-mail message. E-mail messages should be sent to:
cpuc-pgehydro@pamsf.com

By Fax: You may fax your comment letter to our information line at (415) 291-8943. Please remember to include your name and return address in the fax.

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LIST OF REPOSITORIES

SF/Bay Area/Peninsula

SSRC Green Library
Stanford University
Stanford, CA

218 Doe Library
UC Berkeley
Berkeley, CA

San Francisco Public Library
Govt. Information Center
100 Larkin
San Francisco, CA

North

**Shasta County
Dept. of Resource Mngt**
1855 Placer Street, Suite 200
Redding, CA

Shasta County Library
3200 West Center Street
Anderson, CA

Fall River Valley Library
South Main Street
Fall River Mills, CA

Humboldt State University Library
Govt. Documents Section
Arcada, CA

Tehama County Library
645 Madison Street
Red Bluff, CA

North Central

Merim Library
California St. Univ.
400 W. 1st St.
Chico, CA

Butte County Library
1820 Mitchell
Oroville, CA

Plumas County Library
445 Jackson Street
Quincy, CA

Almanor Basin Community Center
372 Main Street
Chester, CA

**Lassen County, Dept. of Community
Development**
707 Nevada Street, Suite 5
Susanville, CA

Westwood Community Service District
319 Ash
Westwood, CA

**Central
Ukiah Public Library**
105 N Main St
Ukiah, CA

Sonoma State University Library
1801 E. Cotati Ave.
Rhonert Park, CA

Placer County Planning Department
11414 B Avenue D
Auburn, CA

**El Dorado County
Main Library**

El County Library
2500 Country Club Drive
Cameron Park, CA

Tuolumne County Library
480 Greenley Road
Sonora, CA

Amador County Library
530 Sutter Street
Jackson, CA

Cesar Chavez Central Library
605 N. El Dorado Street
Stockton, CA 95202

Merced College
3600 "M" Street
Merced, CA

Sacramento Public Library
828 "T" Street
Sacramento, CA

California State Library
Govt. Publications Section
914 Capitol Mall
Sacramento, CA

Alpine County Library
270 Laramie Street
Markleville, CA

Merced County Library
2100 "O" Street
Merced, CA

South

Beale Memorial Library
701 Truxtun Avenue
Bakersfield, CA

Porterville Public Library
41 West Thurman
Porterville, CA

Fresno County Library
2420 Mariposa Street
Fresno, CA

North Fork Library
32908 Road 200
North Fork, CA

The California Public Utilities Commission issued this Notice of Availability of the Draft EIR on November 20, 2000.

Paul Clanon, Director

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Energy Division