

Kilarc-Cow Creek Hydroelectric Project (P-606) Comments:

1. Shasta County remains concerned that the elimination of the water diversion to the Kilarc canal will ultimately lead to water temperatures that are detrimental to salmon and steelhead downstream. This concern is bolstered by the field level analysis conducted by staff from UC Berkeley in 2007. While PG&E collected temperature data for both the Kilarc and Cow facilities no analysis or modeling appears to have been conducted that would determine if negative impacts on water quality and temperature will occur. The environmental document should include a detailed study and analysis of temperature impacts with, and modeling without the forebays in both systems.
2. Shasta County is concerned that there has been no analysis conducted regarding the impacts on groundwater wells with the elimination of the diversions. The environmental document should include a detailed hydrologic study and analysis to identify impacts on area water wells.
3. Shasta County is aware of no empirical data that supports the theory that salmon or steelhead have ever successfully negotiated Whitmore Falls or would if Kilarc were decommissioned. No studies, analysis, photographs or first hand accounts have been generated that identify salmon or steelhead above Whitmore Falls. In documentation provided by PG&E it clearly indicates that this determination was conjecture from agency staff.

It is apparent that the entire benefit from removal of this renewable energy source and valuable recreational amenity is predicated on the fact that steelhead and salmon can traverse Whitmore Falls. As such it seems crucial that the Environmental document produce and analyze factual data to support the notion that this has or will ever occur.

4. Shasta County would ask that the Environmental document evaluate the social and economic impact on the County residents. As most County residents are PG&E customers, it is likely they will be shouldering the burden of PG&E's \$14.5 million decommissioning cost.

Shasta County residents have seen a dramatic reduction in local services in the last several years as tax revenue for these services declines. The decommissioning of these facilities will further exacerbate this problem with the loss of tax payments associated with these properties.

The ranching and farming interests in the South Cow area currently operate on relatively thin margins. Any loss or disruption to the water supply could have devastating consequences to their livelihoods.

As economically challenged communities Oak Run and Whitmore have few alternative amenities to draw people to there area. Fisherman and families on day trips to Kilarc often stop off for food, gas and bait supporting a rather weak existing economy. The loss of Kilarc Reservoir will have a disproportionate economic impact on these communities.

It is imperative that FERC understand that all these citizens of Shasta County have a firm understanding of the greater public good. They cannot understand however how decommissioning a long standing renewable energy source at their expense can be justified when a number of viable alternatives to decommissioning exist. It will be incumbent of FERC to evaluate these alternatives and document the cost and benefits of each.

5. Shasta County supports the continued retention of the Kilarc Plant and facility, especially its recreational aspects. Should there be any question as to the value that this community receives and the future benefits of retaining the recreational values of the Kilarc Plant, the County requests that PG&E be required to conduct a recreation survey of the uses of the Facility. The survey should be conducted by an independent and qualified polling company and receive input as to its design and implementation from the County's staff, as well as from the FERC staff. An adequate number of polling approaches and contacts should be designed and implemented, with a focus on not only existing uses but also future uses, based on reasonable population forecasts and other information. Without this information, in our view, the FERC staff would find it difficult to assess the value of what is being lost to our community, both presently and in the future. The replacement value of such a facility should also be considered. Finally, there should be an independent assessment made of the representations made by PG&E that there are adequate recreation facilities for local use. As the County noted in its Motion to Intervene, the local use may often be quite different from recreation that is intended to be used by multi-days users or by those located outside this County or region. For all these reasons, we request that the FERC staff not only listen carefully to those speaking on the matter of local recreation needs but also seek and obtain the kind of information requested by the County, before taking steps that will irrevocably remove the Kilarc Facility from our community.

FERC staff should be aware that the use of Kilarc as mentioned by PG&E as a recreational site without power production or water rights is infeasible. While power production is necessary to generate revenue for maintenance it is rather pointless without access to water.

6. Shasta County believes that FERC must carefully evaluate alternatives in preparing its Environmental document. We believe to date, very little effort has been expended by the agencies to evaluate alternatives and seek solutions that would enhance fisheries, maintain renewable energy and keep a key

recreational amenity in place. FERC has an obligation to evaluate the Environmental impacts of available options and integrate these alternatives into the decision making process.

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