Planning Group Meeting #1

Wednesday, May 17, 2023 10:00 am – 3:00 pm Ukiah Valley Conference Center Zoom



Opening Remarks





James Gore Supervisor, District 4 *Sonoma County* Maureen Mulheren Supervisor, District 2 *Mendocino County*



Welcome

Russian River Water Forum Planning Group Meeting #1



Participation Guidelines

Planning Group

- Please be mutually respectful.
- Actively listen.
- One person speaks at a time.
- One Planning Group member may participate per slot (member or alternate).

Members of Public

• Members of public are invited to share input during public comment.



Room & Zoom Logistics

• To ensure a smooth hybrid meeting, please speak:

- Clearly and loudly.
- In the direction of the OWL and other Planning Group members.
- Into the wireless mic, holding it just below your mouth.
- If participating virtually, please virtually "raise your hand" to participate.
- Facilitator will ensure that virtual attendees can participate fully.
- Presentation, meeting summary, and recording will be available.



Zoom Instructions: Closed Captioning

 Closed captioning can be found here.





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Zoom Instructions: How to Participate

 Please use the chat only for technical assistance.





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Welcome and Introductions Meeting Objectives

- Provide overview of Planning Group purpose and charter; confirm common understanding and commitment to charter guidelines and principles.
- Discuss Planning Group members' interests concerning Potter Valley Project decommissioning process.
- Provide overview of role and focus areas of Steering Committee and Working Groups and discuss membership.
- Provide opportunity for public comment.



Welcome and Agenda Review

Time	Торіс
10:00 am	Opening Remarks
10:10 am	Welcome, Introductions, and Agenda Review
10:30 am	Planning Group Purpose and Charter
11:15 am	Planning Group Member Interests and Priorities
12:30 pm	Lunch
1:00 pm	Presentation
1:40 pm	Working Groups and Future Discussion Topics
2:10 pm	Working Group and Steering Committee Membership
2:25 pm	Next Steps and Future Meetings
2:30 pm	Public Comment
3:00 pm	Adjourn



Planning Group Member Introductions



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Planning Group Member Introductions

- In-person introductions will happen first, followed by virtual introductions.
- If you are a member participating virtually, please raise your hand and tech support will unmute you.

• Please share:

- Name
- Organization
- Interest category (e.g., Eel River Environmental NGO)
- **Answer**: What are your hopes for this process?



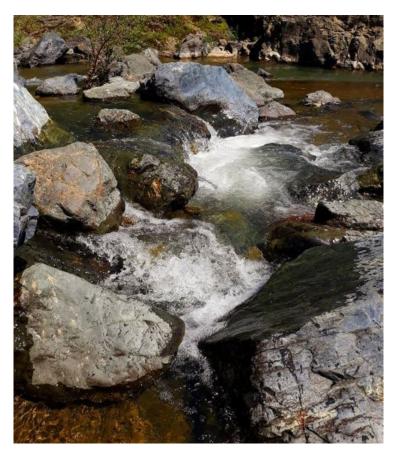
Planning Group Purpose and Charter



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Introduction to Russian River Water Forum

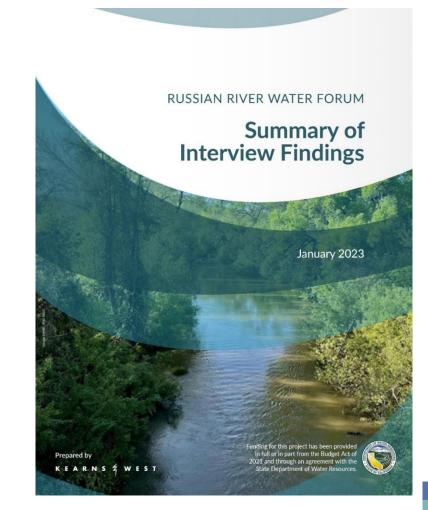
- A new operator of the PVP, such as a regional entity representing water interests in the Russian River watershed, could potentially assume responsibility for the project and continue water diversions.
- Sonoma Water received funding from the California Department of Water Resources Urban and Multibenefit Drought Relief Grant Program to support water supply resiliency planning.
- K&W providing third-party, neutral facilitation/ mediation support





Water Forum Formation Process

- Interviews with interested parties and summary document
- Tribal briefings and summary document
- Briefings with elected officials and state/federal agencies
- Structure, timeline, and charter based on input from interviews and briefings
- Convened Interim Steering Committee
- Planning Group nomination





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Interviews with Interested Parties Methodology

- Kearns & West conducted 38 interviews with 73 individuals in Oct-Nov 2022
- County and city governments, water providers, agricultural interests, recreation interests, business groups, environmental groups, state and federal regulatory agencies, and resource conservation districts
- All interviews conducted confidentially



Interviews with Interested Parties Overarching Findings

- Support for concept, strong interest in participating
- Urgency
- Inclusion and transparency
- Financing water users willing to pay
- Fairness in sharing cost burdens
- Need for data, technical resources, scenarios to inform discussions
- Community awareness of PVP relatively low broad education/ outreach needed



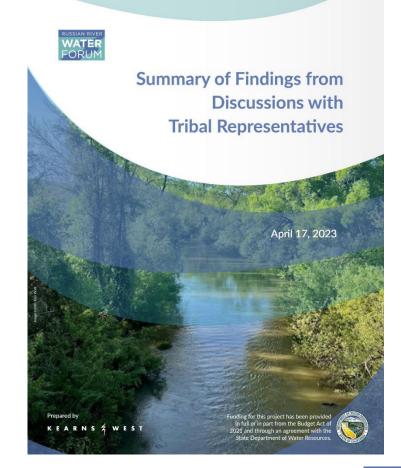
Interviews with Interested Parties Recommendations for Water Forum

- Broad representation, including Eel River basin and Lake County
- Have clearly stated goals, note what is negotiable vs. not
- Seek commitments to the process, working together across interests
- Transparency is critical for success
- Leverage existing groups to extend reach
- Perceived need for basin-wide collaboration beyond PVP diversion



Discussions with Tribal Representatives Approach

- Held 9 briefings with tribal representatives
- Intended to gather input on Water Forum concept, better understand interests in PVP and related water supply, fisheries, and environmental restoration issues.
- Conducted by K&W, Sonoma Water, and regional partners.





Discussions with Tribal Representatives Briefings Held

- Bear River Band of the Rohnerville Rancheria, 3/1/2023
- Graton Rancheria, 11/16/2022
- Kashia Band of Pomo Indians, 11/7/2022
- Lytton Band of Pomo Indians, 3/29/2023
- Mendocino, Lake, Sonoma, Tribal Environmental Professionals (MLSTEP), 1/11/2023
- Pinoleville Pomo Nation, 4/03/2023
- Potter Valley Tribe, 2/13/2023
- Redwood Valley Little River Band of Pomo Indians, 12/9/2022
- Round Valley Indian Tribe, 1/12/2023



Discussions with Tribal Representatives Overarching Findings

- Support for Water Forum concept
 - Important to convene multiple interests
- Range of interests and perspectives
- Inclusivity
 - All tribes should be invited to the table, each tribe's interests are unique
- Cultural significance
 - Watershed issues affect cultural practices of tribes



Discussions with Tribal Representatives Overarching Findings (cont.)

- Respect for tribal knowledge and expertise
 - Tribal experts should be involved in technical discussions
- Acknowledgement of previous harms
 - History of damage to tribal communities
- Capacity



Discussions with Tribal Representatives Interests Related to Water Supply and Fisheries

- Fisheries recovery a high priority
 - Watershed-wide (creek to river) perspective on fisheries issues
- Water supply
 - Direct dependence on water supplies from the PVP
 - Impacts to groundwater if surface water supplies are reduced
 - Identifying and stopping illegal water diversions
- Equity
 - Planning processes should not unfairly favor large water users
- Watershed planning and management
 - Opportunities for tribal watershed management and stewardship



Water Forum Structure and Planning Group Charter

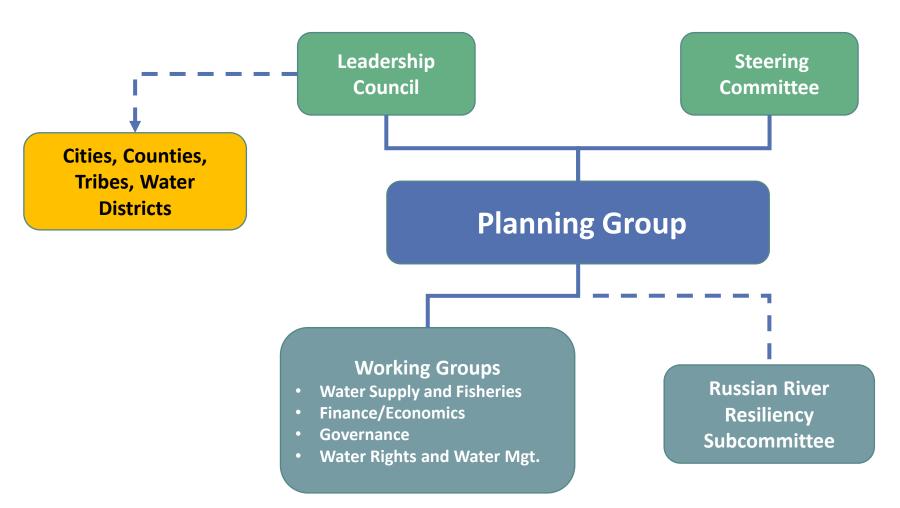


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Russian River Water Forum Focus and Structure

- Initial focus: Share information and identify water-supply resiliency solutions that respond to PG&E's planned decommissioning of the PVP while protecting Tribal interests and supporting the stewardship of fisheries, water quality, and recreation in the Russian River and Eel River basins.
- Comprised of parties with interest in water resources in the Russian River and Eel River basins.
- Will also focus on broader water resiliency issues over time
- Venue for inclusive engagement.

Russian River Water Forum Structure



DRAFI



Version: May 11, 2023

Public Workshops/Broader Engagement

Water Forum: Committee Roles

Leadership Council

- Advisory and oversight body to the Planning Group.
- Consider options and alternatives/evaluation from Planning Group.
- Coordinate legislation, funding, and political support with respective governments and constituents.
- Comprised of local, state, federal, and Tribal elected officials, representative of the Planning Group.

Planning Group

- Share information, identify and evaluate options and alternatives for a local solution that responds to the PVP decommissioning
- Bring local expertise and knowledge of the Russian River and Eel River basins and the PVP.
- Strive for a high degree of cross-interest involvement and support in crafting solutions.
- Outreach to constituent groups to increase awareness and involvement.

Working Groups (4)

- 1) Technical 2) Finance/Economics 3) Governance 4) Water Rights
- Develop concepts and alternatives for consideration by the Planning Group.

Steering Committee

- Process guidance for Planning Group.
- Review agendas, deliverables, and communications.



Planning Group Charter Purpose

- Bring together interested parties in the Russian River and Eel River basins in a collaborative, solutions-oriented process.
- Share information and improve understanding of Russian River water supply and fisheries challenges and Eel River fisheries challenges.
- Evaluate potential options to address these challenges and to address PG&E's planned decommissioning of the PVP.
- Identify funding sources to support water supply resiliency solutions and environmental benefits in response to the planned decommissioning of the Potter Valley Project.



Planning Group Charter Charge

- Provide local expertise and knowledge of the Russian River and Eel River basins and the Potter Valley Project (PVP), for informing the Water Forum planning process.
- Facilitate interest group caucuses and represent caucus interests in Planning Group discussions.
- Conduct outreach to constituent groups to increase awareness of and involvement in the Water Forum.
- Identify potential speakers to present regional perspectives, recommendations, and commentary at Water Forum public meetings.
- Strive for a high degree of cross-interest involvement and support in crafting alternatives.



Planning Group Charter Guiding Principles

- <u>Active</u>, full participation. Communicate and listen actively.
- Focused participation. Come prepared to achieve meeting outcomes.
- <u>Regular attendance</u>
- <u>Respectful interaction</u>. Respect divergent viewports, values, and legitimate interests by listening courteously and speaking one at a time.
- Integration and creative thinking. Balance advocacy and inquiry; focus on solution generation, not disagreement.
- <u>Satisfy mutual interests</u>. Seek solutions that satisfy diverse interests; focus on underlying interests and not fixed positions.
- Personal technology courtesy



Planning Group Charter Developing Recommendations and Decision-Making

- Primary focus on deliberating, not decision-making
- Strive for consensus across group, i.e., "can live with"
 - If not, provide explanation and alternative solution
- Converging and diverging views will be documented.
- Majority and minority views will be documented, majority will determine decision as fallback.
- Steering Committee is a resource for finding path forward.
- Each interest category responsible for identifying interests relevant to potential options or alternatives.



Planning Group Charter Caucusing

- Participants with a shared interest (Planning Group members, alternates, and others) meet to discuss interests, priorities, and potential strategies
- Helpful in preparing for multi-interest discussions
- Caucus members can rotate into Planning Group seats to have opportunity to participate
- Caucusing during Planning Group sessions
- Planning Group members responsible for organizing/ facilitating caucus discussions outside Planning Group



Planning Group Charter Membership

Category	Geography	# Slots	Organizations/Governments
County staff	Mendocino County	1	Board of Supervisors
County staff	Sonoma County	1	County Staff
County staff	Lake County	1	Board of Supervisors
County staff	Humboldt County	1	County Staff
Tribal Government	Russian River Basin	4+	Lytton Band of Pomo Indians; Pinoleville Pomo Nation; Potter Valley Tribe; Yokayo Tribe of Indians
Tribal Government	Eel River Basin	2+	Round Valley Indian Tribes; Wiyot Tribe
Water Supplier	Mendocino County	4	PVID; IWPC; RRFCD; Ukiah; Redwood Valley CWD
Water Supplier	Sonoma County	6	SCWA; NMWD; Windsor; Santa Rosa; Camp Meeker; Healdsburg
Environmental NGO	Russian River Basin	2	Russian Riverkeeper; Trout Unlimited
Environmental NGO	Eel River Basin	2	CalTrout; Friends of the Eel River
Agriculture NGO/RCD	Mendocino County	2	Mendocino County Farm Bureau; Mendocino County RCD
Agriculture NGO/RCD	Sonoma County	3	Sonoma RCD; Agriculture Landowners
Recreation	Russian River Basin	1	Sonoma County Regional Parks
Recreation	Eel River Basin	1	N/A
Commercial Fisheries	Russian and Eel River Basins	1	Pacific Coast Federation of Fishermen's Associations
	Total Participants	32+	

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Note: Request by Lake County to add Recreation slot (Lake Pillsbury Alliance)

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Planning Group Charter

Questions and Comments from Planning Group Members

- We will take in-person questions/comments, followed by virtual questions and comments from the Planning Group.
- If you are participating virtually, please use the "raise hand" function to ask a question or make a comment. To do this from your phone, press *9.



Planning Group Member Interests and Priorities



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Positions vs. Interests

Position:

- A particular stance taken by a party; a preferred solution
- What I "want"
- Ex: I want to open the window.

Interest:

- Underlying need, values, or motivation for a position.
- "Why" I want what I want
- Ex: I feel hot and need to cool down the room.



Mutual Gains (or Interest-Based) Negotiation

- A mutual gains approach is about satisfying your needs and interests by supporting other parties in meeting their own needs and interests, in whole or in part.
- Focus on interests to be reconciled, not positions to be defended
- The size of the pie can be expanded by looking for opportunities to create value by integrating different needs and interests.
- Options and concepts can be mixed/matched to reach agreements.



Planning Group Member Interests and Priorities

- PG members will share their statements of interests.
- Each member will have 2 minutes.
- Either the member or the alternate shares not both.
- Members on Zoom will begin, followed by in-person members.
- Instructions:
 - Please state your name, organization, and the interest category you represent.
 - Zoom: our tech team will ask you to unmute in the order on the screen.
 - In-person: please speak toward the OWL and into the wireless mic.



Lunch

Planning Group meeting will resume at 12:50 pm. Lunch options:

- Lunch is provided for Planning Group members and alternates, agency representatives, and project staff.
- Schat's (deli): 113 W Perkins St (one block north on School, right on Perkins)
- Eddie's Cocina (Mexican): next to Schat's
- Oco Time (Japanese): 111 W Church St (half a block east on Church)



Potter Valley Project Background PG&E Decommissioning Process Two-Basin Efforts to Date



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Historical Context

- 1908 Snow Mountain Water & Power Co. completes Cape Horn Dam and the diversion tunnel; water diversions and power generation begin.
- 1921 Scott Dam completed, forming Lake Pillsbury.
- 1922 50-year project license granted by Federal Power Commission.
- 1930 PG&E purchases the project and assumes the license.
- 1958 Coyote Valley Dam completed on the Russian River, forming Lake Mendocino.

Average PVP diversions 1908 – 1983: 155,000 acre-feet per year



Historical Context

- 1983 Following a lengthy relicensing process, including 10 years of fisheries studies, FERC issues a new PVP license, valid through April 14, 2022, that includes minimum flow requirements for the Eel River downstream of Cape Horn Dam.
- 1986 SWRCB issues Decision 1610, which sets instream flow requirements for fisheries and recreation in the Russian River.
- By 2000, the environmental challenges of the Potter Valley Project are well known, such as fish passage challenges at Cape Horn Dam, lack of passage at Scott Dam, an altered Eel River hydrograph, and summer water quality issues. The benefits of the Project are also understood, including modest water temperature control and year-round water supply.



Historical Context

- 2002 NMFS issues Biological Opinion that includes requirements for increased Eel River flows. The Biological Opinion requires releases to mimic the natural hydrograph downstream of the PVP; flow requirements are included in a license amendment issued by FERC in 2004
- 2008 NMFS issues Biological Opinion for the Russian River; it includes a requirement that Sonoma Water ask the SWRCB to lower minimum instream flow requirements to improve conditions for coho and steelhead.
- Average PVP diversions 1984 2005: ~135,000 acre-feet/year
- Average PVP diversions 2006 2022: ~60,000 acre-feet/year



- April 6, 2017 PG&E files a Pre-Application Document (PAD) and Notice of Intent (NOI) to prepare a license application for the project in anticipation of the April 14, 2022 deadline.
- May 2017 Rep. Jared Huffman convenes the Ad Hoc Committee, which grows to include more than 25 parties. Participants commit to working towards a two-basin solution that would improve fish passage and habitat on the Eel River and minimize or avoid adverse impacts to water supply reliability, fisheries, water quality and recreation in the Russian River and Eel River basins.
- The Ad Hoc Committee met at least quarterly from May 2018 through February 2022.



- February 15, 2018 FERC issues the Study Plan Determination, which establishes the studies that must be conducted to inform the relicensing process.
- September 2018 PG&E issues a solicitation to sell the Potter Valley Project and seeks expressions of interest
- January 25, 2019 PG&E notifies FERC that it is discontinuing the relicensing effort and ending efforts to sell the project.



- Early 2019 Five Ad Hoc Committee participants (California Trout, Humboldt County, Mendocino IWPC, Round Valley Indian Tribes, and Sonoma Water) agree to pursue filing a Notice of Intent to obtain the license to operate the PVP.
- This subgroup of Ad Hoc Committee participants is known as the "NOI Parties," the "Planning Agreement Parties," or the "Two-Basin Partnership".
- June 28, 2019 The Two-Basin Partnership Parties file the Notice of Intent.



- May 13, 2020 The NOI Parties file a Feasibility Study Report that included alternatives for changes to PVP facilities, including removal of Scott Dam, modification of Cape Horn Dam, and increasing the diversion capacity at the Van Arsdale diversion.
- September 14, 2020 The NOI parties file an Initial Study Report, which details progress on the studies initially proposed by PG&E, as well as modifications to evaluate the proposed changes to the PVP facilities. Significant public and agency comment is then received on the revised Study Plan.



- March 16, 2021 FERC issues Study Plan Determination. The cost of the studies is estimated at \$18 million and it is expected to take two years to complete them.
- March-December 2021 The NOI Parties are not successful in securing funding for studies. FERC declines to extend the final license application deadline beyond April 14, 2022.
- January 2022 The NOI Parties notify FERC that they will not be filing a license application by April 14, 2022.
- May 2022 FERC directs PG&E to prepare a plan and schedule for surrender of the Project.



License Surrender Application Process

- July 29, 2022 FERC approves PG&E's proposed schedule for filing a license surrender application and decommissioning plan. Steps include:
 - PG&E will prepare a draft decommissioning plan.
 - PG&E will seek comment from stakeholders and resource agencies.
 - PG&E will prepare a revised plan and file with FERC.
- The schedule calls for PG&E to complete a draft application and plan by roughly November 2023, and the final submission by January 2025.



License Surrender Application Process

- The decommissioning plan would be expected to seek to minimize cost and risk to PG&E ratepayers.
- The plan may be expected to propose removal of one or both dams, although alternative treatments may be discussed.
 - PG&E has communicated to some parties that the November filing will include "removal of all Project facilities."
- Upon a FERC order adopting the decommissioning plan, additional design, permitting, and approvals will be sought to implement the plan.

Presentation Questions Questions from Planning Group Members

- We will take in-person questions/comments, followed by virtual questions and comments from the Planning Group.
- If you are participating virtually, please use the "raise hand" function to ask a question or make a comment. To do this from your phone, press *9.



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Overview of Working Groups and Future Discussion Topics



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Working Groups

The Working Groups will review available information, consult with experts, and discuss options for consideration by the Planning Group. Working Groups are open to all Planning Group members and alternates

- Four working groups:
 - Water supply and fisheries
 - Economics and finance
 - Governance
 - Water rights and water management
- Topics cut across multiple working groups
- Technical briefings in June



Water Supply and Fisheries Working Group

The purpose of this working group is to support a shared understanding among RRWF participants of:

- Water supply context
- Fisheries science and regulatory context
- Related infrastructure issues



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Water Supply and Fisheries Working Group

This group will review past and ongoing studies and coordinate with the economics/finance and water rights groups on topics including:

- Infrastructure and operations alternatives
- Potential effects of these alternatives on water supply reliability and fisheries.
- Water demand reduction potential and related costs and economic impacts
- Water storage and management options within PVID
- Sediment management and other issues around dam removal



Water Supply and Fisheries Working Group

- Technical briefing: (Date/time TBD)
- Overview of existing information
- Update on ongoing studies
- Discussion of key uncertainties and information gaps

Briefing leads

- Don Seymour, Deputy Chief Engineer, Sonoma Water
- David Manning, Environmental Resources Manager, Sonoma Water



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Economics and Finance Working Group

Assumption: A regional entity will own and manage a water diversion from the Eel River to the Russian River watershed.

Topics to address:

- The costs to acquire, modify, and operating the water diversion facilities
- The uncertainty in these cost estimates and information needed to reduce these uncertainties
- Potential sources of funding (grants, state and federal funds, taxes, water sales, other)
- The fairness to different beneficiaries that will need to fund the acquisition, modification, and management of the water diversion facilities and a regional entity.
- Development of water supply contracts.



Economics and Finance Working Group

Interactions with Other Working Groups

- Water Supply and Fisheries: Identify the cost of modifying existing PVP facilities
- Governance: Identify the scope of responsibilities and functions a regional entity would need to fund, and financial aspects of negotiations with PG&E.
- Water Rights and Water Management: Define the water supply "product" that would be provided and how the product will be managed.



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Economics and Finance Working Group

Technical briefing: [Date/time TBD]

- Review of facilities modification cost information from previous studies
- Scope and objectives of studies currently in progress
- Overview of potential models for structuring water contracts and pricing

Technical briefing leads

- Tom Johnson, Principal, Thomas R. Johnson LLC
- Mike Thompson, Assistant General Manager, Sonoma Water



Governance Working Group

Assumption: An entity will be formed to own and operate the water diversion facilities.

Topics to address:

- What the entity needs the authority to do. For example: Sell water, assess land, impose fees, operate the diversion, manage water rights
- What form of regional entity should be created to perform the agreedupon functions.
- Who would participate in the entity.
- Who would administer and manage the regional entity.



Governance Working Group

Topics to address (continued):

- The path and timeline for the creation of a regional entity (or its proxy) to address the acquisition of water diversion facilities from PG&E.
- Regional entity responsibilities beyond owning and operating the water diversion facilities, such as:
 - Engaging in environmental improvements in the Russian and/or Eel river basins
 - Engaging in water supply resiliency efforts
 - Other roles and responsibilities



Governance Working Group

Technical briefing: Tuesday, June 20, 1:00 - 2:30 p.m. (Zoom)

- Overview of entity formation considerations and options
- Potential areas of authority
- Timeline for discussions

Technical briefing leads

- Cory O'Donnell, Chief Deputy County Counsel, Sonoma County
- Scott Shapiro, Managing Partner, Downey Brand LLP



Water Rights and Water Management Working Group

Role: Support parties in understanding what water is available to which water rights holders, currently and under future scenarios.

Topics to address:

- What management structures and monitoring systems would be needed to manage water rights and ensure water deliveries.
- The relationship of a regional entity to water rights holders.
- How the exercise of water rights on the Russian River would be affected by a change in the timing and volume of diversion flows associated with run-of-the-river operations.
- Eel River water rights issues, including tribal water rights and illegal cannabis diversions

Water Rights and Water Management Working Group

Technical briefing: Thursday, June 22, 10:30 a.m. – 12:00 p.m. (Zoom)

- Review of water rights in the Russian River and Eel River basins
- Potential impacts/risks to water rights holders under future scenarios for the PVP

Technical briefing leads

- Ryan Bezerra, Principal, Bartkiewicz, Kronick & Shanahan PC
- Kristin Peer, Water and Natural Resources Attorney, Bartkiewicz, Kronick & Shanahan PC



Technical Questions Questions from Planning Group Members

- We will take in-person questions/comments, followed by virtual questions and comments from the Planning Group.
- If you are participating virtually, please use the "raise hand" function to ask a question or make a comment. To do this from your phone, press *9.



Working Group and Steering Committee Membership



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Working Group Membership

- Working Groups open to all Planning Group members and alternates
- Monthly meetings
- Regular participation is expected
- Planning Group members can designate technical experts to participate
- Working Groups will identify lead(s)



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Steering Committee Membership and Role

- Small (6-8 people), cross-interest group of Planning Group members
- Aim to have overlap between membership of Steering Committee and all Working Groups
- Role:
 - Advise on Planning Group and Working Group meeting topics
 - Facilitate coordination between Planning Group and Working Groups, and among Working Groups
 - Support broader community engagement and education
 - Help identify path forward where Planning Group is unable to reach consensus



Working Group and Steering Committee Questions Questions from Planning Group Members

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Next Steps and Future Meetings



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Next Steps and Future Meetings

- Meeting #2 (mid-June)
- Recurring Meeting dates/times (beginning with Meeting #3 in July)
 - First Thursdays
 - Second Thursdays
 - Fourth Thursdays
- Survey
- Working Group Briefings
 - Water supply and fisheries: (TBD)
 - Economics and finance: (TBD)
 - Governance: Tuesday, June 20, 1:00 2:30 p.m.
 - Water rights and water management: Thursday, June 22, 10:30 a.m. 12:00 p.m.
- SharePoint site coming
- Timeline oriented around anticipated PG&E filing schedule



Public Comment



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Instructions for Public Comment

- We will take in-person comments first, in order of the speaker cards we received, followed by Zoom comments.
- We will call three people at a time. When you hear your name, please come to the microphone and line up if you are able.
- To comment virtually, please use the "raise hand" function.
- Each speaker will have 90 seconds to provide their comments.
- The facilitation team will not be responding to comments at this time. Comments will be captured in the meeting summary.



Meeting is adjourned.

Thank you for attending!



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