

Tab 1: Project Information

*** = Must answer question/cannot skip**

Self-Certification

By clicking on Yes on this question, the applicant certifies that all information included in this application is true and correct, and the applicant has made his/her best efforts to confirm the veracity of its contents as of the date of submission of this application.* a) **Yes** b) No

1. Project Name: Provide enter the project name.* (max 50 characters)

Russian River Water Forum Phase 2

2. Local Partner Sponsor: Please enter the local partner sponsor name.* (max 50 characters) Sonoma County

Water Agency

3. Water System Public ID: Please enter Water System Public ID. (max 20 characters)

CA4910020

4. Provide project map in a pdf format: Please be sure to include the URC/DAC/EDA/Tribe area and benefits if claiming a benefit.* (required)

5. Household Benefits: How many households will benefit from this project?*(max 11 characters)

300,000

6. Proposed Project Description: Please briefly describe the proposed project.* (max 1,500 characters)

Sonoma Water was awarded a grant to initiate a formal engagement process with stakeholders regarding PG&E's decision to decommission the Potter Valley Project (PVP). In the first phase of the Russian River Water Forum (Water Forum or Project), Sonoma Water retained Kearns & West and created a multicounty advisory team to lead the process and identify recommendations regarding the future of the PVP. The proposed project is Phase 2 of the implementation of the Water Forum, which will be comprised of parties with interests in the Russian River and/or Eel River basins. It will focus on collaboratively identifying local solutions for maintaining the flow of water from the PVP into the Russian River watershed while also emphasizing Russian River water supply resilience and fisheries protection/improvements in both river basins and will address interim PVP water diversions during the decommissioning process. The Water Forum's fundamental goal is to ensure that PG&E's license surrender application does not preclude the ongoing operation of the PVP's water diversion facilities. The Water Forum will work over the next two years to identify a local solution that has broad support, is affordable, meets multiple local interests, can be implemented from a water rights perspective, and meets PG&E's interests. These efforts should allow Russian River interests to initiate meaningful discussions with PG&E regarding the PVP license surrender application that is currently being prepared.

7. Grant Amount Requested: Enter the amount of funds being requested for the project.* (max 64 characters)

\$1,948,147 for Water Forum facilitation and technical consultants, Tribal assistance, and project management.

8. Other Cost Share: Enter the amount of any other cost share for the project.* (max 1,000 characters)
\$649,382

9. Geographical Information: Enter the geographical information for the project location (latitude and longitude in degrees [DD], minutes [MM], and seconds [SS]).

a. Latitude [DD]* 38

b. Latitude [MM]* 51

c. Latitude [SS]* 0

d. Longitude [DD]* -122

e. Longitude [MM]* 58

f. Longitude [SS]* 59

10. County: Enter the County.* (max 64 characters) Sonoma County; Mendocino County; Marin County

11. Emergency Project Evaluation:

a. Does this project respond to an existing emergency to humans and/or wildlife? If yes, please answer questions b-d below. a) Yes b) No

b. How does this project address a current water supply shortage which significantly endangers public health, safety or welfare of a specific community or region? (max 1,500 characters)

PG&E is currently diverting the min. required flows needed for operations and contractual obligations, which is far less than historical transfers. PG&E has the right to transfer more water but has not done so. Reduced diversions and drought resulted in significant reductions in water supply for Russian River (RR) users. The Project will work to develop broad local support to achieve near-term increases in diversions to the RR during the PVP decommissioning process. For over 100 yrs the PVP provided water from the Eel River to the RR, an average of over 150K AF annually, until 2006 and 60K AF thereafter. Based on amendments to PVP's FERC operating license in 2006, the diversion declined to 60K AF annually on average. This water sustained communities, businesses, and ESA-listed salmonid species. If PG&E's surrender plan includes ceasing water transfers, the water supply impacts on the RR could be severe. Without water from the PVP, Lake Mendocino (LM) will not meet all the water supply needs for beneficial uses and users. LM is predicted to go dry and there may not be sufficient water supply to meet the public health and safety needs of many communities. Continuing some level of water imports through the PVP is critical for the environmental and economic health of the RR watershed. The Project provides a collaborative, stakeholder-based process to build understanding, address outstanding questions and provide a path forward for continued diversions.

c. How does this project address a current water quality emergency which significantly endangers the public health, safety or welfare of a specific community or region? (max 1,500 characters)

PG&E's PVP has been generating electricity and providing water into the Russian River basin for over 100 years. Over the past 20 years, the PVP annually provided an average 60,000 AF of water from the Eel River to the Russian River that sustained communities, businesses, and several salmonid species listed under the State and Federal Endangered Species Acts (ESA). The water supply from the PVP is critical to about 700,000 people who rely on it, thousands of acres of agricultural lands, and several ESA-listed fish species. Without this water supply, several Mendocino County and Sonoma County communities may not be able to provide the water needed for public health, safety, and welfare during droughts. In addition, water quality in the upper Russian River would decline without the cold-water pool provided by Lake Mendocino, due to increased water temperatures. Elevated water temperatures could lead to impacts to ESA-listed species as well as other impacts.

d. How does this project address a current water supply shortage or water quality emergency which significantly endangers a species of concern or a species listed on either the California or Federal Endangered Species Acts? (max 1,500 characters)

Over the past 20 years, the PVP annually provided an average 60,000 AF of water from the Eel River to the Russian River that sustained communities, businesses, and several ESA-listed salmonid species. The current drought has impacted many local fish and wildlife populations in Mendocino and Sonoma counties that are dependent on aquatic habitats for all or a portion of their lifecycle. Drought conditions have increased water temperatures and reduced the quantity of aquatic habitat in the river. During Spring 2021, the lower Russian River had the second lowest flow since records began in the 1940s. Recent studies by Sonoma Water have shown that the survival of outmigrating salmon in the lower Russian River was negatively affected by low flow during spring. With PVP water, a cold-water pool is typically present in Lake Mendocino during the summer and into the fall of each year. Threatened steelhead and Chinook salmon require cold water from Lake Mendocino for spawning and rearing in the upper Russian River. The loss of the PVP water will diminish Lake Mendocino's cold-water pool and cause further declines in fisheries. During droughts, Lake Mendocino is predicted to go dry, which could jeopardize the existence of these species in the Russian River.

12. Community Drought Impacts: Briefly describe how the community/area benefiting from this project is being impacted by the current drought.* (max 1,500 characters)

The area benefiting from this Project includes large portions of Mendocino, Sonoma, and Marin counties (referred to as the Region below). About 700,000 people in these counties are critically dependent on water supply from the Russian River. Additionally, there are more than 700 other diverters on the Russian River that use water generated from PVP diversions. Low rainfall over the last two years resulted in historically low water storage levels in the Region's two water supply reservoirs, Lake Mendocino and Lake Sonoma. The Russian River watershed and Sonoma Water's entire service area is currently subject to several emergency proclamations due to the drought. In 2021, the State Water Board issued orders to more than 1,800 water right holders and riparian claims in the Upper Russian River, directing them to curtail their diversions. Further, Sonoma Water's Temporary Urgency Change Petition Order required it to reduce its own Russian River diversions by 20 percent, leading to mandatory use reductions in the municipalities served by Sonoma Water.

The area benefitting from the PVP has experienced significantly reduced water supplies, with consequential adverse environmental, economic, health, welfare, and social impacts that pose an imminent threat of disaster and threaten to cause widespread potential harm to people, businesses, agriculture, property, communities, the environment, wildlife, and recreation throughout the Region.

13. Impact on Drought: How will this project alleviate the drought impacts described above?* (max 1,500 characters)

The largest concern for the Region addressed by the Water Forum is the PVP license surrender application that PG&E is required to submit to FERC by January 2025. The Water Forum aims to organize Russian River and Eel River water users and stakeholders and identify a local solution for the PVP's decommissioning that will meet as many interests as possible. Should such a solution involve the acquisition and preservation of portions of the PVP's assets, the Water Forum will work towards identifying a public organization that could own and operate the acquired facilities after PG&E has completed decommissioning. The Water Forum will engage in developing a proposed financing mechanism to pay for acquiring, modifying, and operating the PVP's water diversion facilities and/or other local water supply resiliency projects. The Water Forum will also work to develop broad local support for and achieve near-term increases in diversions to the Russian River during PG&E's decommissioning process. The Water Forum is key to navigating this anticipated shift in regional water supply and is a critical effort to mitigate the largest adverse impacts which could accompany PVP decommissioning. Addressing current and future water supply reliability requires participation by all water users. The Water Forum will provide a robust platform for developing recommended solutions to these challenges which consider stakeholder interests.

14. Funding Need: Please describe why state funding is needed for this project. If state funding is not secured, what will happen to the project?* (max 1,000 characters)

State funding is needed for the Project because Sonoma Water does not have the staff, resources, or funding to implement and advance the Water Forum in a timely manner. Sonoma Water and nearly every water user in the Russian River watershed have been significantly impacted by the current drought and changes in operations of the PVP due to drought and PVP equipment failures (see response to question 13). If state funding is not secured, it is unclear whether Sonoma Water can proceed with the Water Forum quickly enough to have substantial influence on PG&E's decommissioning plan, which is due to FERC in January 2025. If this plan is based solely on PG&E's economic and liability interests, it is very possible the plan would propose the decommissioning of the PVP's water diversion facility. Under such a scenario, deemed likely according to industry experts, it will be much more difficult if not impossible to preserve the PVP's water diversion facilities.

15. Partial Award: Can the applicant utilize a partial award if one should be made available? What would the minimum funding needed be to complete the project as proposed?* (max 1,000 characters)

Yes. The requested grant would provide the funds necessary to support the Water Forum for two years. However, partial funding that would support one year of progress would be well utilized and would likely increase the ability of water users and stakeholders to influence the PG&E's license surrender application for the PVP. One year would be half of the proposed budget.

16. Primary Benefit Value: Please quantify the benefit the project would provide.* (max 10 characters)
45,000 AF

17. Primary Benefit Type: Select the primary benefit type of the project.

Please note the GRanTS cannot accommodate the full drop-down menu for benefit types in one menu. The system will show three dropdowns from which applicant should choose one answer.

Select one: ecosystem/habitat restoration; ecosystem/freshwater habitat; fishery improvements, flood damage reduction; groundwater quality; groundwater recharge; improve operational efficiency; reduce groundwater pumping, reduce water demand; stormwater and flood management

Select One: qualitative surface water quality; water conservation, water quality, water quality-groundwater, water quality-sediment, water quality-surface water, water supply, water supply (ground), water supply (recycled)

Select One: water supply (surface), water supply reliability, other

18. Primary Benefit Unit

a. Please select the primary benefit unit of the project.*

Select One: MG/L, acres, acre-feet/year, cubic feet/second, other

b. If other, please provide primary unit benefit. (max 15 characters)

19. Secondary Benefit Value: Please quantify the level benefit the project would provide. (max 10 characters)
15,000 AF

20. Secondary Benefit Type: Select the secondary benefit type of the project.

Please note the GRanTS cannot accommodate the full drop-down menu for benefit types in one menu. The system will show three dropdowns from which applicant should choose one answer.

Select one: ecosystem/habitat restoration; ecosystem/freshwater habitat; fishery improvements, flood damage reduction; groundwater quality; groundwater recharge; improve operational efficiency; reduce groundwater pumping, reduce water demand; stormwater and flood management

Select One: qualitative surface water quality; water conservation, water quality, water quality-groundwater, water quality-sediment, water quality-surface water, water supply, water supply (ground), water supply (recycled)

Select One: water supply (surface), water supply reliability, other

21. Secondary Benefit Unit

*Description: Please briefly describe how the project will achieve the claimed benefits including how the project benefits an Urban Community. Please include the name of the Urban Community this project benefits. Please include in the explanation information on the timespan of the primary project benefit and how the project will adapt to ensure a public benefit under future climate conditions

a. Please select the secondary benefit unit of the project.

Select One: MG/L, acres, acre-feet/year, cubic feet/second, other

b. If other, please provide secondary unit benefit. (max 15 characters)

22. Benefit Justification: Please briefly describe how the project will achieve the claimed benefits including how the project benefits an Urban Community. Please include in the explanation information on the timespan of the primary project benefit and how the project will adapt to ensure a public benefit under future climate conditions.* (max 1,500 characters)

Urban communities located in the upper 40 miles of the Russian River rely almost exclusively on PVP imports and/or Lake Mendocino during the summer and fall of most years. These communities are particularly vulnerable to impacts from changes in PVP operations. With drought and the potential loss of the water diversion, it's predicted that there will be an insufficient supply of water during 8 of the next 10 years to support water needs along the Russian River. It's also projected that in 2 of those 8 years there will be a 30,000 acre-feet shortage of water in the Russian River, and Lake Mendocino will essentially go dry. If the Water Forum effort succeeds in preserving and improving the PVP's water diversion facilities, the benefits of this effort could be realized for a century or more. Phase 2 will initially focus on (1) collaboratively identifying local solutions for maintaining the flow of water from the PVP into the Russian River watershed while also emphasizing Russian River water supply resilience and fisheries protection/improvements in both river basins, and (2) increasing interim PVP water diversions during the multiyear surrender/decommissioning process. Over time, the Water Forum or its successor will focus on broader water resiliency and restoration issues in the Russian River in order to address current water supply issues and adapt to future climate conditions.

23. Underrepresented Community: Does the project provide a benefit(s) to an Underrepresented Community? **a) Yes** b) No

24. Underrepresented Community Benefits: Provide a numeric percentage of the project benefits that go to an Underrepresented Community. (max 64 characters)

25% of communities most reliant on PVP imports are DACs.

25. Underrepresented Community Benefit Description: If the project provides a benefit to an Underrepresented Community please describe the benefit, the percentage of project benefit and justification for the benefit level, and how the area meets the definitions of an Underrepresented Community. (max 1,500 characters)

Urban communities located in the upper 40 miles of the Russian River rely almost exclusively on PVP imports and/or Lake Mendocino during the summer and fall of most years. These communities contain a high percentage (more than 25%) of economically disadvantaged households. These upper river communities are particularly vulnerable to impacts from changes in PVP operations and are most in danger of not having sufficient water to meet public health, safety or welfare needs. These most economically vulnerable communities, which include tribal communities, will receive the biggest relative benefits from the continuation of water diversions from the PVP.

26. Tribe: Does the project provide a benefit(s) to a Tribe? **a) Yes** b) No

27. Tribe Percentage: What percentage of the project benefit will go to a Tribe? Provide a numeric percentage of the project benefits to a Tribe. (max 64 characters)

About 11.5% of the total project costs will fund tribal engagement.

28. Tribe Benefit Description: If the project provides a benefit to a Tribe please include the name of the Tribe, the percentage of project benefits directly benefitting the tribe and justification for the benefit level. (max 1,000 characters)

While we don't meet DWR's minimum percentage to receive the cost share waiver, there are many tribes that potentially will be involved in the Water Forum. The Tribal funding component of the requested grant (\$300,000) would be distributed based on a consensus recommendation from the participating tribes. The tribes which have already received outreach and/or participated in the Water Forum are: the Federated Indians of Graton Rancheria, Dry Creek Rancheria Band of Pomo Indians, Lytton Rancheria of California, Cloverdale Rancheria of Pomo Indians, Kashia Band of Pomo Indians, Pinoleville Pomo Nation, Guidiville Indian Rancheria, Coyote Valley Band of Pomo Indians, Hopland Band of Pomo Indians, Redwood Valley Little River Band of Pomo Indians, Potter Valley Tribe, Round Valley Indian Tribes, Yokayo Tribe of Indians, and Ya-Ka-Ama. Additional outreach is planned for other affected tribes in the Region.

29. Climate Change Vulnerabilities:

a. Please describe the specific climate change vulnerabilities that will impact the Urban Water Management Plan area. Applicants must cite a reference document which identifies the local area vulnerability -- eg. UWMP, climate change analysis, local IRWM, etc. (max 1,500 characters)

Based on historical climate trends and future climate projections, this Region is likely to experience increased temperatures, rising sea levels, extreme precipitation, and river flooding as well as increased frequency and severity of drought and wildfire due to the climate crisis. Sonoma Water worked with the United States Geological Survey (USGS) on a study to investigate how climate change affects water resources and habitats in the San Francisco Bay Area, specifically in the Russian River Valley and Santa Cruz Mountains (USGS Scientific Investigations Report 2012-5132). The study predicted a warming trend over the 21st century with variations in the warming rate. Using a Basin Characterization Model, USGS predicted reduced early and late wet season runoff during the next century as well as higher variability in water supply due to higher variability in precipitation. As a result, according to Sonoma Water's Climate Adaptation Plan, water demand is likely to increase due to increased evapotranspiration and climatic water deficit during extended summers (Sonoma Water Climate Adaptation Plan, 2021). The outcomes of the USGS Scientific Investigations Report 2012-5132 also informed climate change impacts to water supply and demands in Sonoma Water's adopted 2020 Urban Water Management Plan.

b. Please describe how the project will mitigate the vulnerabilities described in the previous question. (max 1,500 characters)

Over the past 20 years, the PVP annually provided an average 60,000 AF of water from the Eel River to the Russian River that sustained communities, businesses, and several ESA-listed salmonid species. Even with

water from the PVP, the recent drought necessitated water rights curtailments throughout the Russian River. PG&E's license surrender application, due in January 2025, could propose the removal and abandonment of the PVP's water diversion facilities. If such a proposal were to be implemented, the water supply impacts on the Russian River could be catastrophic. Climate change is anticipated to result in deviations from historical precipitation regimes. The water provided through the PVP is critical for the Region to maintain resiliency to climate-change fueled impacts to annual precipitation and allow needed time to implement further measures to help communities adapt to new climatic conditions. The Water Forum will focus on collaboratively identifying local solutions for maintaining the flow of water from the PVP into the Russian River watershed while also emphasizing Russian River water supply resilience and fisheries in both river basins. The Water Forum will work collaboratively to identify a local solution that has broad support, is affordable, meets multiple local interests, can be implemented from a water rights perspective, and meets PG&E's interests.

30. Land Acquisition: Is land acquisition or landowner permission required for this project? If so, please briefly describe the status of the acquisition or agreement with the landowner. If the acquisition is not complete or permission not secured at the time of application, please describe the plan to complete it.* (max 1,000 characters)

Land acquisition is not required for the proposed project.

31. Planning and Tasks: Has planning for this project been completed? Please describe the status of planning and tasks needed for the project.* (max 1,000 characters)

The following planning teams will support the Water Forum: (1) Local Solution Team: Stakeholders and an impartial technical consulting firm focusing on identifying and analyzing local solutions to the PVP decommissioning; (2) Affordability Team: Stakeholders and an impartial financial consultant focusing on financing scenarios for the local solutions; (3) Ownership and Governance Team: Stakeholders, attorneys, and impartial experts focusing on ownership scenarios for the local solutions; (4) Water Rights Team: Stakeholders and Tribes, and their attorneys, working to understand future management options consistent with water rights, supported by information from the State Water Resources Control Board and other neutral sources. The planning teams will provide the foundation for a local solution that has broad support, is affordable, meets multiple local interests, can be implemented from a water rights perspective, and meets PG&E's interests.

32. Design and Tasks: Has design for this project been completed? Please describe the status of design and tasks needed for the project.* (max 1,000 characters)

There is no construction related to this proposed project, so engineering designs will not be produced.

33. CEQA/NEPA: Are the CEQA (and NEPA if applicable) processes for this project complete? Please briefly describe the CEQA (or NEPA) documents for this project.* (max 1,000 characters)

Neither CEQA nor NEPA compliance are required for this project, which represents a planning effort and is not considered a "project" under either CEQA or NEPA.

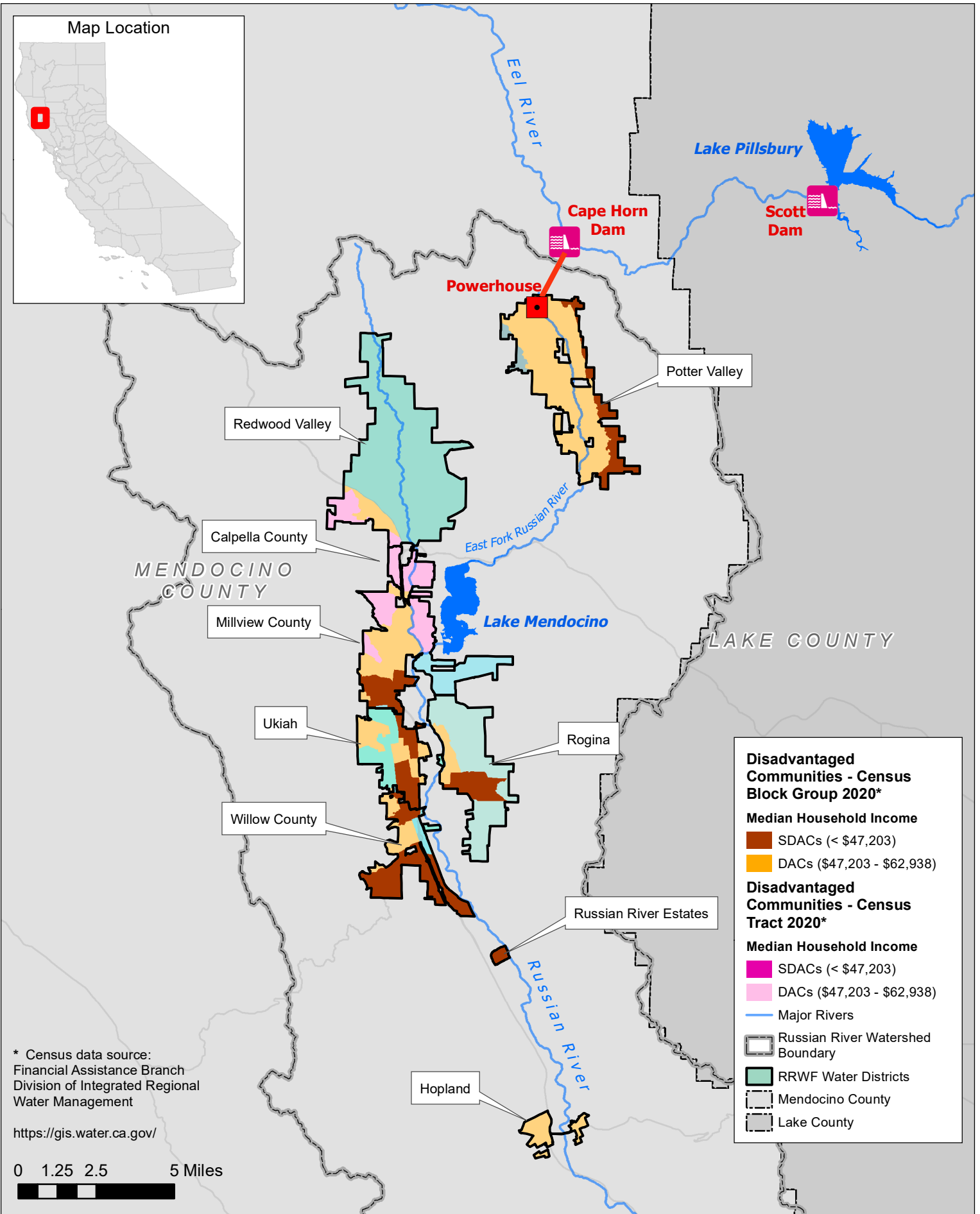
34. Permitting: Is permitting for this project complete? Please briefly describe the permits necessary to complete this project.* (max 1,000 characters)

No permits are necessary for the project.

35. Construction/Implementation Activities: Please describe the necessary activities related to construction/implementation for this project.* (max 1,000 characters)

There is no construction related to this proposed project. Implementation of the project is budgeted under Budget Categories (c), Planning/Design/Engineering/Environmental Documentation

S:\Projects\special_projects\water_conservation\X0241\G010\USBR_WaterSMART_DAC_MendoSonomaMarin.mxd 1/31/2023



Disadvantaged Communities - Census Block Group 2020*

Median Household Income

- SDACs (< \$47,203)
- DACs (\$47,203 - \$62,938)

Disadvantaged Communities - Census Tract 2020*

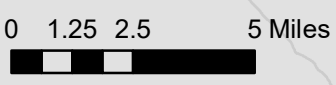
Median Household Income

- SDACs (< \$47,203)
- DACs (\$47,203 - \$62,938)

- Major Rivers
- Russian River Watershed Boundary
- RRWF Water Districts
- Mendocino County
- Lake County

* Census data source: Financial Assistance Branch Division of Integrated Regional Water Management

<https://gis.water.ca.gov/>

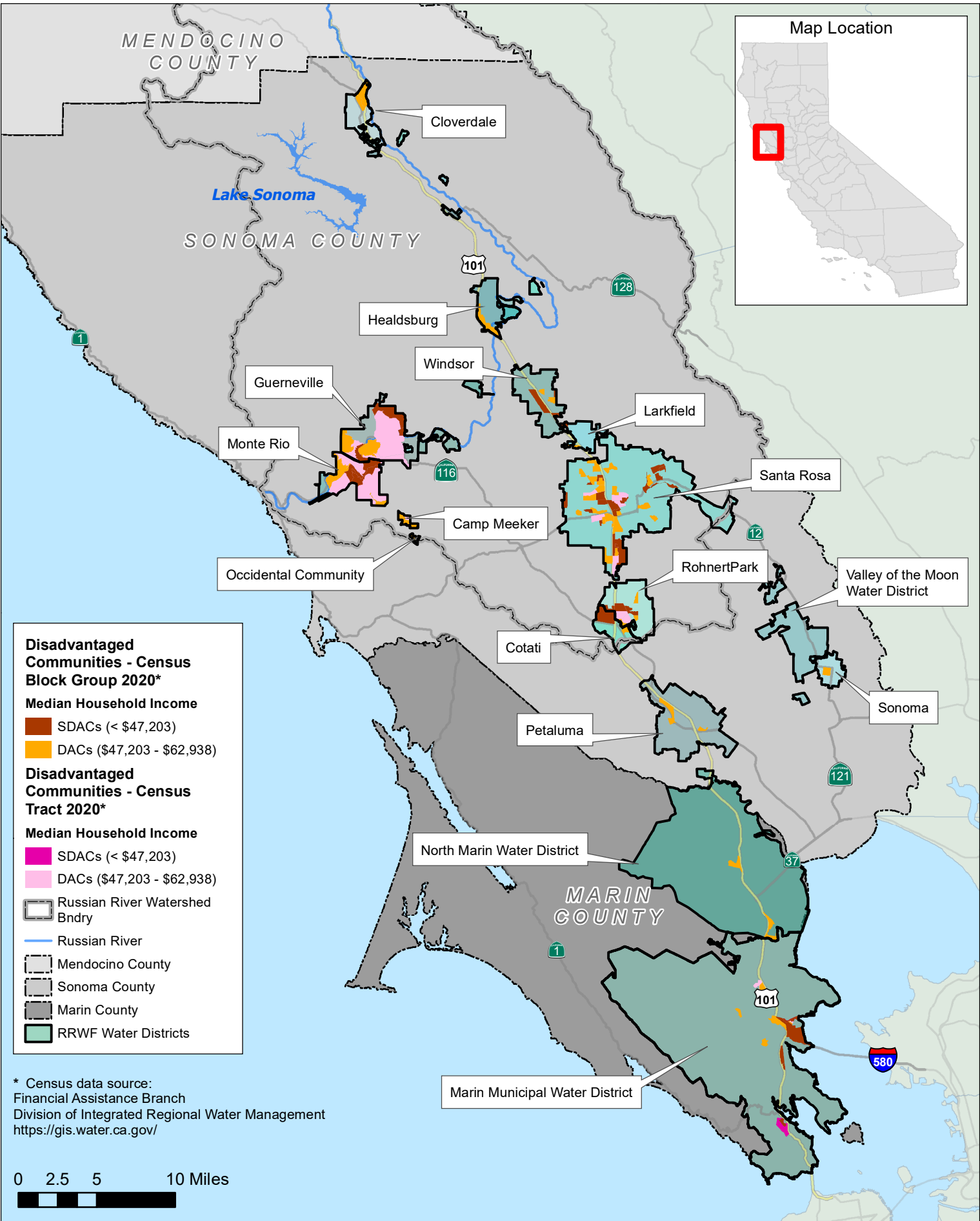


Russian River Water Forum Phase 2

2020 DAC Status (Upper Russian River)



S:\Projects\special projects\water conservation\X0241\G010\USBR_WaterSMART_DAC_MendoSonomaMarin.mxd 1/30/2023



Disadvantaged Communities - Census Block Group 2020*

Median Household Income

- SDACs (< \$47,203)
- DACs (\$47,203 - \$62,938)

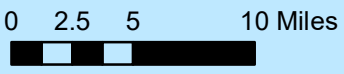
Disadvantaged Communities - Census Tract 2020*

Median Household Income

- SDACs (< \$47,203)
- DACs (\$47,203 - \$62,938)

- Russian River Watershed Bndry
- Russian River
- Mendocino County
- Sonoma County
- Marin County
- RRWF Water Districts

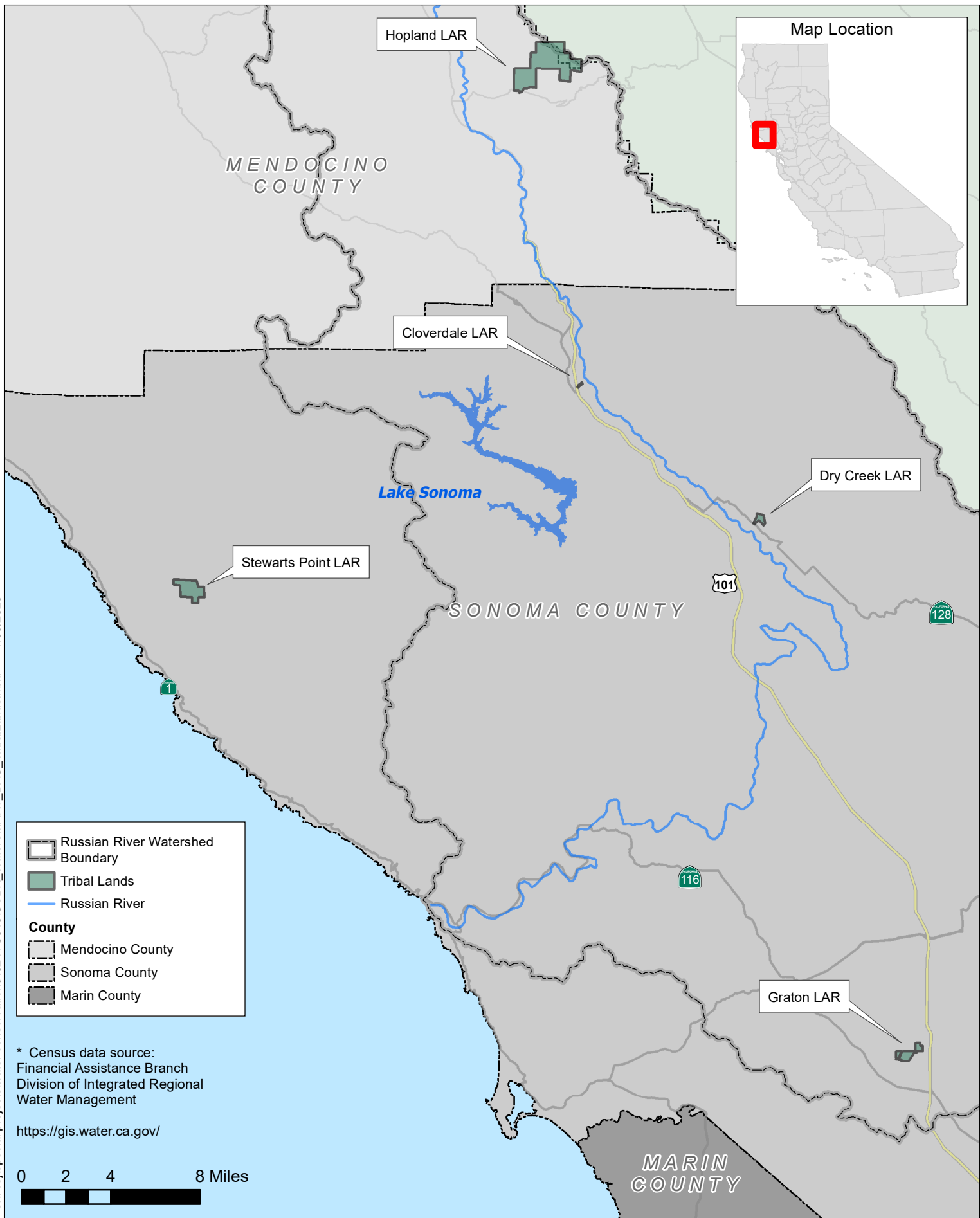
* Census data source: Financial Assistance Branch Division of Integrated Regional Water Management <https://gis.water.ca.gov/>



Russian River Water Forum Phase 2 2020 DAC Status (Lower Russian River)



S:\Projects\special_projects\water_conservation\X0241\G010\USBR_WaterSMART_DAC_TribalLands.mxd 1/30/2023



Russian River Water Forum Phase 2

Tribal Lands - Lower RRWS



S:\Projects\special_projects\water_conservation\X0241\G010\USBR_WaterSMART_DAC_TribalLands.mxd 1/30/2023



Potter Valley LAR

Potter Valley LAR

Redwood Valley LAR

Redwood Valley LAR

Coyote Valley LAR

MENDOCINO COUNTY

Lake Mendocino






Pinolaville LAR

Guidiville LAR

Guidiville LAR

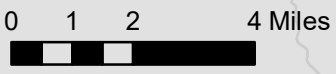
LAKE COUNTY

Hopland LAR

 Russian River Watershed Boundary
 Tribal Lands
 Russian River
Mendocino County
NAME
 Mendocino County
 Lake County

* Census data source:
Financial Assistance Branch
Division of Integrated Regional
Water Management

<https://gis.water.ca.gov/>



Russian River Water Forum Phase 2

Tribal Lands - Upper RRWS

