Non-Governmental Organizations in California relicensings

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Overview

• NGO approach in relicensing
• Good and bad use of process
• Agreement on facts improves discussion
• Changing energy markets and relicensing
• Recommendations and take-homes
FERC Integrated Licensing Process from the NGO perspective

• Meeting intensive (often a hundred or more meetings over the course of a proceeding)

• 7 major comment filings (Pre-application Document/Scoping; Proposed Study Plan; Revised Study Plan; Initial Study Report; Updated Study Report; Ready for Environmental Analysis; Draft EIS)
NGO’s work in coalitions

- Hydropower Reform Coalition (national)
- California Hydropower Reform Coalition
- Foothills Water Network
- Ad hoc coalitions

Coalitions benefit NGO’s (division of tasks, consistency, joint filings, coverage)

Coalitions benefit licensees (single points of contact, coherent commentary)
NGO hydro advocate A-B-C’s

A. It is your responsibility to understand a system if you are going to ask to change it – meetings are where you learn the system.

B. Ignorance and approximation lead to lousy advocacy.

C. Half the job is process not substance.
Bad use of process
Exhibit A

Bad Use of Process
Exhibit B

• “The SWC and Metropolitan urge that any review of flood operations for Oroville Dam be considered through established Corps processes for addressing regional changes in flood management.” (SWC response to comments on DEIS for Oroville relicensing, Feb. 2, 2007)

• “DWR supports the Reply Comments filed by the State Water Contractors ...” (DWR response to id., Feb. 8, 2007)
Lesson

Procedural victories do not always lead to good outcomes!!
Good process, Exhibit A (YCWA) (New flood control infrastructure)
Lesson

• Adding spillway capacity and redundancy meets YCWA’s mission and is good business

• Proactive inclusion in YCWA’s FERC process:
  – Saves money and time on environmental review
  – Integrates long-term physical and financial planning
  – May help YCWA to get a longer license term
Study development

• FERC licensing is study intensive
• 2 approaches
  – Limit study to keep evidence out of the record
  – Gather information on disputed topics
• Agreed-on facts make a better discussion
• There is still plenty to argue about
Gray area studies:
FERC said no; licensees said OK

- Yuba County Water Agency and Placer County Water Agency: Yuba Salmon Forum studies in upper Yuba watershed
- Turlock Irrigation District and Modesto Irrigation District: habitat evaluation for anadromous fish upstream of Don Pedro
- Merced Irrigation District: Revision of operations model to allow better simulations, incl. variable storage and diversion allocations
Gray area studies
Common elements

• No admissions: study does not imply obligation or consent
• Reduces adversarial posturing
• Allows agreement on common set of facts
• Brings diverse technical talent to a joint evaluation
... Or you can empower the table-pounders and ideologues

• Hide the ball and conceal your interests!
• Slow-roll everything
• Negotiate behind the backs of stakeholders and then say you’re being transparent by telling them what you decided.
• Let your attorneys drive your process

In some measure, licensees and consultants create the tone of the process they deserve.
Different types of California hydro projects

• Higher elevation projects, primarily power
  A. Peaking and ancillary services
  B. Run of river only

• Higher elevation projects, water and power
  A. Peaking and ancillary services
  B. Run of river only

• Rim dam projects, primarily water supply
  A. Peaking, ancillary services
  B. Incidental generation during irrigation deliveries
Run of river projects without ancillary services not economic

Butte Creek at Pool 4, August 2005 PG&E Photo
Uneconomic project example (1): DeSabla – Centerville

- Project imports West Branch Feather water to Butte Creek, cools Butte Creek in summer
- No paying water supply beneficiary
- High maintenance; deferred PH rebuild
- Power values for run-of-river generation down about 50% from 2006
- Added mitigation costs from relicensing
- PG&E withdrew license application Feb 2017
Uneconomic project example (2): El Dorado Project

- 26 mile canal damaged and offline for years
- PH flooded and destroyed in 1997 flood
- Project runs out of hydro water in summer
- 20 MW PH with small forebay provided little peaking opportunity (forebay to be enlarged)
- Water supply for Placerville area
- PG&E sold to EID for water supply benefit in 1999 for $15 Million
Caples Lake fish rescue 2008
Lake at ~5% for outlet rebuild
Power markets and hydro

- Large hydro units with flexibility to regulate grid most valuable
- Year-round water supply (storage or springs)
- Examples, UARP, Middle Fork American, NF Feather projects, McCloud-Pit, Pit 3,4,5
- FERC does not account for value of ancillary services in relicensing
- FERC needs to change economic metrics
Don’t blame regulators and NGO’s for power market changes

• Afternoon releases for whitewater boating and peak load for hydro used to overlap
• Boaters tried to optimize power and boating in relicensing to meet dual benefits
• Wind and solar have changed load timing
• Increased evening load due to “duck curve” has put hydro and boating out of synch.

Don’t blame relicensing or boaters for change!!!
Rim dam relicensing

• Merced and Tuolumne relicensing conflicts overwhelmingly about water supply (local diversions = ~50% of average annual unimpaired flow, + CCSF on Tuolumne)

• Yuba conflicts more balanced about water supply and power (local diversions = ~18% of average annual unimpaired flow)

• Overlapping jurisdictions add complexity
Recommendations for licensees

• Improve process through education so all:
  – Understand operations and physical constraints
  – Know the hydrology
  – Understand the water supply and power interests

• Treat information as opportunity for better discussion and better tone of process

• Understand and explain changing energy markets and how your project works in them
Take-homes

The proficient NGO’s:

• Want the big picture without games
• Value making decisions and discourage delay
• Practice efficient and informed process
• Work overtime for win-win where possible
• Acknowledge intractable conflicts soberly