Friends of the River ~ The Bay Institute ~ Mono Lake Committee
Northern California Council Federation of Fly Fishers ~ California Trout
Sacramento River Preservation Trust ~ Butte Environmental Council
Defenders of Wildlife ~ Mother Lode Chapter Sierra Club
Lassen Forest Preservation Group ~ Friends of Butte Creek
California Sportfishing Protection Alliance ~ Clean Water Action
California Outdoors ~ Natural Resources Defense Council
Public Citizen ~ Pacific Coast Federation of Fishermen's Associations

*Reply To: Friends of the River* ~ 915 20<sup>th</sup> *Street* ~ *Sacramento CA* ~ 95814

March 24, 2004

Mr. Dan Castleberry Ecosystem Restoration Program Manager California Bay-Delta Authority 650 Capitol Mall, 5th Floor Sacramento, CA 95814

**Re:** Battle Creek Restoration Project Alternative B

Dear Mr. Castleberry:

The undersigned conservation groups support consideration of Alternative B, which proposes to remove eight small hydroelectric dams as part of the Battle Creek Restoration Project. A recent analysis has shown that Alternative B is cost competitive with the alternative currently supported by the signatories of the Battle Creek Memorandum of Understanding (the MOU Alternative). In addition, we believe that Alternative B is more durable and more likely than the MOU alternative to restore the high productivity of the Battle Creek ecosystem.

Prior to the construction of an extensive system of hydroelectric diversion dams and power houses in the early 1900's by the Pacific Gas & Electric Company (PG&E), Battle Creek was considered to be the most important salmon-producing tributary to the Sacramento River. Today, experts consider Battle Creek to be the best opportunity to significantly restore salmon habitat in the Sacramento watershed, particularly for the unique and endangered winter run chinook salmon.

In 1999, government agencies and PG&E signed a Memorandum of Understanding (MOU) outlining a proposed restoration project for Battle Creek. The MOU project proposed to remove five small hydroelectric dams, install fish

ladders and other needed improvements on three remaining dams, and increase instream flows for salmon and steelhead. The MOU project and other alternatives were released for public review in a draft Environmental Impact Statement/Report (DEIS/R) in 2003. Some alternatives that have more restoration potential than the MOU project were eliminated from detailed consideration in the DEIS/R.

One of the eliminated alternatives was Alternative B, which proposed to remove all 8 dams on Battle Creek below the creek's natural fish migration barriers. Alternative B was eliminated from detailed consideration of the ground of economic infeasibility. Subsequent to DEIS/R publication, PG&E, government agencies, and the California Hydropower Reform Coalition have been working together to re-evaluate the economic, engineering, and biological aspects of Alternative B in comparison to the MOU project. Some preliminary findings from this re-evaluation were shared with the public at a meeting in Red Bluff on March 15, 2004.

Based in part on this re-evaluation, as well as our own analysis of the project, the undersigned conservation groups believe that:

- Alternative B is economically competitive, if not cheaper than the MOU
  project, due to the extreme cost of constructing fish ladders, screens, bypass
  facilities, tailrace connectors, and new or improved access roads for the three
  dams retained under the MOU project.
- Alternative B is more durable and less prone to mechanical failure, flood events, maintenance demands, future budget cuts, regime changes, energy market fluctuations and other uncertainties than the MOU project.
- Alternative B most closely restores Battle Creek to natural conditions in regard to fish habitat, fish passage, flows, and water temperature. It most closely achieves the habitat conditions in Eagle Canyon needed to establish a second population of endangered winter run chinook salmon, as well as for threatened spring run chinook salmon and steelhead in both forks.

We believe that Alternative B provides a higher level of population and habitat restoration for threatened and endangered salmon and steelhead, as required by federal and state law (ESA, CESA). Alternative B also best meets temperature and other water quality standards established in the Central Valley Basin Plan.

Reasonable consideration of Alternative B is required by federal and state law (NEPA & CEQA). PG&E and the agencies should take advantage of the likely delay required to resolve fish migration and stock separation problems

associated with Coleman Fish Hatchery operations to fully consider Alternative B in the environmental review process.

Since the cost estimates for Alternative B and the MOU are similar, we recommend that the California Bay Delta Authority approve non-alternative specific funding for the Battle Creek Restoration Project, with the understanding that Alternative B will be fully considered in the project environmental review. If Alternative B is supported by that review, the signatories should negotiate an appropriate amendment to the project MOU.

The Authority and MOU signatories should consider this not as a delay, but more as an essential step that will ultimately ensure the success of the Battle Creek Restoration Project.

Sincerely,

Steven L. Evans Conservation Director Friends of the River Gary Bobker Program Director The Bay Institute

Douglas W. Lovell

Fran Spivy-Weber Executive Director Mono Lake Committee

Director Northern California Council Federation of Fly Fishers

Nick Di Croce Board of Governors California Trout John B. Merz President Sacramento River Preservation Trust

Barbara Vlamis Executive Director Butte Environmental Council Kelly McDonald California Program Associate Defenders of Wildlife

Vicky Lee

Jim Brobeck

Chairperson Mother Lode Chapter Sierra Club Forests and Water Policy Advocate Lassen Forest Preservation Group

Allen Harthorn Executive Director Friends of Butte Creek Michael Jackson Representative California Sportfishing Protection Alliance

Lena Brook Interim California Director Clean Water Action Nate Rangel President California Outdoors

Barry Nelson Senior Policy Analyst Natural Resources Defense Council John Gibler Water For All Campaign Director Public Citizen

Zeke Grader Executive Director Pacific Coast Federation of Fishermen's Associations