



# United States Department of the Interior



BUREAU OF RECLAMATION  
Mid-Pacific Regional Office  
2800 Cottage Way  
Sacramento, California 95825-1898

IN REPLY REFER TO:

MP-200  
PRJ-4.00

APR 20 2010

Ms. Dale K. Hoffman-Floerke  
Deputy Director  
California Department of Water Resources  
P.O. Box 94236-0001  
Sacramento, California 94236-0001

Mr. David W. Moller  
Director, Hydro Licensing Generation  
Pacific Gas and Electric Company  
245 Market Street  
San Francisco, California 94177

HYDRO LICENSING		
ORIG.  LV	APR 22 2010	CC:
FERC NO. 1121	TRACK NO.	
FILE NO.	ACTION:	

Subject: Draft Habitat Expansion Plan (HEP) for Central Valley Spring-Run Chinook Salmon and California Central Valley Steelhead

Dear Ms. Hoffman-Floerke and Mr. Moller:

Pursuant to your request, the Bureau of Reclamation has reviewed the November 2009 Draft Habitat Expansion Plan for Central Valley Spring-Run Chinook Salmon and California Central Valley Steelhead (Draft Habitat Expansion Plan), and offers the following comments.

- Overall, Reclamation supports the proposal to provide partial funding for Phase 2 of the Battle Creek Salmon and Steelhead Restoration Project (Restoration Project), pursuant to the *June 1999 Memorandum of Understanding By and Among the National Marine Fisheries Service, U.S. Bureau of Reclamation, U.S. Fish and Wildlife Service, California Department of Fish and Game, and Pacific Gas and Electric Company for the Proposed Battle Creek Salmon and Steelhead Restoration Project* (Restoration Project MOU). Note that, at this time, Reclamation does not have funding for Phase 2 of the Restoration Project.
- Reclamation acknowledges that National Marine Fisheries Service (NMFS) Biological Opinion on the Long-Term Operations of the Central Valley Project and State Water Project, issued on June 4, 2009, requires Reclamation to direct discretionary funds to implement the Battle Creek Salmon and Steelhead Restoration Project and further requires Reclamation and the California Department of Water Resources (DWR) to submit a written report to NMFS on the status of the project, including phases completed, funds expended, effectiveness of project actions, additional actions planned (including a schedule for further actions), and additional

funds needed. These requirements are also discussed within the Executive Summary, second and third paragraphs on page ES-8; Section 5.2.1.2, beginning third paragraph on page 5-11 and extending to first paragraph on page 5-12; and Section 9.3.8.1, third paragraph on page 9-13 and extending to first paragraph on page 9-14 of the Draft Habitat Expansion Plan. While Reclamation acknowledges the Biological Opinion requirement, at this time no discretionary funds have been identified for the Restoration Project.

3. The following language is contained within Executive Summary, first paragraph on page ES-9; Section 5.2.1, second paragraph on page 5-13; Section 9.3.4.1 on page 9-10; and Section 9.3.6, first paragraph on page 9-11 of the Draft Habitat Expansion Plan:

“Prior to submitting a final HEP, the Licensees will consult with the signatories of the Battle Creek Restoration Project MOU concerning additional partners for full funding of Phase 2. After the remaining funds needed to complete Phase 2 have been secured, the Licensees would provide up to a \$16.9 million contribution pursuant to cost sharing provisions agreed to by DWR and PG&E for implementation of the HEA. Consistent with those provisions, PG&E will be the performing party for construction of capital improvements associated with the \$16.9 million contribution. In order to provide consistency and continuity in construction of capital improvements for all of Phase 2, the Licensees favor PG&E’s role as performing party for construction of all Phase 2 capital improvements.”

It is unclear what PG&E’s role as a performing party is. The provision seems to be in conflict with the Battle Creek Restoration MOU. Please provide clarification. Since the proposed funding only partially covers requirements for completing Phase 2, a comprehensive integrated plan should be developed for implementing Phase 2. Prior to proceeding, the licensees must consult with the parties to the 1999 Battle Creek Restoration MOU.

If you have any questions, please contact Ms. Mary Marshall, Restoration Project Manager, at 916-978-5248 or [mmarshall@usbr.gov](mailto:mmarshall@usbr.gov).

Sincerely,



David W. Gore  
Assistant Regional Director  
Technical Services