## NOTICE OF EXEMPTION

TO: ☑ Office of Planning and Research State Clearinghouse 1400 Tenth Street Sacramento, CA 95814

☑ County ClerkCounty of Sonoma585 Fiscal Drive, Room 103Santa Rosa, CA 95403

☑ County ClerkCounty of Mendocino501 Low Gap RoadUkiah, CA 95482

FROM: Sonoma County Water Agency

404 Aviation Blvd. Santa Rosa, CA 95403

**Project Title:** Petitions Requesting Approval of Temporary Urgency Changes in Water Right Permits 12947A, 12949, 12950, and 16596 in Mendocino and Sonoma Counties

**Project Location- Specific:** The proposed action would occur in Mendocino and Sonoma counties at Lake Mendocino, in the Upper Russian River from Coyote Valley Dam/Lake Mendocino to the confluence with Dry Creek, Dry Creek downstream of Warm Springs Dam/Lake Sonoma, and in the Lower Russian River from the confluence with Dry Creek to the Pacific Ocean. Figure 1 shows the minimum instream flow requirements for the Russian River system. Communities and cities along the Russian River include Ukiah, Hopland, Cloverdale, Geyserville, Healdsburg, Forestville, Mirabel Park, Rio Nido, Guerneville, Monte Rio, Duncans Mills, and Jenner.

Project Location - City: N/A

Project Location - County: Mendocino and Sonoma

Description of Nature, Purpose and Beneficiaries of Project: The Sonoma County Water Agency (Sonoma Water) controls and coordinates water supply releases from the Coyote Valley Dam and Warm Springs Dam projects in accordance with the provisions of water rights Decision 1610, which the State Water Resources Control Board (State Water Board) adopted on April 17, 1986. Decision 1610 specifies the water supply conditions for the Russian River and the minimum instream flow requirements for the Upper Russian River, Dry Creek, and the Lower Russian River, which vary based on hydrological conditions and cumulative inflow into Lake Pillsbury as the hydrologic index (Figure 1).

Sonoma Water is filing temporary urgency change petitions (TUCPs) requesting that storage thresholds in Lake Mendocino be used as the hydrologic index to determine the water supply condition in the Russian River watershed.

These changes are necessary to ensure that the water supply condition and corresponding minimum instream flow requirements in the Russian River watershed are aligned with actual watershed hydrologic conditions. This is essential to maintain sustainable reservoir/river operations to protect municipal water supply and listed salmon species in the Russian River.

In Sonoma Water's water right permits established under State Water Board's Decision 1610, the water supply condition for the Russian River is determined using cumulative inflow into Lake Pillsbury as the hydrologic index. Lake Pillsbury is a storage reservoir located in the Eel River watershed for Pacific Gas & Electric Company's (PG&E) Potter Valley Hydroelectric Project (PVP), which transfers water into the East Fork of the Russian River. The Federal Energy Regulatory Commission (FERC) license for the PVP expired on April 14, 2022, and now operates on an annual license. PG&E has elected to surrender the operating license and decommission the PVP and developed a plan and schedule that was approved by FERC on July 29, 2022. Per PG&E's schedule, a final license surrender application and decommissioning plan will be submitted by January 29, 2025. FERC's license-surrender proceedings will likely take several years before PVP operations and imports to the Russian River watershed are resolved.

Notwithstanding these long-term changes, the suitability of using Lake Pillsbury cumulative inflow as a hydrologic index for the Russian River has diminished due to the recent transformer bank failure at the PVP powerhouse, which ceased hydropower generation and its associated discretionary transfers of Eel River water to the East Fork Russian River. PG&E informed the Drought Working Group in October 2021 of the failure and the anticipated repair requirements that would take up to two years at a cost of five to ten million dollars. PG&E announced its intent to make the necessary repairs and restart power generation, but the status of this project is unknown at this time.

PG&E has indicated that without the ability to generate hydropower, PG&E will not likely make discretionary transfers through the PVP above its FERC license and contract obligations. Discretionary transfers to generate hydropower can occur up until early April if hydrologic conditions on the Eel River and at Lake Pillsbury are met. Without the discretionary transfer of Eel River water to generate hydropower, the total transfer through the PVP will be reduced by up to 456 acre-feet per day.

Under these operating conditions of the PVP, the influence of the Eel River water imports on downstream hydrologic conditions in the Russian River will be greatly diminished. Therefore, there will be little to no correlation between cumulative inflow into Lake Pillsbury and the hydrologic conditions in the Russian River watershed.

In addition, current drought conditions continue to deplete storage in Lake Mendocino and Lake Sonoma. As of October 24, 2022, the water supply storage level in Lake Mendocino was 38,563 acre-feet. This storage level is approximately 49 percent of the available water conservation pool for this time of year. This corresponds to approximately the 20th percentile storage level for this time of year. As of October 24, 2022, the water supply storage level in Lake Sonoma was 105,599 acre-feet. This storage level is approximately 43 percent of the available water conservation pool. This is the lowest storage level for this time of year since Lake Sonoma filled in 1986. The second lowest level on record was last year, which was over 10,000 acre-feet higher.

Consequently, Sonoma Water is requesting the State Water Board approve TUCPs that use storage thresholds in Lake Mendocino as the hydrologic index to determine the water supply condition in the Russian River watershed.

Name of Public Agency Approving Project: State Water Resources Control Board – Division of Water Rights

Name of Person or Agency Carrying Out Project: Sonoma County Water Agency

## Exempt Status (check one):

	Ministerial (Sec. 21080(b)(1); 15268);
	Declared Emergency (Sec. 21080(b)(3); 15269(a));
$\boxtimes$	Emergency Project (Sec.21080 (b)(4); 15269(b)(c)): Section 21080(b)(4) and State CEQA Guidelines
	15269(c): Specific actions necessary to prevent or mitigate an emergency
$\boxtimes$	Categorical Exemption. State type and section number: State CEQA Guidelines 15307: Actions by
	Regulatory Agencies for Protection of Natural Resources; State CEQA Guidelines 15308: Actions by
	Regulatory Agencies for Protection of the Environment
$\boxtimes$	Exemption under Governor's April 21, 2021 emergency proclamation (Sec. 7): Government Code section
	<u>8571</u>
П	Statutory Exemptions, State Code number:

Reasons why project is exempt: The proposed action is statutorily exempt under California Environmental Quality Act (CEQA) Statute 21080(b)(4) and categorically exempt from CEQA under the State CEQA Guidelines Sections 15269(c), 15307 and 15308, and under Section 7 of the Governor's April 21, 2021, emergency drought proclamation for the Russian River watershed, which remains in effect.

## A. Actions to Prevent or Mitigate an Emergency

California Public Resources Code, Division 13, Section 21080(b)(4) provides that specific actions necessary to prevent or mitigate an emergency are exempt from CEQA. The emergency conditions are due to the drastic reduction of potential Eel River water imports through the PVP resulting from the inoperability of the powerhouse for the foreseeable future. The volume of imported Eel River water that can be transferred with the powerhouse being inoperable results in little or no correlation between cumulative inflow into Lake Pillsbury and the hydrologic condition in the Russian River. Without the proposed changes, the applicable minimum instream flow requirements may require releases of water from Lake Mendocino and Lake Sonoma at levels that would risk

significant depletions of storage to severely low levels. Such depletions in storage could cause serious impacts to human health and welfare and reduce water supplies needed for fishery protection.

Sonoma and Mendocino were the first counties placed under a region-specific drought state of emergency on April 21, 2021, by Governor Gavin Newsom. The Sonoma County Board of Supervisors took action on April 27, 2021, proclaiming a local emergency due to drought conditions in support of actions needed to mitigate the adverse environmental, economic, health, welfare and social impacts of the drought. As required by Government Code section 8630, the Board of Supervisors must review the proclamation of local emergency every 60 days and determine if there is a need for continuing the local emergency. The Sonoma County Board of Supervisors has approved the continuation of the drought emergency conditions every 60 days since April 2021, with the most recent extension occurring September 13, 2022. It is expected that drought emergency conditions will remain in effect through 2022.

B. Actions by Regulatory Agencies for Protection of Natural Resources and the Environment
CEQA Guidelines Sections 15307 and 15308 provide that actions taken by regulatory agencies to assure the
maintenance, restoration or enhancement of a natural resource and the environment are categorically exempt.
Sonoma Water is proposing temporary urgency changes to its water right Permits 12947A, 12949, 12950, and
16596 that the State Water Resources Control Board, as the regulatory agency, will consider and potentially
approve. Those changes are necessary in order to maintain viable operations to support municipal use, protect
listed salmon species, address water supply conditions at Lake Mendocino and Lake Sonoma, and prevent Lake
Mendocino from declining to a storage level at which the reservoir may no longer be functional in light of the
extremely dry hydrology the region experienced in water years 2021 and 2022. Approval of the TUCPs would
provide alternative storage thresholds and criteria for determining minimum instream flow requirements for the
Russian River that would be based on a more accurate assessment of water supply conditions in the Russian
River watershed. This would result in minimum instream flow requirements that more likely can be sustained with
releases from Lake Mendocino and Lake Sonoma without severely depleting storage.

## C. Governor's Drought Proclamation

Government Code section 8571 authorizes the Governor to suspend certain regulatory requirements, including CEQA, under emergency conditions. Section 7 of the Governor's April 21, 2021, Drought Proclamation suspended CEQA to address "the acutely dry conditions in the Russian River Watershed" through the State Water Board's consideration of modifications of reservoir releases "to ensure adequate, minimal water supplies for critical purposes" to the extent "necessary to address the impacts of the drought in the Russian River Watershed". The Governor later issued drought proclamations on May 10, July 8 and October 19, 2021, but section 7 of his April 21, 2021, proclamation remains in effect. The Governor's July 8, 2021, Drought Proclamation also suspends CEQA to enable the State Water Board to consider changes to reservoir releases in order to maintain minimum supplies for environmental and human uses. The TUCP's purpose is to modify the storage thresholds from Lake Pillsbury to Lake Mendocino to be used as the hydrologic index to determine the water supply condition in the Russian River watershed and is within the suspension of CEQA under section 7 of the Governor's Drought Proclamation.

Lead Agency Contact Person: Connie Barton	Area Code/Telephone/Extension: 707-547-1905	
Signature	General Manager Title	October 27, 2022 Date
<ul><li>☑ Signed by Lead Agency</li><li>☑ Signed by Applicant</li></ul>	Date received for filing at OPR:	

