

Update on Russian River Water Forum and Potter Valley Project

City Council Meeting
October 24, 2023

Jennifer Burke – Santa Rosa Water Director

Potter Valley Hydroelectric Project

- ~9.4 MW hydroelectric project owned and operated by PG&E, In operation for more than 100 years
- Prior to 2007, 150,000 acre-feet (AF) of water transferred from Eel River into Upper Russian River watershed. Since 2007, average 60,000 AF
- PG&E decided not to re-license the project, going through license surrender and decommissioning process
- Without transfer of water, 8 out of 10 years not enough water to meet all the needs of the upper Russian River
- In 2 of those 8 years, Lake Mendocino predicted to go dry



Council Policy Direction

BPU recommended and Council supported the following:

- Support continued flow of water from the Project into the Russian
 - Maintain water supply reliability of the Russian River
 - Support the significant investments made by Sonoma Water and the water contactors in restoration
- Generally support establishment of a Regional Entity to acquire elements of the Project and water rights
- Indicate receptiveness to contributing funding proportional to the benefit received
- Ensure any decisions regarding the continued flow of water from the Project are consistent with the Restructured Agreement for Water Supply
- Continue to seek opportunities for meaningful input on the Russian River Water Forum and water supply resiliency projects evaluation

Sonoma Water Grant Projects

- Sonoma Water received funding from the California Department of Water Resources Urban and Multi-benefit Drought Relief Grant Program to support water supply resiliency planning
 - Creation of the Russian River Water Forum
 - Potter Valley Water Supply Reliability
 - Potter Valley Project Facility Assessment

Russian River Water Forum (RRWF)

- RRWF focus on exploring a solution to continue the diversion with the pending PVP license surrender and decommissioning
- Planning Group
 - Technical Staff
 - Lake, Humboldt, Mendocino and Sonoma county governments
 - Tribal governments in Russian River and Eel River basins
 - Water suppliers, Environmental NGOs, Agriculture interests , Resource Conservation Districts, Public and private recreation interests



RRWF Planning Group

- Initial meeting – May 17th
 - Reviewed purpose of the RRWF, draft charter, overview of proposed working groups
- Second meeting – June 12th
 - Reviewed charter, reviewed PG&E decommissioning schedule, discussed working groups and steering committee
- Third meeting – July 13th
 - Summary of Water Supplies & Fisheries technical briefing, Water Rights technical briefing, and presentations on Russian River water supply resiliency efforts
- Fourth meeting – August 17th
 - Overview of Proposal for Eel-Russian Facility and role of planning group
- Fifth meeting – October 5th
 - Role of planning group and presentations by Lake County on impacts to Lake Pillsbury



PG&E's License Surrender and Decommissioning Schedule

- November 2023 – PG&E to share draft surrender application and decommissioning plan
- May 2024 – Final draft surrender application and decommissioning plan
- January 2025 – Final surrender application and decommissioning plan submitted to Federal Energy Regulatory Commission (FERC)
- PG&E has said that its application would:
 - Propose to remove Scott and Cape Horn Dams and
 - End any operations, including water diversions to the Russian River,
 - Unless it received a complete and credible proposal in July 2023



Proposal – New Eel-Russian Facility

- Submitted to PG&E July 31st, with an update on Aug 3rd
- Project Proponents are:
 - Mendocino County Inland Water & Power Commission
 - Round Valley Indian Tribes
 - Sonoma Water



Proposal – New Eel-Russian Facility

- Proponents requested PG&E include in the final license surrender application, if consistent with the schedule outlined, a Regional Entity that has:
 - Been formed and has the legal, and is developing the financial, capacity to own, construct and operate the facility (Dec 2023)
 - Selected a design that fully implements co-equal goals of fish migration and water diversions
 - Agreed with PG&E on a Purchase and Sale Agreement for specific project facilities (Nov 2024 – agreement on terms)
 - Received support from NMFS, CA DFW, representative governmental and non-governmental entities in Russian and Eel River basins

Proposal Submitted to PG&E

If proposal accepted, proponents would:

- Form a JPA as a Regional Entity
- Convene a table to negotiate a settlement agreement
- Develop the financial capacity for ownership, construction, and operation of the Facility
- Agree with PG&E on terms for a Purchase and Sale Agreement
- Acquire and modify the PVP's water diversion facilities and construct a New Eel-Russian Facility



Project Facilities and Design Options

- List of various facilities and appurtenances associated with Cape Horn Dam and Van Arsdale Diversion to be transferred to the Regional Entity
- List of facilities and appurtenances for partial transfer and/or where further discussion is needed to determine whether to transfer
- Two design options for the New Eel-Russian Facility being considered
 - Control section with pump station: Modify and lower Cape Horn Dam, and construct a pump station to divert water
 - Roughened channel with gravity supply: Remove the concrete gravity portion of Cape Horn Dam and construct a roughened channel and weir near diversion facility



Next Steps

- Formation of Interim Regional Entity by end of year
- Agreement on terms for a purchase and sale agreement and settlement agreement
- Financial Capacity
 - Russian River Water Rights Holders
 - Capital Funding
 - Operations and Maintenance Funding
 - Cost for Water Supply Reliability
- Address water right constraints
 - Many water users will not have legal access to water
- 30% design options anticipated May 2024
 - Sonoma Water applied for Bureau of Recreation Grant to continue design effort
- RRWF Planning Group
 - Continue to meet monthly
 - Provide input to Project Proponents

Questions?



<https://russianriverwaterforum.org/>



[Sonomawater.org/RegionalPartnership](https://sonomawater.org/RegionalPartnership)