Potter Valley Project Update

Russian River Watershed Association June 1, 2023

Presented by:

Mike Thompson, Sonoma Water



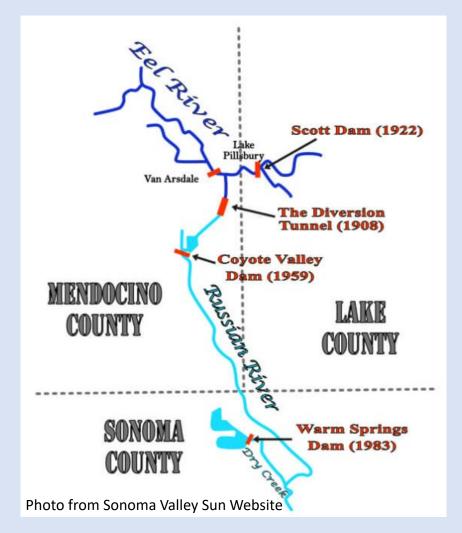
Topics for Today

- Overview
- Potter Valley Project (PVP)
- Russian River Water Forum Overview
- Sonoma County Water Caucus
- Next Steps



Potter Valley Project (PVP)

- PVP is a hydroelectric project owned and operated by Pacific Gas & Electric Co. for over 100 years.
- On average, 60,000 acre-feet (AF) of water is transferred from the Eel River to the Russian River annually through the PVP.
- This water source helps meet demands in Potter Valley and downstream of Lake Mendocino.
- Demand for water downstream of Lake Mendocino has recently exceeded supply, resulting in curtailments.



PVP License Surrender Schedule

Initial draft surrender application including decommissioning plan: November 2023

Final draft surrender application and decommissioning plan: May 2024

File final surrender application and decommissioning plan: January 2025

April 27, 2023: "When PG&E submits our final surrender application to FERC, that would be the point of no return, and really, the draft. Would like to see some initial proposals later this year, if there is interest."





Russian River Impacts

- Water supply impacts from decommissioning:
 - Lake Mendocino water shortages in 8 out of 10 years
 - Lake Mendocino is predicted to go dry 2 out of 10 years.
 - Losses in the tens of millions per year to the Russian River economy



Russian River Interests

- If there is an interest in continuing this water diversion:
 - What assets would be acquired?
 - Who would the assets be acquired, modified, and operated?
 - How would the acquisition, modification, and operation be funded?
 - Where and how would water rights be impacted?**



Russian River Water Forum

- Russian River and Eel River basins interests
- PVP decommissioning solutions
- Broader water resiliency issues
- Venue for inclusive engagement



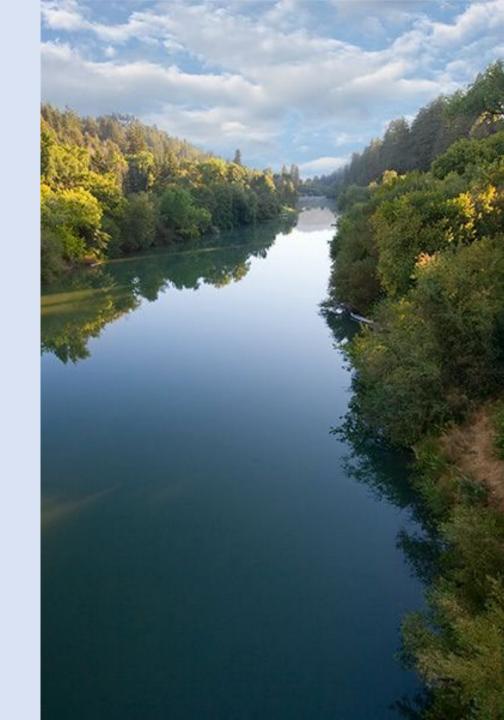
Planning Group Purpose

- Collaborative, solutions-oriented process
- Improve understanding
- Problem-solve
- Seek an agreed-upon local solution
- Identify feasible funding sources



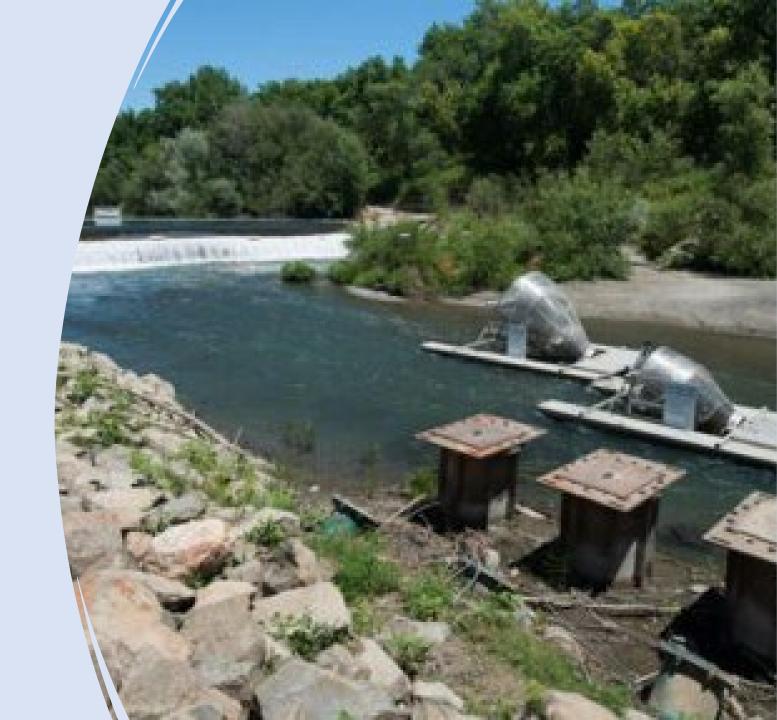
Planning Group Caucusing

- Limited number of Planning Group seats per category
- Planning Group members organize caucus discussions outside Planning Group
- Working Groups:
 - Water Supply and Fisheries
 - Finance and Economics
 - Governance and Decommissioning
 - Water Rights



Russian River Caucus Meeting

- Provide a better understanding of PG&Es decommissioning and license surrender schedule.
- Discuss interests and priorities of those in the Russian River
 Watershed to determine where we have a unified voice.
- June 6, 2023: 10:30 to 12:00



Summary and Next Steps

- PG&E License Surrender Schedule
- Potential Significant Impacts
- Russian River Water Forum and Water Caucus
- Russian River Caucus: June 6
- Russian River Water Forum: June 12
- Working Group Briefings



Questions and Discussion



Thank You!