UNITED STATES DEPARTMENT OF COMMERCE National Oceanic and Atmospheric Administration

NATIONAL MARINE FISHERIES SERVICE

Southwest Region 777 Sonoma Ave., Room 325 Santa Rosa, CA 95404-4731

September 25, 2007

In response refer to: 150304SWR03SR8649

Kimberly D. Bose, Secretary Federal Energy Regulatory Commission 888 First Street, NE Washington, D.C. 20426

Subject: Comments regarding Davis Hydro's "A Scoping Paper on the Kilarc and South Cow License Surrender Study Plans: Suggested Alternatives and Derived Recommended

Studies" dated July 30, 2007, FERC P-606.

Dear Secretary Bose:

NOAA's National Marine Fisheries Service (NMFS) received a copy of Davis Hydro's "Scoping Paper on the Kilarc and South Cow License Surrender Study Plans..." dated July 30, 2007. We reviewed the document and offer the following comments.

Davis Hydro proposes four alternatives to Pacific Gas and Electric's (PG&E) plan to decommission both the Kilarc and South Cow power plants. They suggest the alternatives include actions or conditions for the benefit anadromous fish. These actions include providing cold water to downstream habitat, providing a nursery for steelhead in the Kilarc Canal, and establishing a mitigation trust fund to be used for other potential restoration measures. Davis Hydro states the benefit of these actions is unknown; therefore, they recommend studies to determine the potential level of benefit.

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 by retaining Kilarc Forebay, if any, are likely to be minimal and outweighed by degraded instream conditions in the bypassed reach. 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, the California State Water Resources Control Board, the U.S. Fish and Wildlife Service, the



California Department of Fish and Game, the National Park Service, Trout Unlimited and Friends of the River - establishing a framework for a decommissioning and restoration scenario for this Project. These signatory parties spent more than a year preparing the agreement and a supplementary description of desired conditions. This agreement remains the most viable alternative for maximizing benefits for anadromous fish.

If you have any questions regarding these comments, please contact David White at (707) 575-6810.

Sincerely,

Steve Edmondson

Northern California Habitat Supervisor

cc: Service List P-606

UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Pacific Gas and Electric)	Project No.606
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Application for Relicensing)	
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Certificate of Service

I hereby certify that I have this day caused the foregoing document to be served upon each person designated on the official service list compiled by the Secretary in the proceeding.

Dated this 25th day of September, 2007

David White

National Marine Fisheries Service

David White