

LETTER A



State of California - The Resources Agency

DEPARTMENT OF FISH AND GAME

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GRAY DAVIS, Governor



November 16, 2001

Ms. Billie C. Blanchard
California Public Utilities Commission
c/o Environmental Science Associates
700 University Avenue, Suite 130
Sacramento, California 95825

Dear Ms. Blanchard:

**Pacific Gas and Electric's (PG&E) Shasta County Land Transfers (Project)
California Public Utility Commission (CPUC)
Application Nos. 00-05-029 and 00-05-030,
Draft Mitigated Negative Declaration (Document), Shasta County**

The Department of Fish and Game has reviewed the subject Document. The proposed Project responds to the CPUC's request that PG&E voluntarily divest ownership of some of its generating capacity and seeks to donate or exchange 15,137 acres of land in Shasta County. Application No. 00-05-029 proposes to market value and donate lands known as the "McArthur Swamp" and the "Glenburn Dredge Site" as well as the dredge known as "Frances" to the California Waterfowl Association. Application No. 00-05-030 proposes to market value and transfer PG&E owned lands known as "Burney Falls" and the "Bowman Ditch" to the California Department of Parks and Recreation in exchange for what is known as the "Ahjumawi Property." In conjunction with these land transfers, PG&E would request that the relevant lands be removed from the Federal Energy Regulatory Commission license boundaries for the Pit 1 (No. 2687) and Pit 3, 4, and 5 (No. 233) hydroelectric projects.

The Department concurs with the CPUC's determination that the Project as conditioned would have less than significant impact to fish and wildlife resources. As noted on page 1-4, the conservation easement is an essential component of the Project designed to ensure continued responsible stewardship of natural resources. The Department is a member of the technical review team which would be advising and assisting the California Wetlands Foundation in enforcing the conservation easement if the Project is implemented.

The McArthur Swamp Management Plan prescribes roles, objectives, and future management actions for the 7,400-acre McArthur Swamp. Specified actions include stabilization of levees, improvement of wildlife habitat, and improved grazing and vegetation management activities. The Department concurs that the donation of the

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McArthur Swamp and Glenburn Dredge Site would benefit waterfowl, diversify wetland habitat, and enhance recreational opportunities. Potential short-term impacts associated with levee repair and maintenance as well as other earth moving activities will be mitigated to less than significant levels with implementation of the proposed measures.

The exchange of Burney Falls and Bowman Ditch for the Ahjumawi Property will not have a negative impact on natural resources. In fact, anticipated biological and water quality benefits of the exchange include: (1) allowing for wetland vegetation to establish in the Bowman Ditch and (2) continuation of the policy of not repairing the failed Ahjumawi levee system. The failure of the levee system in 1997 flooded much of the 544 acres of the Ahjumawi Property proposed for transfer and now provides an opportunity for the land to return to a natural, wetland habitat condition.

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In summary, the Department concurs that the Project as conditioned will not have significant negative impacts on fish and wildlife resources. We commend all parties involved in designing the multiple Project mitigation measures directed at protecting and enhancing the natural resources of Shasta County. If you have any questions regarding these comments, please contact Environmental Scientist Annie Manji at (530) 225-3846.

Sincerely,


DONALD B. KOCH
Regional Manager

cc: See page three

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