



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C-4

For the meeting of: January 19, 2016

Date: January 15, 2016

To: Board of Supervisors

From: Supervisor Ryan Sundberg and Supervisor Mark Lovelace

Subject: Consider Sending Comment Letter to State Water Resources Control Board Related to 401 Certification of PacifiCorp's Dams on the Klamath River in Support of Alternative 6 (Dam Removal).

RECOMMENDATION(S): That the Board of Supervisors Authorize Supervisor Sundberg and Supervisor Lovelace to provide a comment letter on behalf of the Board regarding 401 certification for PacifiCorp's dams on the Klamath River in support of Alternative 6 (dam removal).

SOURCE OF FUNDING: N/A

DISCUSSION: The State Water Resources Control Board (SWRCB) is in the process of preparing an environmental impact report (EIR) to support consideration of PacifiCorp's application for certification under Clean Water Act section 401 (401 certification), for continued operation of the Klamath Hydroelectric Project (KHP). The SWRCB will be holding a public scoping meeting for this purpose on Monday, January 25th at the D Street Neighborhood Center in Arcata.

A 401 certification is a necessary step for relicensing these dams through the Federal Energy Regulatory Commission (FERC), a process which had been held in abeyance for many years while PacifiCorp and other stakeholders worked together to seek legislation to implement the Klamath Basin Regulatory Act and other linked agreements (the Klamath agreements) which would have resulted in the removal of these 4 dams. With the failure of Congress to pass such legislation, those agreements have expired and so PacifiCorp is resuming the FERC relicensing process.

Signature [Handwritten Signature]

Signature [Handwritten Signature: Ryan Sundberg]

Prepared by Kathy Hayes

REVIEW:	Auditor _____	County Counsel _____	Personnel _____	Risk Manager _____	Other _____
---------	---------------	----------------------	-----------------	--------------------	-------------

TYPE OF ITEM:

Consent

Departmental

Public Hearing

Other _____

PREVIOUS ACTION/REFERRAL:

Board Order No. _____

Meeting of: _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor Bass Seconded by Supervisor Fennell

Ayes Sundberg, Fennell, Lovelace, Bohn, Bass

Nays _____

Abstain _____

Absent _____

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: Jan 19, 2016

By: [Handwritten Signature]

Kathy Hayes, Clerk of the Board

Humboldt County was a signatory party to the Klamath agreements, based primarily on the significant detrimental water quality impacts posed by these dams, which were implicated in the 2002 fish kill in which 70,000 adult Chinook salmon died from toxic conditions resulting from low flows and high temperatures. The Klamath dams block fish passage, elevate water temperatures and harbor toxic algae blooms which deplete oxygen levels and lead to outbreaks of fish-killing diseases.

In November of 2007, FERC issued its final Environmental Impact Statement (EIS) for relicensing the KHP. The EIS evaluated the probable environmental effects of 6 alternatives, which are outlined in the attached Notice of Preparation for the EIR. The Humboldt County Board of Supervisors provided comments in support of Alternative 6, which evaluates removal of the four dams (J.C. Boyle, Copco #1, Copco #2, and Iron Gate) which were the subject of the Klamath Agreements.

By its involvement in the Klamath Agreements, Humboldt County has consistently held the position that the only way to adequately address these issues and return the Klamath-Trinity river system to a healthy condition is by removing the four lower dams, which have operated without Clean Water Act certification for over 50 years.

It is recommended that the Board authorize Supervisor Sundberg and Supervisor Lovelace to draft a letter supporting Alternative 6 to be signed by the Chair and to provide comments to the State Water Resources Board at this and subsequent meetings

FINANCIAL IMPACT: N/A

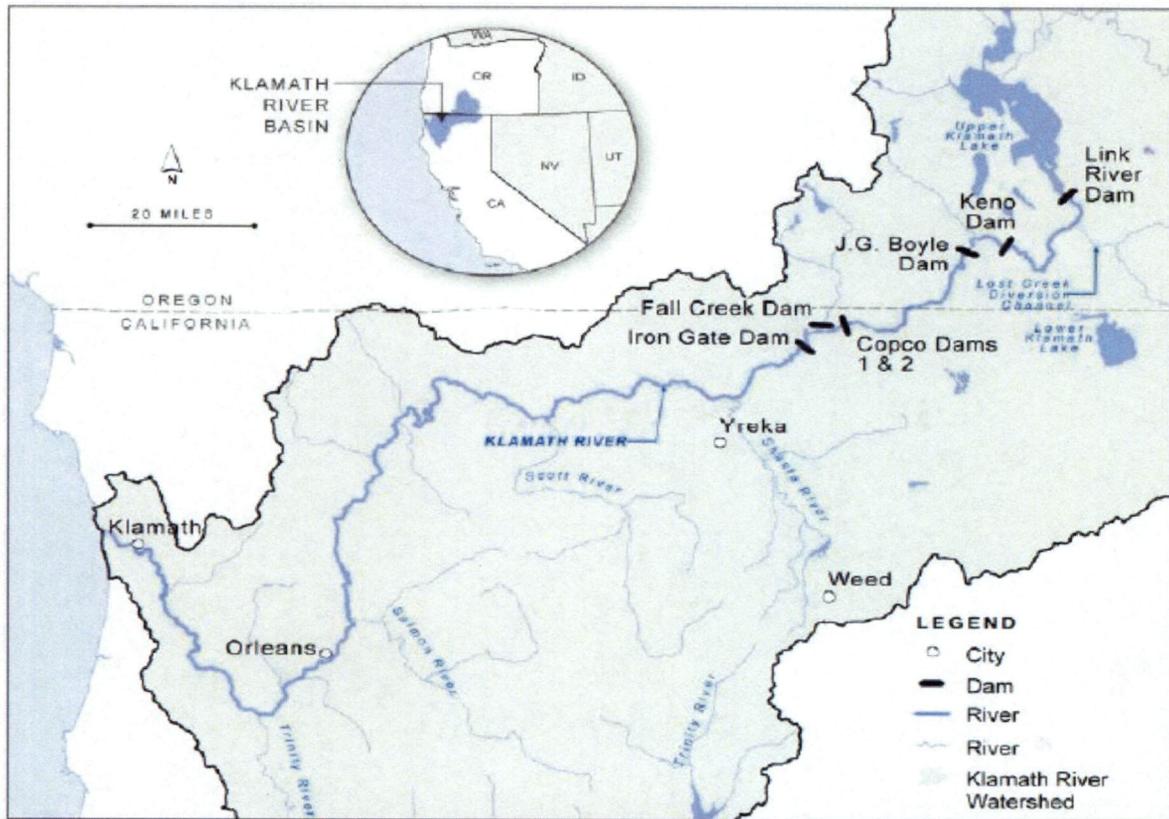
OTHER AGENCY INVOLVEMENT: N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS: Board discretion.

ATTACHMENTS: Notice of Preparation and Scoping Meeting Data

12-23-2015: updated to correct Yreka scoping meeting address, see page 4
12-15-2015: updated to include an additional scoping meeting, see page 4

NOTICE OF PREPARATION AND SCOPING MEETINGS FOR AN ENVIRONMENTAL IMPACT REPORT FOR THE KLAMATH HYDROELECTRIC PROJECT RELICENSING



PROJECT AREA

To save paper, the State Water Resources Control Board (State Water Board) strongly encourages interested parties to subscribe to receive information by email. If you would like to receive future announcements about Klamath Hydroelectric Project water quality certification related matters, please provide your email address to Mr. Parker Thaler at the contact information below. Alternatively, you may request to be placed on the State Water Board's hard copy mailing list. Requests to be placed on a mailing list should be sent to:

Mr. Parker Thaler
parker.thaler@waterboards.ca.gov
(916) 341-5321

State Water Resources Control Board
Division of Water Rights
P.O. Box 2000
Sacramento, CA 95812-2000

There will also be the opportunity to sign up for a mailing list at the scoping meetings.

If you would like to receive additional information related to the Division of Water Rights Water Quality Certification Program, please subscribe to the State Water Board's "Water Rights Water Quality Certification" email list under "Water Rights" online at:

http://www.waterboards.ca.gov/resources/email_subscriptions/swrcb_subscribe.shtml

Notice of Preparation**Form B**

TO: State Clearinghouse, Governor's Office of Planning and Research
P.O. Box 3044
Sacramento, CA 95812-3044

SUBJECT: **Notice of Preparation of an Environmental Impact Report for the Klamath Hydroelectric Project Relicensing**

Lead Agency:**Consulting Firm (If applicable):**

Agency Name	State Water Resources Control Board	Firm Name
Street Address	P.O. Box 2000	Street Address
City/State/Zip	Sacramento, CA 95812-2000	City/State/Zip
Contact	Mr. Parker Thaler	Contact

INTRODUCTION

Pursuant to the California Environmental Quality Act, Public Resources Code, sections 21000 et seq., (CEQA) the State Water Board will prepare an environmental impact report (EIR) or a supplemental EIR to support consideration of PacifiCorp's application for certification under Clean Water Act (CWA) section 401, for modifications to and continued operation of the Klamath Hydroelectric Project (KHP). The EIR will evaluate potential impacts of proposed modifications and continued operation of the KHP to water quality and other resources within California as compared to the environmental baseline, and will also evaluate a range of alternatives. The KHP is owned and operated by PacifiCorp and is undergoing relicensing by the Federal Energy Regulatory Commission (FERC). The KHP is designated FERC Project No. 2082.

The State Water Board issued a Notice of Preparation (NOP) of an EIR for the KHP in September 2008 and held a series of scoping meetings in October and November 2008. Since issuance of the 2008 NOP, three settlement agreements¹ have been developed that propose considerable changes to the KHP and address other interests in the Klamath River Basin. Substantial new information has been developed under the Settlement Agreements and related processes, including development of an environmental review document evaluating dam removal impacts², data collection on water quality and fisheries health, and studies that relate to the KHP. On August 15, 2014, the State Water Board received an updated certification application from PacifiCorp. In light of this new information, the State Water Board is issuing a new NOP for the KHP. Comments submitted in response to the prior NOP will be considered. Interested parties are encouraged to submit comments during this NOP solicitation.

The Settlement Agreements provide a framework for removal of four KHP dams while addressing water supply and providing water quality improvement measures in the Upper Klamath Basin. Implementation of the Settlement Agreements currently requires federal legislation. Since 2011, several attempts have been made to pass federal legislation. Most recently, on January 8, 2015, Senator Ron Wyden of Oregon introduced Senate Bill 133, *The Klamath Basin Water Recovery and Economic Restoration Act of 2015*. If Senate Bill 133 is

¹ Settlement Agreements collectively refers to: 1) Klamath Hydroelectric Settlement Agreement; 2) Klamath Basin Restoration Agreement; and 3) Upper Klamath Basin Comprehensive Agreement.

² December 2012, *Klamath Facilities Removal Final Environmental Impact Statement/Environmental Impact Report*, State Clearinghouse No. 2010062060.

enacted and the KHP is removed from the FERC Relicensing Process, PacifiCorp's current KHP certification application would be moot. Should this occur, the scoping meetings will be canceled.

The State Water Board is seeking comments from trustee agencies, responsible agencies, and other interested persons concerning the scope and content of the environmental information to be included in the EIR. Please send your comments to Mr. Parker Thaler at the address shown at the end of this NOP. In your comments, please provide a name and contact information for the person to contact in case there are questions regarding the comments.

The information in this NOP is divided into the following sections below:

- Project Title
- Project Location
- Scoping Meetings
- Brief Description of Existing KHP Facilities
- FERC Relicensing Process
- Klamath Settlement Agreements
- State Water Board's Water Quality Certification
- CEQA Information
- Submittal of Written Comments
- Questions and Additional Information

PROJECT TITLE: Klamath Hydroelectric Project Relicensing**PROJECT LOCATION**

The existing KHP is located primarily along the mainstem of the Klamath River, in Siskiyou County, California, and in Klamath County, Oregon. The California portion of the KHP includes three mainstem dams (Iron Gate, Copco No.1, and Copco No.2), and a small hydroelectric facility on Fall Creek (a tributary to the Klamath River). The Oregon portion of the KHP includes two mainstem dams (J.C. Boyle and Keno), and two power generation facilities (East Side and West Side). East Side and West Side are located adjacent to the Bureau of Reclamation's (BOR) Link River Dam on the mainstem Klamath River. The location of these facilities is shown in the map on the first page of this NOP.

The EIR will focus primarily on the KHP in California. The portion of the KHP located in Oregon will be described, but impacts will be addressed only to the extent that discharges from Oregon KHP facilities adversely impact the California environment. Oregon's Department of Environmental Quality³ is responsible for acting on a certification application for the Oregon KHP facilities.

SCOPING MEETINGS

The State Water Board will hold scoping meetings to provide information on the KHP and the water quality certification process, and to receive written or oral comments from agency personnel and other interested persons concerning the range of alternatives, potential significant effects, and mitigation measures that should be analyzed in the EIR. The time allotted for each individual or organization to comment orally may be limited if the number of people in attendance so requires. Scoping meetings will be documented by transcript.

Date and Time*	Location	Address
January 14, 2016 (2:00 – 4:00 pm)	Sacramento**	Cal/EPA Building Byron Sher Auditorium 1001 I Street Sacramento, CA 95814
January 25, 2016 (5:00 – 7:00 pm)	Arcata	D Street Neighborhood Center 1301 D Street Arcata, CA 95521
January 26, 2016 (10:00 am – 12:00 pm)	Orleans	Karuk Tribe Community Room 39051 Hwy 96 Orleans, CA 95556
January 26, 2016 (5:00 – 7:00 pm)	Yreka	Best Western Miner's Inn – Convention Center Auditorium 122 E. Miner Street Yreka, CA 96097

* Additional scoping meetings may be scheduled based on consultation with other parties in the area. Further details for these scoping meetings will be sent to KHP interested parties and posted on the State Water Board's KHP website by December 21, 2015. The KHP webpage is online at:

http://www.waterboards.ca.gov/waterrights/water_issues/programs/water_quality_cert/klamath_ferc2082.shtml

** The Sacramento meeting will be webcast live on the California Environmental Protection Agency website at: www.calepa.ca.gov/broadcast/. During the webcast, webcast participants can submit comments via electronic mail to: wr401program@waterboards.ca.gov.

³ Oregon's Department of Environmental Quality's website: <http://www.oregon.gov/deq/pages/index.aspx>

If you have additional questions concerning the meetings, or would like to make a request for reasonable accommodations for a disability, please contact: Parker Thaler by phone at (916) 341-5321 or by email at Parker.Thaler@waterboards.ca.gov

It is the policy of the State Water Board to provide a work environment that is free from threats or acts of violence. Threats or acts of violence committed by, or directed at, any employee or contractor will not be tolerated. Any person who appears before the State Water Board has an obligation to represent their interest in a professional manner. The State Water Board requests that all persons in or near a State Water Board hosted meeting refrain from engaging in inappropriate conduct. Inappropriate conduct may include disorderly, contemptuous or insolent behavior, breach of peace, boisterous conduct, violent disturbance, or other unlawful interference in the proceedings.

It is possible that one or more members of the State Water Board will attend one or more of the scoping meetings. A quorum of the State Water Board may be present at the scoping meetings. However, no State Water Board action will be taken.

In order to allow adequate consideration of all concerns as the State Water Board develops the draft EIR, **responses to this NOP must be received by 5:00 p.m. on January 29, 2016.**

BRIEF DESCRIPTION OF EXISTING KHP FACILITIES

PacifiCorp owns and operates the KHP which consists of eight facilities: East Side, West Side, Keno, and J.C. Boyle in south-eastern Oregon, and Copco No. 1, Copco No. 2, Iron Gate, and Fall Creek in north-eastern California. All facilities with the exception of Fall Creek are located on the mainstem Klamath River. Fall Creek is located on Fall Creek, a tributary to the Klamath River. PacifiCorp's FERC Project Proposal is to eliminate Keno, East Side, and West Side from its KHP and associated FERC license. PacifiCorp is also proposing to add an existing diversion in Oregon to the KHP. The diversion diverts water from Spring Creek to Fall Creek and would be used to support the Fall Creek facility.

Oregon Facilities (described in order from downstream to upstream):

J.C. Boyle: J.C. Boyle is the closest Oregon KHP facility to California and is located on the mainstem of the Klamath River, at river mile (RM) 224.7. J.C. Boyle is comprised of a 68-foot tall high dam that impounds water in a narrow reservoir with approximately 420 surface-acres. J.C. Boyle supplies water through a 2.5 mile water conveyance system to a 98 megawatt (MW) powerhouse. Water diversions for hydropower generation at J.C. Boyle create a 4.3 mile bypass reach. The approximately 17 miles downstream of the J.C. Boyle powerhouse comprise the J.C. Boyle peaking reach. This 17-mile reach is where the KHP crosses from Oregon into California and ends at the Copco No. 1 reservoir. J.C. Boyle is the largest power producer in the KHP. When conditions permit, J.C. Boyle functions as a peaking facility.

East Side, West Side, and Keno: The three most upstream facilities of the current KHP are the East Side and West Side facilities located adjacent to BOR's Link River Dam, and PacifiCorp's Keno Dam. PacifiCorp proposes to remove these facilities from its FERC license, and decommission the hydropower generation capabilities associated with these facilities. Given that PacifiCorp is proposing to remove these facilities from its FERC license, and because these facilities are in Oregon (upstream of J.C. Boyle), the State Water Board does not intend to address the operations or modifications to these facilities in the EIR.

California Facilities (described in order from downstream to upstream):

Iron Gate Dam: Iron Gate Dam, located at RM 190, is a 189-foot tall earthen dam that impounds water in Iron Gate Reservoir. The dam is equipped with a non-gated side channel spillway, intakes for a diversion tunnel and penstock, a steel penstock from the reservoir to the powerhouse, and an 18 MW powerhouse at the base of the dam. Iron Gate Dam supplies cold water to Iron Gate Hatchery which is located just below Iron Gate Dam and powerhouse. Iron Gate Hatchery raises steelhead, coho salmon, and chinook salmon.

Copco No. 2: Copco No. 2, located at RM 198.3 is a 33-foot tall dam that impounds approximately 73 acre-feet of water. A 1.4-mile long water conveyance system transports water to a 27 MW powerhouse. Because the reservoir capacity of Copco No. 2 is minimal, its operations mimic those of Copco No.1. Water diversions for hydropower generation at Copco No. 2 create a 1.5-mile-long bypass reach.

Copco No. 1: Copco No. 1, located at RM 198.6, is a 126-foot tall dam that impounds a deep, 1,000 surface-acre reservoir. Copco No. 1 is equipped with a spillway, outlet works, and intake facilities for the powerhouse. The powerhouse has an authorized capacity of 20 MW and is located immediately downstream of the dam and discharges to Copco No. 2 reservoir. There is no bypass reach for this facility.

Fall Creek: The Fall Creek facility is located on Fall Creek, a tributary to the Klamath River which flows into Iron Gate Reservoir. The Fall Creek facility includes a diversion dam with no active storage, a 5-foot-long spillway, a power canal, a steel penstock and a powerhouse. The total authorized generation capacity is 2.2 MW, and it operates in run-of-the-river mode.

When conditions permit, J.C. Boyle, Copco No. 1 and Copco No. 2 function as peaking facilities. Iron Gate Dam regulates releases from upstream KHP facilities. Iron Gate Dam makes releases in compliance with a joint Biological Opinion (BO) issued in May 2013, by the National Marine Fisheries Service and United States Fish and Wildlife Service for the BOR's Klamath Irrigation Project. PacifiCorp operates Iron Gate Dam flow releases in compliance with BOR's BO.

FERC RELICENSING PROCESS

The KHP is subject to regulation by FERC. FERC issues licenses for construction and operation of hydroelectric projects. Major licenses issued by FERC usually last 30-50 years. In February 2004, PacifiCorp filed an application for a new major license to operate and maintain the KHP. On March 1, 2006, PacifiCorp's existing FERC license to operate the KHP expired. PacifiCorp continues to operate the KHP under annual licenses issued by FERC.

FERC is responsible for the development and certification of the federal environmental document for the KHP, in compliance with the National Environmental Policy Act (NEPA). FERC released a draft Environmental Impact Statement (EIS) under NEPA in September 2006, and received extensive comments from agencies and interested parties. FERC's draft EIS evaluated the probable effects, including site-specific and cumulative effects to PacifiCorp's Proposed Project (PacifiCorp's Proposal) and alternatives to PacifiCorp's Proposal. PacifiCorp's Proposal is continued operations of the KHP with the addition of 41 environmental measures. FERC released its final EIS in November 2007. In November 2007, FERC issued its final EIS, which recommended PacifiCorp's Proposal with additional FERC staff recommendations (FERC Staff Alternative). A summary of the alternatives evaluated in the FERC EIS is provided below.

FERC EIS Alternatives:

The FERC EIS evaluated six alternatives, as follows:

- **No Action Alternative:** This alternative consists of continued operations of the KHP under current conditions.
- **PacifiCorp's Proposal:** As described in the PacifiCorp's FERC relicensing application, this alternative proposes 41 changes to current operations to address environmental issues. The changes include: installation of fish ladders and screens on Fall and Spring Creek diversions; improvements of the existing J.C. Boyle fish ladder; oxygenation of Iron Gate Reservoir and further evaluation of water quality improvements; increased marking of hatchery fish; altering some flows and ramping rates to improve aquatic habitat; gravel placement; and development and implementation of vegetation, wildlife, recreation, visual, roadway, and historic properties management plans. PacifiCorp's proposal also changes the KHP boundary by removing three Oregon facilities, and adding an existing water diversion on Spring Creek.
- **FERC Staff Alternative:** The FERC staff alternative recommended PacifiCorp's Proposal with modifications. The modifications include: evaluation of a different method to increase oxygen below Iron Gate Reservoir; amended flow and ramping requirements; expansion and increased funding of hatchery operations; and implementation of a fish passage and disease management program that includes trap and haul of anadromous fish at Iron Gate and J.C. Boyle dams, disease research and monitoring, and monitoring and evaluation of fish passage options.
- **FERC Staff Alternative with Mandatory Conditions:** This alternative incorporates the federal agencies mandatory conditions into the FERC Staff Alternative, and removes or modifies (as applicable) FERC staff recommended measures. Key differences include installation of volitional fish passage at all KHP facilities instead of a fish passage and disease management plan, increased minimum instream flows, and decreased peaking operation at J.C. Boyle.
- **Retirement of Copco No. 1 and Iron Gate Developments:** This alternative evaluated the removal of Copco No. 1 and Iron Gate dams.
- **Four Dam Removal Alternative:** This alternative evaluates removal of J.C. Boyle, Copco No. 1, Copco No. 2, and Iron Gate dams.

When an EIS for a project has already been completed, the CEQA lead agency should use the federal EIS as the EIR, if the EIS complies with CEQA. (Cal Code Regs, tit. 14, § 15221, subd. (a).) In this instance, the EIS meets many of the requirements of CEQA, and will inform the EIR. In some areas, however, the EIR must differ from the EIS in order to:

- Reflect the independent judgment of the State Water Board (See Cal. Code Regs., tit. 14, §§ 15090, 15084, subd. (a).);
- Incorporate more recent information and alternatives important to environmental review;

- Ensure that sufficient information is disclosed regarding the potential environmental impacts of a range of conditions the State Water Board may impose to meet water quality standards; and
- Analyze impacts to subject areas not addressed under NEPA, including new resource areas for analysis added in 2015.

KLAMATH SETTLEMENT AGREEMENTS

Concurrent to the FERC Relicensing Process, the following three Settlement Agreements (collectively referred to as Settlement Agreements) have been executed by a number of parties with varying interests in the Klamath Basin: 1) Klamath Hydroelectric Settlement Agreement (KHSA); 2) Klamath Basin Restoration Agreement; and 3) Upper Klamath Basin Comprehensive Agreement. The Settlement Agreements: 1) provide a framework for removal of four Project dams (J.C. Boyle, Copco No. 2, Copco No. 1, and Iron Gate); 2) address water supply and allocation issues; and 3) undertake substantial water quality improvement measures in the Upper Klamath Basin.

In accordance with the KHSA, on September 15, 2011, BOR and the California Department of Fish and Game (now known as the California Department of Fish and Wildlife) released a draft EIR/EIS for KHP dam removal through implementation of the KHSA (KHSA EIR/EIS). The final KHSA EIR/EIS was circulated in December 2012, but has not yet been certified. Interim actions undertaken as part of the KHSA have spurred development of significant new information relevant to the certification.

Implementation of the Settlement Agreements, which could serve as an alternative to the FERC Relicensing Process, currently requires federal legislation. For the KHSA⁴, federal legislation would halt the FERC Relicensing Process and grant the Secretary of the United States Department of the Interior the authority to determine whether dam removal is in the public interest and would advance salmon restoration.

The Settlement Agreements are supported by a large number of tribal, federal, and state governments. The State Water Board is not a party to any of the Settlement Agreements, and maintains its independent authority to ensure the KHP meets water quality standards. While the State Water Board is not a party to any of Settlement Agreements, the State Water Board recognizes that, as proposed, the Settlement Agreements' scope exceeds the scope of PacifiCorp's KHP and provides benefits that may not be provided through the FERC Relicensing Process.

Since 2011, several attempts have been made to pass federal legislation. Most recently, on January 8, 2015, Senator Ron Wyden of Oregon introduced *Senate Bill 133, The Klamath Basin Water Recovery and Economic Restoration Act of 2015*. If enacted, Senate Bill 133 would grant the Secretary of the Interior the authority to determine if dam removal will advance the restoration of Klamath Basin salmonids fisheries and is in the public interest and removal of the KHP from the FERC Relicensing Process. If Senate Bill 133 is enacted and the KHP is removed from the FERC Relicensing Process, PacifiCorp's current KHP certification application would be moot. Should this occur, the scoping meetings will be canceled.

KHSA EIR/EIS Alternatives:

⁴ The other agreements require federal legislation for a range of terms, including expanding reservation lands, funding restoration projects, and supporting water reallocation.

The KHSA EIR/EIS will also inform the EIR. The KHSA EIR/EIS analyzed the following alternatives:

- **No Action/No Project Alternative:** This alternative included continued operations of the KHP consistent with terms of PacifiCorp's annual license.
- **Full Facilities Removal of Four Dams:** This alternative included removal of four KHP facilities (Iron Gate, Copco No. 1 and Copco No. 2, and J.C. Boyle). This alternative involved full removal of the dams, power generation facilities, water intake structures, canals, pipelines, ancillary buildings, and dam foundations to create a free flowing river.
- **Partial Facilities Removal of Four Dams:** This alternative included partial facility removal of Iron Gate, Copco No. 1, Copco No. 2, and J.C. Boyle facilities to create a free flowing river and allow for volitional fish passage for all anadromous species at all times.
- **Fish Passage at Four Dams:** This alternative included fish passage facilities at Iron Gate, Copco No. 1, Copco No. 2, and J.C. Boyle facilities. This alternative would retain all hydropower generating facilities, though operations of the facilities would change.
- **Fish Passage at J.C. Boyle and Copco No. 2 with Removal of Copco No. 1 and Iron Gate Dams:** This alternative included full removal of Iron Gate and Copco No. 1 facilities, and installation of upstream and downstream fish passage facilities at both J.C. Boyle and Copco No. 2 dams.

STATE WATER BOARD'S WATER QUALITY CERTIFICATION

The State Water Board's certification process is occurring as part of the FERC Relicensing Process. Section 401 of the Clean Water Act (33 U.S.C. § 1341) requires every applicant for a federal license or permit, such as a FERC license, that may result in a discharge into navigable waters to provide the federal licensing or permitting agency with certification that the project will be in compliance with state water quality standards and other relevant requirements of state law. Section 401 provides that conditions of certification shall become conditions of any federal license or permit for the project. The State Water Board is the agency in California that is responsible for certification of any potential discharge from an activity that requires a FERC license or amendment (Wat. Code, § 13160; Cal. Code Regs., tit. 23, § 3855, subd. (b)). The issuance of a section 401 certification is a discretionary action subject to CEQA compliance. Because there are potentially significant impacts associated with the KHP, the State Water Board has decided to prepare an EIR.

The State Water Board understands that there are water quality impacts associated with the KHP. The Klamath River is listed on the 2012 CWA Section 303(d) List of Impaired Water Bodies ([2012 Integrated Report](#)). Klamath River and KHP facility listings are as follows:

- The Klamath River from the Oregon border to the Pacific Ocean is listed for nutrients, organic enrichment/low dissolved oxygen, and temperature.
- Iron Gate and Copco No. 1 reservoirs are listed for mercury and for a liver toxin produced by blue-green algae, called microcystin.
- The Klamath River from Copco No. 1 Reservoir to the Trinity River is listed for microcystin.

- The Klamath from the Trinity River to the Pacific Ocean is listed for sediment.
- The Klamath River from Iron Gate Dam to the Scott River is listed for aluminum.

Under provisions of the CWA, a certification may be issued if the State Water Board determines that a project will comply with specified provisions of the CWA, including water quality standards and implementation plans, and other relevant requirements of state law. The State Water Board will determine whether the KHP adequately protects the beneficial uses and meets the water quality objectives for water bodies affected by the KHP, as defined in the *Water Quality Control Plan for the North Coast Region* (Basin Plan), as well as other relevant standards. Additional information concerning the Basin Plan and designated beneficial uses is available at the following website:

http://www.waterboards.ca.gov/northcoast/water_issues/programs/basin_plan/basin_plan.shtml

PacifiCorp's Application for Certification and Associated Actions:

On March 29, 2006, PacifiCorp applied for a certification from the State Water Board. At the request of PacifiCorp and other settlement parties, the State Water Board made several decisions to hold the certification in abeyance in order to allow interested parties to focus on finalizing a settlement agreement for potential dam removal, implement a series of interim measures that further developed the information the State Water Board needed to issue a certification, and work to further federal legislation for some of the Settlement Agreements. On July 1, 2013, the KHP's fourth State Water Board abeyance lifted and the KHP resumed the California certification process. On August 15, 2014, PacifiCorp submitted an updated certification application to the State Water Board, at the State Water Board's request.

In April 2015, the State Water Board and PacifiCorp began negotiating a new memorandum of understanding (MOU) for preparation of environmental documents for the KHP. These negotiations were successfully completed in early September 2015. In September 2015, PacifiCorp issued a request for proposals for a consultant to complete the State Water Board's CEQA process. PacifiCorp has selected, with State Water Board concurrence, a consultant to perform the work. In November 2015, PacifiCorp entered into a contract with AECOM Technical Services, Inc. to perform CEQA work for the KHP under the State Water Board's direction. It is anticipated that the new three-party MOU for preparation of the environmental document will be in place in early December 2015, and that AECOM Technical Services, Inc. will assist with the scoping meetings.

Though separate, both the FERC and Settlement Agreements processes have a mutual goal to improve environment resources in the KHP area. The State Water Board, however, is not a signatory to the Settlement Agreements, and has an independent duty to evaluate the water quality certification application independent of the Settlement Agreements. Information developed during the FERC Relicensing Process can benefit the Settlement Agreements Process by providing updated information on environmental resources and KHP impacts for the California portion of the KHP (KHSA, Section 3.2.1 *Support for Secretarial Determination*). Likewise, documents and information developed for the Settlement Agreements Process will inform the development of the State Water Board's EIR. State Water Board staff will continue to work collaboratively with all interested parties. State Water Board staff will continue to work with the KHSA's Interim Measure Implementation Committee which is working towards the development of projects to improve water quality.

CEQA INFORMATION

The State Water Board must comply with CEQA prior to issuing a certification. The State Water Board has determined that the FERC EIS does not fully comply with the requirements of CEQA, and therefore has determined that it is necessary to prepare a separate EIR in conformance with CEQA Guidelines. The CEQA Project objectives are to:

- Modify the KHP, as needed, to comply with California water quality standards, and in conformance with mandatory conditions established as part of the FERC license process.
- Continue to generate power from a renewable resource to serve KHP customers to the extent compatible with water quality standards and mandatory conditions established as part of the FERC Relicensing Process.

The State Water Board recognizes there is a wide range of project alternatives for consideration. In addition to the No Project Alternative, alternatives may include but are not limited to: PacifiCorp's Project as proposed in its August 2014 water quality certification application, updated with mandatory conditions; removal of the three mainstem KHP facilities in California; the FERC staff alternative with mandatory conditions; removal of some or all of the California mainstem dams; and implementation of the Settlement Agreements measures to the extent the Settlement Agreements effect California's environmental resources. Any feasible alternative must demonstrate the ability to meet California water quality standards.

The State Water Board also recognizes that a range of mitigation measures are available, and will be considered in the EIR. Modifications to the Oregon facilities will be addressed through the Oregon Department of Environmental Quality's water quality certification. The EIR will address operation and potential modification of Oregon facilities to the extent modifications impact California environmental resources.

Impact areas studied in the FERC EIS are:

- Aquatic Resources
- Cultural impacts
- Geology and Soils
- Land Use and Aesthetics
- Recreation
- Socioeconomic Impacts
- Terrestrial Resources
- Threatened and Endangered Species
- Water Resources

The EIR will incorporate the portions of these discussions that concern impacts in California, to the extent the discussions conform with the independent judgment of the State Water Board, and are unchanged by additional information obtained since issuance of the FERC EIS. The EIR will supplement these discussions as necessary.

The State Water Board's EIR will also include the following areas required by CEQA:

- Air Quality
- Agriculture and Forestry Resources
- Cumulative Impacts
- Greenhouse Gas Emissions
- Growth-Inducing Impacts
- Hazards and Hazardous Materials
- Mineral Resources
- Noise
- Population/Housing
- Public Services
- Transportation and Traffic
- Tribal Cultural Resources
- Utilities/Service Systems

SUBMITTAL OF WRITTEN COMMENTS

Please send your written scoping comments to the address below. Please provide a contact person and contact information in case there are questions about the comments. If you have previously submitted scoping comments, these remain in the record, and will be considered. **The comment deadline is 5:00 pm on January 29, 2016.**

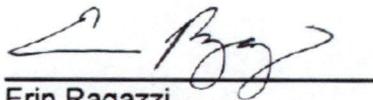
State Water Resources Control Board
Division of Water Rights
Water Quality Certification Program
Attention: Mr. Parker Thaler
P.O. Box 2000
Sacramento, CA 95812-2000

Phone: (916) 341-5321
Fax: (916) 341-5400
Email: parker.thaler@waterboards.ca.gov

QUESTIONS AND ADDITIONAL INFORMATION

General questions should be directed to Mr. Parker Thaler at (916) 341-5321 or parker.thaler@waterboards.ca.gov.

Information related to the certification for the KHP is posted on the State Water Board's KHP webpage, which is available online at:
http://www.waterboards.ca.gov/waterrights/water_issues/programs/water_quality_cert/klamath_ferc2082.shtml



Erin Ragazzi
Water Quality Certification Program Manager
Division of Water Rights

NOV 30 2015

Date