

A Legacy For All Californians

The 2003 settlement that ultimately allowed Pacific Gas & Electric (PG&E) to exit bankruptcy contained an unprecedented Land Conservation Commitment to protect and enhance approximately 140,000 acres (220 sq mi) of watershed lands and in the Sierra Nevada and Cascade mountain ranges. In addition, the settlement provides environmental education and recreation opportunities for underserved youth in PG&E's ratepayer territory. These lands, many of which are connected to PG&E's vast network of hydropower facilities, offer valuable benefits to Californians, including protection of water quality, fish and wildlife habitat, open space, and recreation.

The future ownership and uses of these watershed lands are currently undergoing a multi-year planning process, which will result in a Land Conservation Plan to be submitted to the California Public Utilities Commission in 2007.

Public participation is important and you can help decide the future of the watershed lands. On this website you will find out about:

- * The Pacific Forest and Watershed Lands Stewardship Council: the nonprofit corporation directing implementation of the Land Conservation Commitment and the Youth Investment Program.

- * The Land Conservation Commitment: which public values will be protected and the rights reserved by PG&E.

Watershed land descriptions: the broad range of public benefits they provide.

- * The Land Conservation Plan: the process to determine the future status and uses of these lands.

- * Timeline of Land Conservation Plan and public input: stages of the planning process and how to provide the Stewardship Council with your input.

- * The Youth Investment Program: the program to provide environmental education and recreational opportunities for underserved youth.

About the Pacific Forest and Watershed Lands Stewardship Council

The mission of the Pacific Forest and Watershed Lands Stewardship Council (Stewardship Council) is to oversee the preparation of the Land Conservation Plan and the implementation of the Land Conservation Commitment. The Stewardship Council also oversees the Youth Investment Program, which will provide environmental and outdoor education and recreation opportunities for underserved youth.

The Stewardship Council, a non-profit corporation, was created by the Public Utilities Commission's December 2003 decision resolving PG&E's bankruptcy.

<< Visit the Stewardship Council's website

The Stewardship Council is governed by a Board of Directors representing diverse interests, including:

- * PG&E
- * The California Public Utilities Commission
- * State environmental agencies
- * Rural Counties
- * Agriculture and forestry interests
- * Environmental organizations
- * Native Americans
- * Three public members appointed by the CPUC

The Stewardship Council's mission is carried out by a small staff, headed by the Executive Director.

The Stewardship Council will make decisions by unanimous consensus. If directors object to a proposed consensus, the issue will be resolved by a procedure specified in the Council's by-laws.

The land disposition decisions proposed in the Land Conservation Plan and adopted by the Stewardship Council, like all other proposals to dispose of lands owned by a regulated utility, will not take affect until they are approved by the California Public Utilities Commission.

The Stewardship Council will be funded by PG&E for 10 years: \$7 million per year for implementation of the Land Conservation Commitment and \$3 million per year for the Youth Investment Program. These expenditures will be funded from PG&E's electricity revenues.

The \$70 million available for implementation of the Land Conservation Commitment is substantially larger than the predicted cost of preparing Land Conservation Plan and disposing of the watershed lands. The remaining funds will be expended for physical measures to protect and enhance the beneficial public values of the watershed lands.

FOR MORE INFORMATION

The Stewardship Council's website makes available comprehensive information about the Council and its activities.

Read the CPUC decision specifying how the Stewardship Council functions (the Stipulation) and a brief chronology of the principal events which led to the creation of the Council.

How the Stewardship Council Came to Be

Principal events preceding the Land Conservation Commitment and Creation of the Stewardship Council

Mid 2000 to early 2001: The "energy crisis"; the California electricity market becomes dysfunctional and wholesale electricity prices skyrocket. PG&E and other utilities spend billions on this expensive power which they cannot recover from fixed retail rates

April 2001: PG&E voluntarily declares bankruptcy under Chapter 11

September 2002: The California Public Utilities Commission (CPUC) files an alternative, much different plan of reorganization.

November 2002: Bankruptcy Court proceedings begin.

March 2003: The Bankruptcy Court orders PG&E and the CPUC to attempt to negotiate a settlement

June 2003: PG&E and the CPUC announce a Proposed Settlement Agreement, including the Land conservation Commitment, and file it with the Bankruptcy Court.

July 2003: The CPUC begins consideration of the Proposed Settlement Agreement. Numerous parties, including the California Hydropower Reform Coalition, submit testimony regarding the Land Conservation Commitment. The principal problem with the

Commitment is the lack of specification of how the Commitment will be implemented.

September 9, 2003: The CPUC invites the submitters of testimony to “come up with a resolution” – within 15 days – of issues related to the Land Conservation Commitment.

September 25, 2003: The Stipulation resolving issues related to the Land Conservation Commitment is presented to the CPUC.

December 19, 2003: The CPUC issues its final decision specifying the conditions for PG&E’s exit from bankruptcy. The Land Conservation Commitment , the Stipulation, and creation of the Youth Investment Program are included in this decision.

January 5, 2004: The Bankruptcy Court approves the CPUC decision.

April 12, 2004: PG&E exits from bankruptcy.

April 29, 2004: The Stewardship Council holds its first meeting.

Timeline and Public Input

- * Summer 2005: assemble data on the watershed lands
- * July-August 2005: hold public open houses in watershed communities (completed)
- * September 2005: begin analyzing the constraints and opportunities that the Plan must address
- * Summer 2006: develop and evaluate alternative dispositions of the lands
- * Summer 2006: hold another series of open houses in watershed communities
- * April 2007: complete the Land Conservation Plan

Planning Process Updates

Ask the Stewardship Council (contact information below) to add your name to their contact list. Include your e-mail and postal addresses in your request.

Public Input

The Stewardship Council is inviting local stakeholders to provide information on specific watershed lands. Specifically, the Council is looking for information on:

- * watershed land current uses and values
- * how these lands should be protected and/or enhanced to benefit the public
- * who might be in the best position to manage these lands over the long term.

Upcoming Public Meetings

- * 2006 Stewardship Council Public Meeting Calendar

Don't Delay!

Input received by the Council early in the planning process is more likely to be fully considered.

Stewardship Council contact information:

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PG&E Watershed Lands

Spanning 22 counties and totaling nearly 1,000 parcels, these 140,000 acres of watershed lands provide numerous public benefits: clean water, fish and wildlife habitat, scenic open space, and opportunities for fishing, hunting, boating, hiking, and other recreation.

Examples of well-known areas in the watershed lands include:

- * The outstanding fishing on beautiful Hat Creek in the Pit River watershed
- * The lakes in the scenic Grouse Lakes area of the Yuba River watershed, Tahoe National Forest
- * forest, wetland, and meadows in the Middle Fork Stanislaus River canyon above Lyons Reservoir.

Protected from development, and with their public values safeguarded, the watershed lands will be a valuable legacy for future generations.

For information on the location and breadth of the watershed lands, download the Watershed Lands maps.

- * Pit-McCloud
- * Cow-Battle Creek
- * Feather River/Butte Creek
- * Potter Valley
- * Yuba-Bear
- * Upper Mokelumne
- * Stanislaus
- * Willow Creek/Kings River
- * Kern-Tule

Cow and Battle Creek Watersheds

Battle Creek watershed

- * Battle Creek
- * North Battle Creek Reservoir
- * Grace and Nora Lakes
- * Macumber (or McCumber) Lake

Cow Creek watershed

Battle Creek Watershed

Battle Creek: The Department of Fish & Game's Battle Creek Salmon and Steelhead Restoration Project will invest at least \$40 million from several sources in the recovery of spring and fall run chinook salmon in the Battle Creek watershed, including the decommissioning of dams downstream from the Battle Creek hydroelectric project. Forty-one miles of salmon and steelhead habitat will potentially be restored. Several alternative implementations of the restoration have been proposed and are presently undergoing environmental review.

PG&E owns about 3,000 acres scattered across the Battle Creek watershed, almost all contiguous with other private ownerships. Brush Spring, an important source of Battle Creek, is on PG&E land. Only the lands containing hydroelectric facilities are under FERC license.

These watershed lands include about 7 miles of stream frontage on existing and potential salmon and steelhead habitats. The Battle Creek watershed also includes vernal pools, shaded riverine aquatic habitats, blue oak woodlands, and a portion of the East Tehama Deer Herd's winter range. Future management of the watershed lands should ensure that the salmon and steelhead habitats and other natural values are fully protected.

North Battle Creek Reservoir: This 80-acre reservoir near the headwaters of North Battle Creek provides opportunities for fishing and boating on an uncrowded and natural-looking body of water. Only boats powered by electric motors are allowed on the lake. PG&E owns a total of 1,280 acres, including almost the entire lakeshore and lands upstream of the lake. There is a small campground. Only lands in the vicinity of the lake are within the FERC license boundary. The watershed lands are entirely surrounded by national forest land.

Grace and Nora Lakes: These two very small lakes are easily accessible from Highway 44. They are heavily planted with hatchery trout and support considerable local recreation. There are several attractive trails in the vicinity of the lakes. PG&E owns their entire shorelines.

Macumber (or McCumber) Lake: This 85-acre reservoir is a forebay on the North Fork of Battle Creek west of Lassen National Park. It is popular with flyfishers attracted to the wild brown trout fishery. Only boats powered by electric motors are allowed on the lake. PG&E owns the entire one-mile shoreline and 360 acres around the lake; about half this land is under FERC license. The shallow northern shoreline provides good habitat for waterfowl and wading birds. PG&E has recently completed a wetland enhancement project.

Cow Creek Watershed lands

PG&E recently concluded an agreement with other stakeholders not to pursue relicensing of the Kilarc-Cow Creek Project. If no other entity applies for the license, the project may eventually be decommissioned and eight miles of habitat for salmon, steelhead, and trout restored. PG&E owns about 2,300 acres of oak and pine woodlands around South Cow Creek. These lands are surrounded by other private ownerships.

Feather River (and Butte Creek) Watersheds

North Fork Feather River watershed

- * Lake Almanor
- * Mountain Meadows Reservoir
- * Hamilton Branch of the North Fork Feather River
- * Butt Valley Reservoir
- * Yellow Creek and Humbug Valley
- * North Fork Feather River
- * Bucks Lake

West Branch Feather River watershed

- * Philbrook Lake

Butte Creek watershed

- * Butte Creek

North Fork Feather River watershed

Lake Almanor: Lake Almanor, with a surface area of 28,000 acres and 52 miles of shoreline, is the largest lake in the PG&E hydroelectric system. About 12 miles of the shoreline are owned by PG&E, including a continuous strip of several miles along the southeast shoreline. The PG&E lands along the lakeshore enhance the scenic beauty of the lake, provide wildlife habitat, and provide lake access and land for campgrounds and multi-use trails. About 8 miles of the southwest shoreline are national forest land. PG&E operates six campgrounds with a total of 320 units; there were 62,000 visits to these campgrounds in 1996. Recreational facilities at Lake Almanor are usually fully utilized between Memorial Day and Labor Day.

Gould Swamp, the upper arm of Lake Almanor north of the Chester causeway, is a flooded meadow at high water and mudflats and marsh at low water. It is excellent habitat that is heavily used by shorebirds and waterfowl. Special-status species observed in the area include bald eagle, northern goshawk, and greater sandhill crane. About half of the 7.5 miles of Gould Swamp's shoreline (about 450 acres of dry land) is owned by PG&E. Future ownership and management of these upland parcels must protect this exceptional habitat.

Mountain Meadows Reservoir: Mountain Meadows Reservoir is a 5,800-acre impoundment on the Hamilton Branch of the North Fork Feather River. The lake is shallow and the marshy shoreline has high wildlife values, particularly for waterfowl. Threatened, endangered, sensitive, or other special status species that occur or potentially occur at the lake include 41 plants, 12 mammals, 10 birds, 6 amphibians, and one invertebrate. Noteworthy species known to occur include the bald eagle, greater sandhill crane, great blue heron, black-crowned night heron, white-faced ibis, osprey, kingfisher, and a very high density of nesting waterfowl, including the beautiful wood duck.

PG&E owns the entire 22-mile shoreline, and none of the 1,900 acres owned by PG&E is under FERC license. A 6,000-acre development, which would include a ski resort, golf course, lodging, and 1,000 or more dwelling units, has been proposed at Dyer Mountain adjacent to the southwest shore of Mountain Meadows Reservoir. If the development is constructed, future management of the PG&E lands must attempt to protect the reservoir and the exceptional wildlife habitat of the meadows and marshes around it.

Hamilton Branch of the North Fork Feather River: The Hamilton Branch flows from Mountain Meadows Reservoir to Lake Almanor. Although PG&E diverts a substantial portion of the flow for power generation, the stream is still unusually attractive and is an excellent producer of wild trout. PG&E owns a narrow corridor of land along the entire six miles of the stream. The corridor helps protect the excellent riparian and aquatic habitats of the stream and provides access to anglers and other visitors, public benefits which future management must safeguard.

Butt Valley Reservoir: This large reservoir, with a surface area of 1,600 acres, is about 4 miles south of Lake Almanor. PG&E owns a narrow strip along the entire 12 miles of shoreline, which is contiguous almost everywhere with national forest land. Butt Valley Reservoir is well known as an important trophy trout fishing area. Boating, swimming, and camping are also popular recreational activities. PG&E has developed two campgrounds with 93 units at the lake.

Yellow Creek and Humbug Valley: Yellow Creek, a tributary of the North Fork Feather River, meanders slowly through meadow lands in Humbug Valley. PG&E originally acquired the 2,300 acres of watershed lands as a potential reservoir site. These watershed lands, which are not within a FERC license boundary, lie between blocks of national forest land to the west and east.

The lands are now used for grazing and recreation. Heavy past grazing has caused severe stream bank erosion, and downcutting of the stream (by as much as four feet in many places) has lowered the water table in the upper part of the valley. If the water table were higher, the meadows could again become lush habitat. Cal Trout volunteers have worked on cattle exclusion fencing since the early 1980s.

Unfortunately, heavy winter snows and hungry cattle frequently break down the fences, allowing grazing cattle to set back the recovery of riparian vegetation. The area is popular with anglers. Yellow Creek is part of the state Wild Trout Program and is managed for catch-and-release angling, primarily for brown trout. Cal Trout and other stakeholders have formed a working group to prepare a management plan for the entire watershed.

PG&E maintains a public campground at Yellow Creek, which had 1,692 visitors in 1996. The campground is not required by the FERC license. Humbug Valley is on The Nature Conservancy's priority list for their Sierra Nevada Ecosystem Plan. The Department of Fish and Game has expressed interest in managing this property.

North Fork Feather River: Before the 1920's, the 123 miles of the North Fork of the Feather River between its source on the southern slopes of Mount Lassen and its confluence with the Middle Fork at Oroville were nationally famous for trophy-sized rainbow trout. Enormous springs gushing from volcanic formations north of present-day Lake Almanor produced flows of cool water generally exceeding 1000 cfs, even at the driest times of year. These flows were ideal for trout and for the historically abundant spring-run Chinook salmon.

By 1965, most of the river had either been inundated by reservoirs or dewatered by hydropower diversions which reduced flows by 85 to 95 percent. Today a fair to good fishery for smaller rainbow trout still exists between Lake Almanor and the confluence with the East Fork near Belden. There is only a poor to fair fishery downstream from the confluence with the East Fork to Poe Dam. Between Poe Dam and Oroville Reservoir, deficient flows and warm water have nearly eliminated the trout fishery. Although the Feather River fishery is at best fair to good, anglers are still attracted to the North Fork Feather River. The Department of Fish and Game does some stocking. Stream flow increases in the river upstream from Poe Dam have been proposed in the current FERC relicensing. These increases could potentially improve the trout fishery and provide other recreational benefits.

PG&E owns at least 18 miles of river frontage in the Feather River Canyon, mostly patented placer mining claims within the flood channel or the adjacent flood plain. The total area of these lands is several thousand acres. The canyon slopes are almost entirely national forest land. The PG&E lands are important for maintaining riparian habitat, for providing public access to the river, and for preserving the scenic beauty of the canyon. The Forest Service has designated the stretch of Highway 70 in the canyon as a National Scenic Byway.

Bucks Lake: Bucks Lake, with a surface area of 5200 acres, is the second largest lake in the PG&E system. PG&E owns lands around the east end and southern shore of the lake, including some nice meadow land in Haskins Valley east of the lake. The PG&E lands are almost everywhere contiguous with national forest land. PG&E owns about 40% of the lakeshore; the rest is national forest land. The lands under FERC license, a fairly narrow band around the lake, hence include a strip of national forest land. The boundary of the Bucks Lake Wilderness is very close to several miles of the eastern shoreline.

Bucks Lake is an extremely popular recreation area. There are two PG&E campgrounds at the lake, where nearly 20,000 visits were recorded in 1996. Bucks Lake supports a significant fishery for kokanee salmon and rainbow, brown, and eastern brook trout. Although all of these species are annually stocked in the lake, there is some natural reproduction in tributaries. Special status species, including bald eagle, peregrine falcon, osprey, northern spotted owl, and willow flycatcher are known to occur at the lake.

West Branch Feather River watershed

Philbrook Lake: Philbrook Lake, with a surface area of 190 acres, is a fairly popular recreation area, even though it is somewhat remote and late-summer drawdowns are substantial. PG&E facilities include a campground and a boat launch, and the lake is stocked with trout. PG&E owns the eastern third of the shoreline; the rest of the shoreline is national forest land. PG&E also owns about 120 acres of watershed lands north and east of the lake, which are almost entirely contiguous with national forest land. Only a narrow strip around the lake is included in the FERC license. Philbrook Lake is adjacent to the High Lakes roadless area and serves as a staging area for hikers and motorized recreation. Butte Creek - Photo courtesy PG&E

Butte Creek watershed

Butte Creek: This sizable tributary of the Sacramento River, which flows immediately southeast of Chico, has cut a scenic, basalt-rimmed canyon, wooded primarily with blue oak, through a 50 million year old lava flow. Butte Creek is a beautiful stream, characterized by deep pools and small cascades and well shaded by riparian woodlands.

Butte Creek Canyon has unusually significant fish and wildlife values. The Canyon is within the winter range of the Eastern Tehama Deer Herd, the largest migratory deer herd in California, whose size was estimated at nearly 60,000 in the 1980's. Deer winter range is being lost to onrushing development throughout California.

Of equal ecological significance, Butte Creek supports the largest remaining population of naturally-produced spring-run Chinook salmon in California, with recent run sizes approaching 10,000 adults.

Spring-run Chinook salmon, a state-listed threatened species and a candidate for federal listing, formerly occurred in most large Sierra Nevada streams. The Central Valley population historically varied from 250,000 to over a million adults. Today, remnant wild populations of a few hundred to several thousand fish occur in only a few northern Sacramento River tributaries, including Butte, Deer, and Mill Creeks, and in two tributaries of the Klamath River. Spring-run Chinook, unlike the much more abundant fall-run Chinook, migrate up creeks during the spring, hold over through the hot summer months in deep headwater pools, and spawn in the fall. This behavior makes them unusually vulnerable to poaching and human disturbance, which could substantially increase with increased human settlement adjacent to the holding habitats.

Butte Creek Canyon is within the ranges of 30 fish and wildlife species and 16 plant species that are considered to be rare, endangered, or sensitive. Wildlife species observed along Butte Creek are the southern bald eagle, the northwestern pond turtle, and the foothill yellow-legged frog. Observed plant species include the Butte County fritillary, the obtuse starwort, and the white-stemmed clarkia. More common wildlife include bobcat, black bear, mink, river otter, and rainbow trout.

PG&E owns nearly 1,900 acres of land along about 8 miles of Butte Creek upstream from Centerville Powerhouse. Most of the PG&E lands along Butte Creek are outside FERC

license boundaries. Butte Creek Canyon is within commuting distance of Chico and Paradise, and rural subdivision development is booming downstream from the PG&E lands.

The PG&E lands along Butte Creek, together with adjacent public lands and Timber Preserve Zone lands, include much of the upper Butte Creek watershed. Cooperative management of these lands would protect much of the upper watershed from development and constitute a significant wildlife corridor. Donation of the PG&E lands to a public agency would facilitate cooperative management. The state has recently spent millions of dollars removing some downstream dams, improving fish screens and fish ladders at other downstream dams, and purchasing water rights to benefit Butte Creek salmon. Keeping the PG&E lands in an undeveloped condition would help preserve this large public investment in the Butte Creek salmon fishery. The Department of Fish and Game supports public acquisition.

Kern and Tule River Watersheds

Kern River watershed

- * Kern River Canyon

Tule River watershed

- * Hossack Creek Diversion

Kern River watershed

Kern River Canyon: PG&E owns 640 acres of rocky, steep land along the Kern River between Kern Canyon Dam and Kern Canyon Powerhouse, at an elevation of less than 1000'. Fishing is the primary use, but recreation is discouraged by the difficult access to the river and the very hot summer weather. The land is contiguous to national forest land on the north and east and to private ownerships on the south and west.

Tule River watershed

Hossack Creek Diversion: PG&E owns a 42-acre parcel around this small dam on the North Fork of the Middle Fork of the Tule River at an altitude of 4000'. The Wishon Pump Pool on the parcel, an enlarged natural pool in the river, is a popular swimming area for the nearby Forest Service campground. The PG&E parcel is adjacent to both Forest Service land and lands of the Doyle Springs Homeowners Association.

Pit River Watershed

Pit River Watershed – Fall River

Big Lake Complex: The lava springs feeding the Big Lake Complex, the headwaters of the Tule River, are the source of 75% of the water in the Fall River and supply about 85% of the flow of the Pit River during the summer months. The Complex consists of five contiguous bodies of water: Big Lake, Horr Pond, the Upper Tule River, the Little Tule River, and Eastman Lake, whose combined surface area exceeds 1100 acres.

PG&E owns five miles of the south shore of Big Lake, 2 miles along the east shore of the Little Tule River, and most of the inundated area. A levee on this shoreline protects the reclaimed McArthur Swamp owned by PG&E from inundation. Much of the northern shoreline is in Ahjumawi Lava Springs State Park. There is only one public boat launching

site, the Rat Farm site on the south shore.

The 10 mph speed limit on motorized boats is conducive to enjoyable canoeing and wildlife viewing. There are nine boat-in campsites on the north shore in the State Park, where a multitude of lava springs feed crystal clear cool water into the many coves and inlets. Skillful trout anglers often catch large trout in these cool water habitats, and good-sized large-mouth bass can be caught in warmer portions of the lakes.

The Big Lake Complex and adjoining McArthur Swamp are heavily utilized by waterfowl. A number of special status species, including bald eagles and greater sandhill cranes, have been observed on the PG&E lands. Three special status species, Shasta crayfish, rough sculpin, and bigeye marbled sculpin, are found in Big Lake.

McArthur Swamp: McArthur Swamp is a 7,400-acre area of reclaimed wetlands and open water north of the town of McArthur and south of Big Lake and the Tule River. It provides valuable waterfowl habitat on the Pacific Flyway and is also grazed. PG&E proposes to donate McArthur Swamp and the nearby parcel acquired by a land trade with State Parks (see Lake Britton) to the California Waterfowl Association., which is to manage it subject to a strict easement. The easement will preserve the wildlife habitat and other environmental values of McArthur Swamp, while allowing continuation of grazing, which will be carefully controlled to benefit waterfowl habitat.

Fall River: The Fall River, known for producing large wild rainbow trout, is a state-designated wild trout stream and one of the outstanding wild trout fisheries in the United States. The 150-acre parcel of watershed land, known as the “Dredge Site”, is one of the three public access points to the Fall River. The other access points are upstream access at Island Bridge and a less convenient site on Big Lake. The Land Conservation Plan should provide for continuing boat access at the Dredge Site, which is not within the FERC license boundary.

Fall River Lake: Fall River Lake (also known as Pit 1 Forebay) is a 225-acre impoundment near the town of Fall River Mills. The nearly constant water level of the lake and low relief of the shoreline create ideal conditions for marsh, tule, and riparian habitats with emergent and aquatic vegetation for waterfowl, bitterns, herons, and other water birds. Local residents are the principal users of the fishery for bass and trout. There is an unimproved launch ramp. PG&E owns the entire 3.5 mile shoreline and about 1,900 acres of land, including lands between Fall River Lake and the Pit 1 Powerhouse. Only a narrow strip along the lakeshore is within the FERC license boundary.

Pit River Watershed – Pit River Canyon This description of the watershed lands along the Pit River from the Fall River to the Pit 7 Powerhouse is divided into six segments which “go with the flow” (upstream to downstream).

Pit River, from Fall River to Pit 1 Powerhouse: In this 5-mile reach, PG&E owns a narrow strip around the river and scattered parcels with about 1-3/4 miles of river frontage. There is good riparian vegetation of alder, cottonwood, and willow. Nesting bank swallows, a state threatened species, have been observed in the Powerhouse area. Active nesting osprey, golden eagles, prairie falcon, and black swift have been observed in the recent past.

Most of the flow is diverted into a tunnel from Fall River Lake to the Pit 1 Powerhouse. This stretch could become an excellent fishing stream if releases from the Pit 1 Diversion Dam into the river were substantially increased during the relicensing process. All of the watershed lands are outside FERC license boundaries. BLM owns lands close to this reach and contiguous with PG&E lands along about 2 miles of the river.

Pit River, Pit 1 Powerhouse to Lake Britton: In the 6-mile reach below the Pit 1 Powerhouse, PG&E owns a broader strip of land along the river, a quarter-mile or more on each side. Like the segment upstream, this stretch also has good riparian vegetation. None of the flow is diverted, and this stretch is a good producer of large wild rainbow trout. One of the largest populations of Shasta crayfish, a state and federal endangered species, occurs a short distance downstream from the Pit 1 Powerhouse in Sucker Spring Creek. The river is suitable for whitewater boating when peaking flows are being released. All of the watershed lands are outside FERC license boundaries. Public lands in a rather complex ownership pattern – BLM lands to the east, Forest Service lands to the west – are contiguous with the watershed lands along almost all of this stretch.

Lake Britton: The Pit 3 Dam impounds Lake Britton, a 1,265-acre reservoir inundating eight miles of the Pit River at 2740' elevation. The beautiful shoreline is forested with pines and oaks. At the head of the lake, there is marsh and riparian habitat, and the abundant wildlife includes bald eagles, great blue herons, and belted kingfishers. Future management should preserve this important natural area. The watershed lands are important winter range for the Lake Britton deer herd.

Lake Britton is a popular destination for bass and trout fishing, waterskiing, swimming and picnicking. PG&E operates three campgrounds, which had 9,600 visitors in 1996. The lake has an abundance of large mouth bass, crappie, bluegill, and catfish, and smaller populations of trout.

PG&E owns 21 of the 22 miles of shoreline. The forested watershed lands around Lake Britton are adjacent to national forest lands over a substantial part of their boundary. The remaining mile of the shoreline lies within McArthur-Burney Falls State Park. McArthur-Burney Falls State Park includes a 182-acre parcel leased from PG&E which provides important shoreline access. PG&E and State Parks have agreed to a land exchange; the 182-acre parcel would be traded to State Parks in exchange for a parcel in Ahjumawi Lava Springs State Park. Most of this parcel was inundated by failure of a PG&E levee and is now part of the Big Lake Complex. This exchange, to be considered as part of the Land Conservation Plan, would significantly benefit McArthur-Burney Falls State Park.

Some of the earth's largest deposits of fresh-water diatomaceous earth occur in the vicinity of Lake Britton and lower Hat Creek. There are two existing mines on the watershed lands, one of them now depleted. Future management must ensure that depleted mines are restored and that future mining, if any, adequately protects wildlife habitat, the fisheries, and other public benefits of the watershed lands.

The "Pit Reach Road" begins at the western end of Lake Britton and runs westerly adjacent to the Pit River to the community of Big Bend, a short distance below the Pit 5 Dam. It provides access to the river at a number of points where the canyon slopes are not too steep.

Pit River, Lake Britton to Pit 4 Forebay Dam: PG&E owns 560 acres of forested land with 1.5 miles of river frontage just below the Pit 3 Dam and Lake Britton. Most of the boundary of these watershed lands, which are outside the FERC license boundary, is contiguous with national forest land. Below these lands, the river flows through national forest land to the Pit 3 Powerhouse.

In 1987, FERC ordered increased releases of up to 150 cubic feet per second from Pit 3 Dam, which impounds Lake Britton. These increased flows have created an excellent trout fishery within a formerly dewatered stream reach that supported few trout. The watershed lands provide public access to a popular "catch and release" wild trout fishery. The forest

is old growth or late-successional Douglas fir, which is used by bald eagles and spotted owls. Logging of the steeply sloping land would impair late-successional wildlife values and run a high risk of degrading the stream.

The Pit 4 Forebay, a 106-acre broadened stretch of the river, is a popular day-use and fishing area. Boating is not permitted.

Pit River, Pit 4 Forebay Dam to Pit 4 Powerhouse: There are no PG&E lands along this stretch of the Pit River, which flows through a broad area of national forest land.

Pit River, Pit 4 Powerhouse to Pit 5 Powerhouse: This 11-mile stretch of the Pit River is known as the Big Bend section. PG&E owns a continuous though narrow band of land on both sides of the river, except for two stretches totaling about 2 miles. PG&E also owns a strip of watershed lands south of the river on the route of the Diversion tunnels from the Pit 5 Dam to the Pit 5 Powerhouse; this strip is up to a mile wide. Only the land occupied by hydroelectric facilities is within the FERC license boundary. Almost all the boundaries of these watershed lands are contiguous with other private ownerships.

Below the Pit 5 diversion, the river is very fertile and produces numerous 1-2 pound wild rainbow trout, even though most of the flow has been diverted. When flows are increased by relicensing, this stretch of river will become an exceptional trout producer. Construction of a hiking trail along this stretch of river would significantly enhance public access.

Pit River, Pit 5 Powerhouse to Pit 7 Afterbay Dam: Almost all of the 13 miles of the Pit River between Pit 5 Powerhouse and the Pit 7 Afterbay Dam have been inundated by the Pit 6 and Pit 7 Reservoirs. These reservoirs are narrow impoundments with steep shorelines. They have no recreational facilities and little or no public road access and public use. The reservoirs support an abundance of nongame fish, several of which are state species of special concern: hardhead, Pit roach, and bigeye marbled sculpin. The reservoirs are not stocked with trout because they are poor trout habitat and public use is very limited. However, small numbers of wild rainbow trout are present, particularly in the colder water near the mouths of tributary creeks. Anglers can access the river only by long hikes down old jeep and project roads. Recreational use of the reservoirs could be improved by developing parking and shore access for non-motorized watercraft along existing PG&E project roads. Below the Pit 5 Powerhouse, the Pit River flows through both PG&E watershed lands and national forest lands. The watershed lands in this stretch are mostly contiguous to other private ownerships.

Roaring, Little Roaring and Marble Creeks watersheds: The watersheds of these creeks are densely forested with Douglas fir which is sustainably harvested by PG&E. The PG&E lands include the lower watersheds of Roaring and Little Roaring Creeks and most of the watershed of Marble Creek and a total of 11 miles of stream frontage. All of these creeks contain an abundance of small rainbow trout, but receive only light public use.

Potter Vally Project

PG&E's Potter Valley Project dams and diverts the Eel River in the inner Coast Range in Mendocino County into Potter Valley in the watershed of the Russian River. The watershed lands of the Potter Valley project are in the Eel River watershed. image

Eel River watershed

Lake Pillsbury: This large reservoir near the headwaters of the Eel River is operated by PG&E. PG&E owns roughly 700 acres adjacent to the reservoir, much of it in the narrow shoreline strip under FERC license. The Forest Service has recreational access and

development right easements on these lands. PG&E ownership is concentrated mostly on the west and north shores and includes about 20 percent of the shoreline. The remainder of the shoreline is national forest land. Almost all the watershed lands are contiguous with national forest land.

Lake Pillsbury is a major recreational lake, heavily used for camping, boating, and fishing, even though access over steep winding roads is somewhat difficult. PG&E operates 6 campgrounds at the lake, which drew 23,000 users in 1996.

Eel River below Lake Pillsbury: PG&E owns about 5,000 acres of land along the 14 miles of the Eel River between Lake Pillsbury and the Van Arsdale diversion. The strip owned by PG&E is mostly ½ mile wide or wider and is continuous except for a 1/4 mile of national forest land. The PG&E lands are contiguous to national forest land east of the forest boundary and contiguous to other private ownerships west of the boundary. Only a narrow three-mile strip along the river upstream from the Van Arsdale Reservoir is under FERC license.

The PG&E lands in the canyon are heavily wooded with Douglas fir and hardwoods; some of the forest provides habitat for old growth/late successional species. Bald eagles and northern spotted owls have been observed in the area. The PG&E lands also protect the scenic quality of the river valley and protect the unstable canyon slopes from disturbances that might trigger landslides. Intensified logging on the PG&E lands could impair the attractiveness of the river to recreationists, destabilize the land, diminish the value of the anadromous fish habitat, and reduce late-successional wildlife values.

Water stored in Lake Pillsbury is released at the rate of 50 to 150 cfs throughout the year. These enhanced flows in the Eel River between Lake Pillsbury and the Van Arsdale diversion provide good growing conditions for young steelhead and salmon. There are a fish ladder and a fish screen at the Van Arsdale Dam, and an average of 2,000 adult steelhead ascend the ladder each year. The Van Arsdale diversion conveys a large portion of the flow to Potter Valley in the Russian River drainage. As part of the Potter Valley Project license renewal, PG&E is being asked to release more water below the Van Arsdale diversion during the spring, which will further improve habitat and survival.

There is good access to the river near Lake Pillsbury and the Van Arsdale diversion, but the remainder of this stretch is reasonably isolated. Rafting and kayaking opportunities are limited by unreliable flows. PG&E operates a campground on the river just above Van Arsdale Reservoir which had 1,960 visits in 1996. Seven archaeological sites have been documented on the PG&E lands.

Stanislaus River watershed

Middle Fork Stanislaus River watershed

- * Kennedy Meadows
- * Spring Gap Powerhouse (Middle Fork Stanislaus)

South Fork Stanislaus River watershed

- * Lyons Reservoir

Middle Fork Stanislaus River watershed

Kennedy Meadows: The 240-acre Kennedy Meadows property contains pine forests and meadowland and a mile of the Middle Fork of the Stanislaus River. Kennedy Meadows is an extremely popular recreation area; the total annual number of visitors is estimated to be about 21,000. An estimated 14,000 vacationers stay at the family resort and pack station

established in 1917. About 1,500 take horsepacking trips from the pack station. Kennedy Meadows is a principal trailhead for the Emigrant Basin Wilderness Area, a 113,000-acre high Sierra wilderness in Stanislaus National Forest. Thousands of other visitors walk through the PG&E parcel in order to access the high country to the south for wilderness backpacking or day trips to Relief Reservoir. Due to its extremely high visitation and the funneling of so many backcountry visitors through the property, Kennedy Meadows has extremely high public values.

Spring Gap Powerhouse (Middle Fork Stanislaus): A popular fishermen's trail follows the Middle Fork Stanislaus River between Beardsley Afterbay and Sand Bar Campground, a distance of about four miles. The river corridor is very nice, with lots of attractive forest, patches of open meadow, and lush riparian vegetation. This stretch of the Middle Fork is an exceptional trout fishery managed as a Wild Trout Stream by the Department of Fish and Game. While most of the river frontage is national forest land, PG&E owns 160 acres at the Spring Gap Powerhouse, with the immediate river frontage under FERC license. South Fork Stanislaus River watershed

Lyons Reservoir: PG&E owns 280 acres around Lyons Dam and a strip about ½ mile wide along 2.4 miles of the river just upstream of the reservoir which is contiguous with national forest land. The upstream lands contain productive forest lands, some beautiful wetland areas along the river, and meadows. At this present time, the PG&E lands near the reservoir are generally degraded from extensive past logging and extensive ORV use, but they are still highly valuable because of the wetlands and because they drain into a critically important drinking water reservoir for Tuolumne County residents.

The upstream wetland and meadow areas would be flooded if Lyons Dam is raised as has been proposed in the past by the Tuolumne Utilities District (TUD). However, based on the district's recent computer modeling of county growth and water demand, TUD directors have publicly stated they do not expect to need an expanded reservoir at Lyons for the next 35 years. Given potential changes over coming decades in water recycling and technological changes, there is no way to predict whether or not such dam expansion will ever be economically feasible.

Upper Mokelumne River Watershed

- * Blue Lakes Complex

 - Upper Blue Lake

 - Lower Blue Lake

 - Meadow Lake

 - Twin Lake

- * Cole Creek

- * Upper Bear River Reservoir

- * Panther Creek

- * Tiger Creek

- * Lake Tabeaud

- * North Fork Mokelumne, Salt Springs Dam to Tiger Creek Powerhouse

- * North Fork and Main Stem Mokelumne, Tiger Creek Powerhouse to Electra Powerhouse

North Fork Mokelumne River watershed

BlueLakes Complex: The Blue Lakes complex, consisting of Upper and Lower Blue Lakes, Meadow Lake, and Twin Lake, is situated in the headwaters of the North Fork of the Mokelumne River. PG&E owns a total of 1,700 acres in the Blue Lakes complex, including 6 miles of the four lakes' 8.5 miles of shoreline, the entire shorelines of Meadow and Twin Lakes, and 80 acres in the watershed of Deer Creek to the east. Only narrow

strips around the lakes are included in the FERC license. The watershed lands are almost entirely surrounded by national forest land. The western boundary of Upper Blue Lake lands and three sides of the Meadow Lake lands are contiguous with the Mokelumne Wilderness. The Blue Lakes lands are included in The Nature Conservancy's priority list for their Sierra Nevada Ecoregional Plan and nearby National Forest in Snow Canyon is being set aside as natural research area.

The scenic landscape surrounding the lakes is a pine forest with interspersed granite outcrops, flower-studded pocket meadows, and sandy beaches. There is also glade habitat of sloping wet meadows which supports wildflowers, birds, and browse species. The watershed lands provide an attractive background which enhances camping and recreation at the lakes.

Upper and Lower Blue Lakes, reached by a paved road, are a very popular recreation area. Twin Lakes is accessed by a good dirt road, but Meadow Lake is accessed by a primitive road. There are six very popular campgrounds with 113 campsites along the shores of Upper and Lower Blue Lakes. PG&E recorded 16,700 visits to the campgrounds in 1996. Thousands of trout fishermen, hunters, boaters, and hikers also visit the lakes. Trails lead west, south, and north from the watershed lands around the lakes into the Mokelumne Wilderness. PG&E's severe (and unsightly) reservoir draw downs are now limited to late fall by the settlement agreement and new FERC license.

ColeCreek: The 960 acres of watershed lands, originally acquired as a potential reservoir site, are in a three-mile strip in the scenic granite-walled U-shaped valley of Cole Creek. They are surrounded by national forest land; the eastern 400 acres are within the Mokelumne Wilderness and should be managed to preserve their wilderness character and rare wildlife. The lands are not within a FERC license boundary. The canyon contains attractive mixed conifer forest and some nice campsites affording solitude. Access by several miles of very rough dirt road limits recreational use.

Upper Bear River Reservoir: Situated immediately upstream from Lower Bear River Reservoir, this lake is not accessible by road or trail. However, it can be enjoyed by boaters who are willing to portage their craft around the dam. The more difficult access limits use and makes the lake very attractive to boaters who desire a wilderness-type experience. The reservoir supports an abundance of medium-size rainbow trout and some brown trout. A considerable amount of natural reproduction occurs in the Bear River above the lake. PG&E owns the entire 2.5 mile shoreline and 450 acres of land, mostly outside the FERC boundary.

Panther Creek: PG&E's new license for its Mokelumne River Project called for removal or dismantling of three diversion dams in the watershed of this tributary of the North Fork of the Mokelumne. One dam, on West Panther Creek, was removed in 2003. The diversion structure of a dam on Beaver Creek was dismantled that year and the third dam, on East Panther Creek, was breached and future removal is planned. These actions have opened fish habitat in the 3,000'-4,000' elevation range, known for rich habitats. PG&E owns about 2.5 miles of frontage on Panther Creek below the diversion dams. The downstream end of the PG&E lands is contiguous with Forest Service lands along the North Fork Mokelumne. Although Panther Creek flows through a rugged canyon, there is some access for anglers in the vicinity of a road crossing.

Tiger Creek: PG&E owns 240 acres around Tiger Creek Regulator Reservoir and about 800 acres along 2.75 miles of Tiger Creek to its confluence with the North Fork Mokelumne. Roughly the lower half of these lands are contiguous with Forest Service lands along the North Fork Mokelumne. The upper half is contiguous with other private ownerships. Only lands around the Regulator Reservoir and forebay and lands occupied

by facilities are under FERC license. PG&E also owns small parcels around the Tiger Creek Powerhouse and Afterbay. There is some fishing at the Regulator Reservoir. Although the canyon of Tiger Creek is rugged, there is some access for anglers in the vicinity of a road crossing.

LakeTabeaud: This small reservoir in Amador County northeast of Jackson is a popular recreation area for residents of Jackson and vicinity. Canoeing is popular because boats with internal combustion engines are not allowed on the lake. PG&E owns the entire shoreline. The property includes popular walking and equestrian trails including an old road along "the Upper Standard," an abandoned canal.

North Fork Mokelumne, Salt Springs Dam to Tiger Creek Powerhouse: This beautiful 17.5-mile stretch of the North Fork Mokelumne and its excellent and very popular trout fishery are enhanced by regulated flows of cold water from upstream storage. A road parallels the upper six miles of this stretch, and there are three campgrounds. Most of the streamside lands are national forest land; PG&E owns three parcels with a total area of 320 acres and about two miles of stream frontage. These parcels are isolated and hard to reach but are not within FERC license boundaries.

North Fork and Main Stem Mokelumne, Tiger Creek Powerhouse to Electra Powerhouse: West of the national forest boundary, the North Fork Mokelumne flows mostly through public land managed by the Bureau of Land Management and joins the Middle Fork Mokelumne to form the river's main stem. PG&E owns six parcels with six miles of river frontage along the North Fork between Tiger Creek and Electra Power House which are important for public access. Donation of the watershed lands in this reach to BLM would close several gaps and make consistent management possible. The PG&E lands on the Mokelumne are used extensively by residents of the Amador County communities of Jackson, Sutter Creek, Pioneer, Pine Grove, and Volcano.

Willow Creek and Kings River Watersheds

Willow Creek watershed

- * Bass Lake
- * Manzanita Lake
- * Willow Creek (ND)

San Joaquin River

- * Kerckhoff Reservoir

Kings River watershed

- * Lake Wishon
- * Keller Ranch

Willow Creek watershed

BassLake: Bass Lake (4.5 miles long, surface area 1165 acres, elevation 3400 feet) is a major recreational area in the foothills of the Sierra Nevada, easily accessible from the cities of the San Joaquin Valley. The northeast shore is urban, occupied by recreation residences and two resorts. The southwest shore is much less developed; the forested slopes above the southwest lakeshore road are an attractive background for the lake. The Forest Service operates six campgrounds on the southwest shore, with a total capacity of 550 and about 110,000 visits in a recent year. PG&E and the Forest Service

are sharing equally in the reconstruction of several of the campgrounds. The narrow strip owned by PG&E along about 80% of the southwest shoreline provides public access to the lake. The total area of these lands, most of which are under FERC license, is a few hundred acres. Almost all these PG&E lands are contiguous to national forest land.

Manzanita Lake: Manzanita Lake, a powerhouse afterbay, is a long narrow 26-acre reservoir on the North Fork of Willow Creek at elevation 2800'. This attractive lake, which is regularly stocked, is a very popular day-use and fishing area for the nearby town of North Fork, with 14,400 visits in 1996. Only non-motorized boats are allowed. PG&E owns a narrow strip around the lake, and about 320 acres occupied by project features upstream from and to the west of the lake. Most of the PG&E lands are contiguous to other private ownerships.

San Joaquin River

Kerckhoff Reservoir: Kerckhoff Reservoir, at an elevation of 1000' on the San Joaquin River, is a 2.5 mile long relatively shallow forebay for two downstream powerhouses. Rapidly changing water levels, warm water in summer, and summer heat limit its attractiveness to fishermen. There is a small campground and day-use facility on the north shore. PG&E owns about 320 acres at the north end of the reservoir, about half under FERC license. The PG&E lands are mostly bounded by national forest on the north and east, and by other private lands on the west and south.

Kings River watershed

Lake Wishon: Lake Wishon is a 1,025-acre reservoir on the North Fork of the Kings River at an elevation of 6550'. Recreation use - 22,000 visitors in a recent year - is below the capacity of facilities. The lake is regularly stocked with rainbow trout, and trout fishing is considered good. Boating use is relatively light. PG&E provides a small campground and several fishing accesses. A major John Muir Wilderness trailhead is located a mile east of the dam. PG&E owns about one-third of the 9 miles of shoreline and about 450 acres of steep, rugged terrain adjacent to the lake on the east, north, and west, mostly outside the FERC license boundary. These PG&E lands are surrounded by national forest land.

Keller Ranch (Kings River): The PG&E property known as Keller Ranch, an area of approximately 100 acres, is located on the south bank of the Kings River at the head of Pine Flat Reservoir. It is the only feasible takeout point for whitewater rafting on the Kings River and is leased to the Forest Service for that use.

Yuba and Bear River Watersheds

Yuba River watershed

- * Kidd Lake
- * Cascade (Peak) Lakes
- * White Rock Lake
- * Sterling Lake
- * Fordyce Lake
- * Meadow Lake
- * Lake Spaulding

Grouse Lakes area – northern watershed lands

- * Lindsay Lakes (Lower, Middle, and Upper)
- * Culbertson Lake

- * Rock Lakes (Lower and Upper)
- * Carr Lake

Grouse Lakes area – southern watershed lands

- * Blue Lake
- * Fuller Lake
- * Rucker Lake
- * Deer Creek Forebay (ND)

Bear River watershed

- * Sierra Discovery Trail and Glacial Ponds
- * Bear Valley
- * Bear River Canyon

North Fork American River watershed

- * Lake Valley Reservoir
- * Kelly Lake
- * Halsey Forebay
- * Rock Creek Lake

Overview of Watershed Lands in the YubaRiver Watershed

The watershed lands in the Yuba River watershed surround hydroelectric reservoirs (almost all called lakes) at elevations from 7800 feet at White Rock Lake near the Sierra Crest to 5000 feet at Lake Spaulding. The lands within FERC license boundaries are narrow strips around the lakes. PG&E owns large proportions of the shorelines of most of the lakes.

The lakes have attractive shorelines, some granitic, some forested. Nine of the lakes are located adjacent to the west side of the exceptionally scenic and popular Grouse Lakes area, from which motor vehicles have been excluded for thirty years. Major trailheads to the Grouse Lakes area are located on these watershed lands. Most of the lakes are well-known to and enjoyed by recreationists, even the lakes reached by several miles of rough dirt road or by roundabout routes from the north and east. Many of the lakes have good fishing. The lakes are within several hours' drive of large populations in the Bay Area, Central Valley, and Sierra Foothills.

All these watershed lands are within the boundaries of Tahoe National Forest. Though they are within the band of checkerboard public and private ownership resulting from railroad land grants, all of the blocks of watershed land are bounded mostly by national forest lands.

YubaRiver watershed

Kidd Lake and Cascade (Peak) Lakes (Upper and Lower): These three small attractive lakes are situated south of I-80 about four miles west of the Royal Gorge Ski Resort's principal trailhead at the end of a rough dirt road. PG&E owns 280 acres in the vicinity of the lakes. PG&E ownership at Kidd Lake includes about 75% of the shoreline, the rest being privately owned. PG&E owns about 40 percent of the shores of the Cascade Lakes, almost all the rest being national forest land. Only narrow strips around the lakes are under FERC license.

Recreation at Kidd Lake includes non-motorized boating and fishing. PG&E operates a group campground on the lake, and the Department of Fish and Game stocks the lake with trout.

Motorized boating is not allowed on the Cascade Lakes, and their waters are enjoyed by canoers and anglers for trout. Their wooded and gently sloping shores are attractive, and there are walk-in campsites on the southwest shore of the upper lake. The Palisade Creek Trail descends to the North Fork American Wild River from a trailhead on PG&E land.

WhiteRockLake: Located on the west edge of the Castle Peak Roadless Area at an elevation of 7800', White Rock Lake offers views of spectacular Sierra Crest scenery. Most of the lake's shoreline, which includes substantial alpine meadow habitat, is attractively forested. The Pacific Crest Trail crosses White Rock Creek not far below the lake, and trails in the lake basin north and south of the lake lead to the Sierra Crest and the summit of Mount Lola. The lake, which is slightly enlarged by a dam for increased upstream storage, is a popular fishing destination even though it is reached by a rough dirt road. There are a total of 30 informal campsites on the west and northeast shorelines. PG&E owns 160 acres west and north of the lake; the FERC license lands include only the shoreline. Tahoe National Forest lands adjoin the PG&E land on the south and east.

SterlingLake: Sterling Lake, a 112-acre reservoir at an altitude of 6980', is six miles northeast of Cisco Grove on Interstate 80, the last two miles on a rough dirt road. Lake Sterling has a granite shore with a conifer forest backdrop, and is attractive when full. However, late summer drawdowns are often severe. The lake has a primitive campground and a boat launch and is stocked with rainbow trout. Recreation use is light. PG&E owns 80% of the 1.6 miles of public access to the lake; the other 20% of public access is on Forest Service land. Only the shoreline is under FERC license. Tahoe National Forest lands adjoin the PG&E land on the north and west.

FordyceLake: Fordyce Lake, with a surface area of 774 acres, is one of the largest PG&E reservoirs in the Yuba River watershed. Fordyce Lake is not far north of Sterling Lake, but the road is so rough and rocky that 4WD vehicles are recommended. A very large volume of water is released from the lake during the summer; the resulting mid- to late-summer drawdown significantly reduces the lake's aesthetic quality and recreation values. Recreation use is relatively light: there are about 30 informal campsites and the lake is stocked with trout, but only small boats can be transported to the lake. PG&E owns 1,560 acres of land around the lake and more than 80% of its 11 miles of shoreline. The watershed lands around the lake are contiguous with national forest land along 2/3 of their boundary. Only a narrow strip of steep and rocky land on the shore is under FERC license.

MeadowLake: Meadow Lake is only a few miles north of Fordyce Lake, but is much more easily reached by a roundabout route from the east, including some miles of rough dirt road. The wooded and gently sloping shores of the lake are an attractive setting for camping and recreation. There are about 50 informal campsites at the lake. The lake is stocked with rainbow trout, which grow rapidly on freshwater shrimp. Anglers enjoy 2-3 pound trout with rich salmon-colored meat. PG&E owns about 200 acres of wooded and gently sloping land around the lake, but only about 1/4 of the shoreline. Most of the remaining shoreline is national forest land. Only the shoreline is under FERC license. The watershed lands around the lake are contiguous with national forest land along about 1/4 of their boundary.

LakeSpaulding: Lake Spaulding, with a surface area of 700 acres, is one of the largest and by far the most heavily developed and most heavily used PG&E lake in the Yuba River watershed. The developed facilities – parking, boat launch, and 25-unit campground - are located just off Highway 20 and a few miles from I-80. The lake provides ample

opportunities for fishing, boating, and hiking along the shore. There are opportunities for boat-in camping at several locations around the lake. Late fall and winter drawdowns are severe in many years. PG&E owns 80% of the 6 miles of shoreline accessible to the public; only a narrow strip around the lake is under FERC license.

Overview of Northern Watershed Lands in the GrouseLakes area

These watershed lands are contiguous to Tahoe National Forest lands in the exceptionally scenic Grouse Lakes area, noted for its more than 125 lakes and ponds. Only the shores of the six PG&E lakes are within FERC license boundaries. The Grouse Lakes area is a very popular recreation area, not far off I-80 and easily accessible from population centers. Forest Service management of the Grouse Lakes area emphasizes maintenance of existing relatively natural conditions and providing opportunities for non-motorized recreation. Off-highway vehicles have been banned from the Grouse Lakes Motor Vehicle Control Area (MVCA), which includes PG&E watershed lands around the Lindsey Lakes, since 1972.

Recreation in the Grouse Lakes area is facilitated by an extensive network of trails. Many attractive lakes with good fishing are reached by short easy hikes suitable for families and all age groups. There are major trailheads at Carr Lake and Lindsey Lake next to PG&E lands.

Almost all the checkerboard private lands in the Grouse Lakes area, except for the PG&E watershed lands, have recently been acquired by the Forest Service. Acquisition of the private lands provides assurance that the great public benefits of the Grouse Lakes area will not be degraded by vacation home development.

Future management of these watershed lands should be consistent with the protective management of Forest Service lands in the adjacent Motor Vehicle Control Area, with necessary exceptions for the maintenance of PG&E reservoirs.

Lindsey Lakes (Lower, Middle, and Upper) and Culbertson Lake: Lower Lindsey Lake, which is reached by an unpaved road, is the most accessible and heavily used of these four lakes located in the Grouse Lakes Vehicle Control Area. Lower Lindsey Lake has a surface area of 29 acres and nearly a mile of shoreline, most of which is owned by PG&E. Ten informal campsites are located along the north shore. Middle and Upper Lindsey Lakes, with 34 and 3 acres of surface area respectively, are reached by walking a short distance from Lower Lindsey Lake. The shoreline of Middle Lindsey Lake is mainly flat and provides numerous campsites. Upper Lindsey Lake, which has a rocky and brushy shoreline, is largely unsuitable for camping. Culbertson Lake, a short distance from Upper Lindsey Lake, is situated at the base of a towering cliff and is the largest and deepest of these lakes. Its surface area is 70 acres; about half of its 1.5 miles of shoreline is owned by PG&E. Much of the eastern shore is national forest land.

These four lakes are natural lakes with small dams at the outlets; the dams are low enough that unsightly drawdowns are limited. The Lindsey Lakes and Culbertson Lake are some of the most scenic lakes in the PG&E system, and their relatively pristine settings are very popular with hikers, backpackers, and anglers.

RockLakes (Lower and Upper): These attractive subalpine lakes, situated within the Grouse Lake Vehicle Control Area, can be reached by a 2.5 mile trail from Lower Lindsey Lake. The Upper Lake has a surface area of 21 acres and 0.8 miles of shoreline entirely owned by PG&E. There are ten undesignated campsites on the east side of the lake. Lower Rock Lake has a surface area of 9 acres and 0.5 miles of shoreline entirely owned by PG&E with seven undesignated campsites. Both lakes are visited by hikers and

backpackers who enjoy swimming in them.

CarrLake (LowerFeeleyLake): Carr Lake is situated on the western boundary of the Grouse Lakes Motor Vehicle Control Area. It is the primary entry point for the numerous visitors hiking and backpacking to the many adjacent lakes. The trailhead parking lot is accessible by passenger car; it is full on most summer weekends. Carr Lake itself is relatively small, with a surface area of 7 acres and about 0.5 miles of shoreline. PG&E owns 40 acres of relatively flat land, including the dam and part of the western shoreline, most of which is suitable for camping

GrouseLake area, southern watershed lands

Fuller, Rucker, and Blue Lakes are located just northwest of Lake Spaulding near the Bowman Road, the principal access to the west side of the Grouse Lakes area. Fuller and Rucker Lakes are very popular for recreation because they are so easily accessible. Only narrow strips along the shores of the lakes are under FERC license. PG&E also owns about 1500 acres of watershed land northwest of these three lakes.

All of these watershed lands are adjacent to national forest lands.

FullerLake: Fuller Lake is the lake nearest to I-80 on the Bowman Road and is located immediately east of the road. The lake is so heavily used for picnicking and fishing that the shoreline is often crowded with anglers on weekends and parking is difficult on weekends.. PG&E owns 190 acres at the lake and about half of its shoreline; part of the west shore is national forest land.

RuckerLake: Rucker Lake is a shallow lake with forested shore at the south edge of the Grouse Lakes area. It is easily accessible, being less than a mile from the Bowman Road. PG&E owns the eastern and part of the southern shore, about 30% of the shoreline; most of the northern shoreline is national forest land. There are 12 undesignated campsites and a launching ramp. Only non-motorized boats are permitted.

BlueLake: Blue Lake, near Rucker Lake, is accessed from the Bowman Road by about 2 miles of 4WD road. It is a deep lake with attractive forested shores. Trout fishing is generally excellent. There are about 20 informal campsites on the lake, those on the north shore being unusually attractive. Blue Lake lies within a block of watershed land.

Bear River watershed

Sierra Discovery Trail and the Glacial Ponds: The Sierra Discovery Trail is an outstanding forest/watershed education trail located on the Bowman Road between Highway 20 and the South Yuba River in upper Bear Valley. The trail educates visitors about hydroelectric power and forestry practices, and also features geological, geological, ecological, cultural, and historical exhibits. The Land Conservation Plan should ensure the continued operation of this valuable educational facility and availability of funds for its maintenance.

The Glacial Ponds are located on about 60 acres of PG&E lands adjacent to the Sierra Discovery Trail. Old-growth ponderosa pines surround four scenic and biologically important ponds. The ponds were carved by glaciers in roof-pendant sea-bed metamorphic rocks and overlook the South Yuba River Canyon. The Land Conservation Plan should recommend future management that preserves this important ecological area.

Bear River (BearValley segment): This 1,000-acre property, an inholding in Tahoe National Forest north of Emigrant Gap, includes most of Bear Valley and all the adjoining

meadows and three miles of frontage on the Bear River. The Bear River supports a popular fishery for rainbow and brown trout, and flyfishing clubs are involved in an ongoing stream habitat improvement project. The valley supports excellent wet meadow and riparian wildlife habitat. PG&E maintains a picnic ground, visitor center, and nature trail in the upper portion of the valley. Only 3 miles from I-80, this area is very accessible and extremely vulnerable to development. Only a small portion of the property is included in the FERC license.

Bear River (Canyon segment): Downstream from Bear Valley, the Bear River flows through a deep, heavily forested canyon which parallels Interstate 80 between Emigrant Gap and Rollins Reservoir. There is little public use of this canyon because public access is minimal – there are no roads suitable for passenger vehicles and no maintained trails – and because most of the streamflow is diverted through conduits for power production. PG&E ownership, while not continuous, includes a substantial proportion of the length of the canyon. Only the lands occupied by canals, roads, and reservoirs are within FERC license boundaries.

American River watershed

The water impounded by Lake Valley Reservoir and Kelly Lake in the American River Watershed is diverted to the Bear River Watershed. After passing through several powerhouses and reservoirs, some of the water is diverted back into the American River watershed, passing through Halsey Forebay and Rock Creek Reservoir before winding up in Folsom Lake.

Lake Valley Reservoir and Kelly Lake: The forested shore of 300-acre Lake Valley Reservoir is a ten-minute drive from I-80, which makes it extremely popular with recreationists. PG&E recorded 11,500 visitors to their campground and picnic facilities in 1996. PG&E owns about 1,800 acres of land in the vicinity of the reservoir and nearby Kelly Lake; these parcels include all of Lake Valley Reservoir's four-mile shoreline. Only narrow bands along the shores of the two lakes are included in the FERC license. About half the boundary of the watershed lands is with national forest land.

Kelly Lake is a small, attractive reservoir situated immediately north of Lake Valley Reservoir. PG&E owns about one-third of the shoreline and 160 acres to the southwest of the lake. Ownership of most of the remaining shore is divided between the Forest Service and a membership-only campground. PG&E maintains a picnic area which had 1,047 visitors in 1996.

Rock Creek Lake and Halsey Forebay: These small impoundments in the foothills of Placer County close to Auburn and the surrounding watershed lands would make good regional parks. PG&E owns nearly 200 acres of oak woodland around 55-acre Rock Creek Lake and over a mile of shoreline. Day use, primarily by fishermen, is limited to access by foot.

Halsey Forebay, with a surface area of 17 acres, has 0.3 miles of shoreline and is contiguous to 700 acres of PG&E land, which is mostly not under FERC license. The PG&E land is an attractive oak woodland open space in this rapidly urbanizing area. There is a 9-unit picnic ground. The lake, which is heavily stocked with hatchery trout, received an impressive 11,000 visits in 1996.

The Land Conservation Commitment

The Land Conservation Commitment (LCC) is PG&E's promise to protect and conserve

approximately 140,000 acres of watershed lands associated with its hydropower projects in the Sierra and Cascades, and approximately 655 acres of land in the Carrizzo Plains.

The LCC is part of the December 2003 settlement between the California Public Utilities Commission and PG&E to bring the utility out of bankruptcy. Text of the LCC can be found in paragraph 17 and Appendix E of the Settlement Agreement.

The LCC created a non-profit corporation, the Pacific Forest and Watershed Lands Stewardship Council (Stewardship Council), to oversee preparation of the Land Conservation Plan and decide the future status of the lands.

The Public Values To Be Conserved

According to the Land Conservation Commitment, the watershed lands are to be conserved for a broad range of beneficial public values, including

- * the protection of the natural habitat of fish, wildlife, and plants,
- * the preservation of open space,
- * outdoor recreation by the general public and reasonable access for recreation,
- * sustainable forestry,
- * agricultural uses, and
- * historic values.

How the Public Values Will Be Conserved

Approximately 95,000 acres of the 140,000 watershed lands contained in the LCC are part of PG&E's hydropower project boundaries or otherwise essential to the operation of their facilities. The options to protect and conserve these lands may be different than the lands not connected to PG&E's hydro operations.

In general, the watershed lands may either be:

- * retained by PG&E and protected by conservation easements, or
- * donated by PG&E to public agencies or non-profit conservation organizations.

Each recipient of a conservation easement or land donation must prove the funding and other capacity to maintain the property in order to preserve and/or enhance the beneficial public values of the resource. Each land transaction must be "tax neutral" to the relevant county.

If the Stewardship Council determines that the watershed lands have no beneficial public values, they may be sold to private entities.

Rights Reserved by PG&E

For the conservation easements, PG&E reserves the right to continue operating and maintaining its hydropower projects and associated water delivery facilities. Included in this right are project replacements and improvements required:

- * to meet future water delivery requirements for power generation and consumptive water use by existing users, or
- * to comply with any FERC license, FERC license renewal, or other regulatory requirements.

In addition, the easements will honor all existing agreements for economic uses, including agreements for consumptive water deliveries.

How much land might be donated?

The total area of land associated with PG&E's hydropower facilities is about 95,000 acres (52,000 acres are actually inside FERC project boundaries), which PG&E reserves the right to retain. However, the Stewardship Council can recommend, through the Land Conservation Plan, to split the parcels including land on both sides at the FERC boundaries

The Land Conservation Plan

The Land Conservation Plan (LCP) formalizes the Stewardship Council's commitment to protect and enhance PG&E's watershed lands. The LCP will contain formal recommendations on how each parcel should be managed to protect and conserve the beneficial public values. The plan must also:

- * prove the recommended recipients of the lands have sufficient financial and management capabilities to protect the lands' beneficial public values;
- * evaluate the tax and economic impacts of the recommended dispositions;
- * propose a program to ensure county revenues are not diminished by the recommended changes in ownership of the lands; and
- * propose a program to monitor the economic and physical impacts of the recommended dispositions of the lands.

The LCP must be submitted to the California Public Utilities Commission by April 2007. Click on the links below more information.

- * Required contents of the LCP
- * Additional requirements for land disposition decisions
- * The approval process for the LCP

Additional Requirements for Land Disposition Decisions

Note: For actual text specifying the terms of the Land Conservation Plan, and the intent of the Land Conservation Commitment, download the Stipulation Resolving Issues Regarding the Land Conservation Commitment.

Enhancement of Benefits

The Land Conservation Commitment, as implemented by the LCP and Section 851 applications to the Public Utilities Commission, shall enhance the existing environmental and economic benefits of the Watershed Lands and Carizzo Plains on an overall basis.

Conservation Easements

A donation of land will include a conservation easement to preserve and/or enhance beneficial public values, as defined in the Land Conservation Commitment, except in the following two circumstances:

(
1) the LCP includes a determination that the parcel does not have significant public values;
or

(2) the chosen recipient informs the Stewardship Council that applicable law or policy precludes its accepting such easement, and the Stewardship Council receives satisfactory assurance in another form that the parcel will be managed consistent with the purpose of the Land Conservation Commitment.

Modification of Water Storage

A conservation easement will expressly reserve PG&E's authority, or other holders of applicable water rights, to apply to the applicable regulatory authority to increase or otherwise modify the water storage capacities of existing licensed facilities.

Public Access

A conservation easement shall also preserve or enhance reasonable public access to the Watershed Lands.

Hazardous Waste or Substance Liabilities

A parcel which the Land Conservation Plan recommends be donated may have hazardous waste or substance liabilities. PG&E will not transfer such liabilities to the recipient of the parcel. PG&E may decline to agree to the recommended donation, unless the Public Utilities Commission has authorized PG&E to recover the costs of the liability and any associated mitigation or remediation measures from rates.

If the Commission has not authorized PG&E to recover the costs, PG&E will donate the parcel subject to a conservation easement which states that the liability is not transferred to the recipient. The conservation easement will not permit any use that increases human exposure to hazardous wastes or substances, unless the Commission has authorized PG&E to recover the costs of the liability and any necessary mitigation or remediation measures in rates.

PG&E's Rights to Oppose Land Dispositions

PG&E reserves all rights to oppose a proposed disposition on the basis that it is inconsistent with the provisions of the Settlement Agreement paragraph 17 and Appendix E or if such proposed disposition is in any other respect inconsistent with the Settlement Agreement or the Stipulation Resolving Issues Regarding the Land Conservation Commitment. PG&E will not oppose a proposed disposition on the basis that it has not been adequately compensated for the value of such parcel. In turn, the other parties reserve their rights to disagree with PG&E's interpretation regarding such conflict.

No Effect on Federal Energy Regulatory Commission Proceedings

The Land Conservation Commitment does not expand or limit PG&E's obligations or the rights of others in Federal Energy Regulatory Commission (FERC) relicensing proceedings or otherwise under Part I of the Federal Power Act ("FPA").

Land Conservation Plan - the Approval Process

Land Conservation Plan - the Approval Process

Note: For actual text regarding the content of the Land Conservation Plan and the intent of the Land Conservation Commitment, download the Stipulation Resolving Issues Regarding the Land Conservation Commitment.

Timely Completion of Land Conservation Plan

The Stewardship Council will attempt to prepare and adopt the LCP detailing its recommendations to PG&E within three years after the Effective Date (April 2007). However, the Stewardship Council reserves the right, through consensus, to alter the scope of the LCP or reschedule the completion date of portions of the LCP if, for example, technical studies have not been completed or an issue is being addressed through the dispute resolution procedure stated in paragraph 11(a)(2) of the Stipulation.

Submission of Applications to the PUC

With the advice and consent of the other members of the Stewardship Council, PG&E will

Treatment of Disputed Applications

If the Stewardship Council does not reach consensus on the LCP, and if such dispute has not been resolved within 6 months of initiation of the dispute resolution procedure described in paragraph 11(a)(2) of the Stipulation, PG&E will expeditiously file a Public Utilities Code section 851 application with the Commission. In addition, PG&E will include a description of the disputes as written by the disputing members of the Stewardship Council, in order for the PUC to consider alternatives.

Timely Completion of Recommended Transactions

PG&E will complete transactions to grant conservation easements or transfer fee title for all parcels of Watershed Lands and Carizzo Plains no later than six months after final receipt of all required government approvals no longer subject to appeal.

The Stewardship Council will make reasonable best efforts to complete the dispositions within nine years of the Effective Date.

Isolated Transactions

The Stewardship Council will have discretion to recommend that PG&E undertake isolated transactions in advance of adoption of the LCP.

Land Conservation Plan -- Required Contents

Note: The required contents of the LCP are stated here in simplified language. For the exact text, download the Stipulation Resolving Issues Regarding the Land Conservation Commitment.

(1) The LCP must provide an inventory of [assessors'] parcels, their acreage within and outside the boundaries of FERC projects, and existing economic uses.

(2) The Plan must specify the beneficial public values of individual parcels and how they are to be preserved. The Land Conservation Commitment specifies that existing economic uses must be honored.

(3) The Plan must recommend a disposition of each parcel: whether PG&E retains the parcel, subject to a conservation easement, or donates the parcel to a public agency or non-profit organization, subject to a conservation easement.

Comment: The watershed lands are divided into about 1000 assessors' parcels. The Stewardship Council is likely to combine these parcels into "parcel clusters" in order to satisfy the requirements for (2) and (3).

(4) The LCP must prove that the recipient of donated land or an easement can satisfy the future financial and other responsibilities associated with the parcel, in order to preserve and/or enhance the beneficial public values of the resource.

(5) The LCP must analyze the tax and other economic and physical impacts of the disposition and provide a mechanism to ensure each parcel decision remains "tax neutral" for the affected county.

(6) The LCP must disclose any hazardous waste problems or substance contamination on the watershed lands.

(7) If part of a parcel is useful for hydropower operations and must be retained by PG&E, the LCP may decide to split a parcel, provided the unused portion be enhanced by such a split.

(8) The LCP must propose a program for enhancing the beneficial public values of the watershed lands. This program must be consistent with the Land Conservation Commitment.

(9) The LCP must provide for monitoring the effects of its implementation.

(10) The LCP must contain an implementation schedule.

Yuba, Bear, Middle Fork American projects

Yuba, Bear, and Middle Fork American River Projects

The Yuba, Bear and Middle Fork American Rivers are located on the west side of the Sierra Nevada Mountains of Northern California. Home to Chinook salmon, steelhead trout, the Foothill Yellow-legged frog and many other spectacular species, the three watersheds offer stunningly beautiful landscapes for many types of recreation.

The four complexly connected hydropower projects will expire simultaneously on these three rivers in 2013. The four projects total 55 dams producing 829 MW

1. **Nevada Irrigation District** - #2266, Yuba-Bear, 12 dams, 75 MW, Steve Rothert, Bear River
2. **Placer County Water Agency** – #2079, Middle Fork American, 7 dams, 211 MW, Kelly Catlett, MFA
3. **Yuba County Water Agency** # 2246, Yuba,– 1 dam, 362 MW, Steve Rothert, North Yuba River
4. **PG&E** - #2310, Drum Spaulding, 35, 181 MW, Steve Rothert, Yuba, Bear, American

In order to address the many complex issues with the up coming relicensings and to educate and involve local stakeholders in the process, the Foothills Water Network was formed. The Foothills Water Network will help prepare stakeholders by hosting a series of workshops comprising the FERC Academy. To download a copy of the FERC Academy workshop schedule, [click here](#).

For more information contact:
Steve Rothert, American Rivers
Kelly Catlett, Friends of the River
Julie Leimbach, Foothill Water Network