



Ms. Diana Shannon
Division of Hydropower Administration and Compliance
Office of Energy Projects
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 204256

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Mendocino County Farm Bureau (MCFB) is a non-governmental, non-profit, voluntary membership, advocacy group with almost 500 members whose purpose is to protect and promote agricultural interests throughout Mendocino County, to find solutions to the problems facing agricultural businesses and the rural community. We appreciate the opportunity to provide input into the preparation of the NEPA document that will discuss the environmental impacts of the proposed surrender and decommissioning of the Potter Valley Project (Project), as well as PG&E's proposed non-project use of project lands. MCFB expects that through this process, potential adverse impacts will be identified, quantified and mitigated, in a manner that will lead to policies and actions that ensure that the agricultural industry and rural community of Mendocino County are not negatively affected.

MCFB strongly opposes the proposed decommissioning of the Project. We do not believe that PG&E has made sufficient and exhaustive efforts to identify an entity to take over the Project. In fact, we believe PG&E has actively rebuffed efforts by interested entities to do so. Decommissioning of the Project will have severe and permanent negative impacts to all the communities on the Russian River.

However, if decommissioning is approved and proceeds, it is imperative that alternative water supply infrastructure be in place prior to dam removal. The expense of the alternative infrastructure must be borne by PG&E shareholders, not ratepayers or taxpayers.

MCFB appreciates the efforts of regional stakeholders in insuring that water diversions from the Eel River to the Russian River continue even without Scott and Cape Horn Dams, however, it is clear that the process that has brought us to the conclusion that this is the best outcome, what is called the Two Basin Solution, has been driven by politics and not by science and in disregard for the stakeholders in the Project's service region. MCFB has always believed that the best possible outcome would be for a private or government agency to assume ownership from PG&E and continue to operate the Project as it currently exists.

If the process continues and results in decommissioning of Scott and Cape Horn Dam, we request that the proposed non-project use of project lands allowing ERPA to construct NERF be approved. However, even if NERF as currently proposed is permitted, funded and constructed; without additional water storage it is not a workable solution for Mendocino County. Successful implementation of NERF depends on new storage being constructed in Potter Valley and increasing storage capacity of Lake Mendocino, all constructed prior to the removal of any currently existing infrastructure.

MCFB requests that as part of NEPA, a thorough review of these demand needs must be conducted with a plan to mitigate insufficient supply of water, as well as the following adverse effects of decommissioning:

Geology and Soil

Dam removal has the potential to release massive amounts of sediment that has built up behind the dam. There is also the likelihood of slopes being destabilized, leading to increased bank sloughing that could delay the construction of NERF or imperil continued diversions of water from the Eel River to the Russian River due to increased erosion. This potential impact must be sufficiently analyzed, and mitigation measures undertaken to minimize this impact, prior to decommissioning being initiated.

Water Use and Hydrology

Likely the largest impacts to agriculture in Mendocino County falls under this category. Decommissioning of the Potter Valley Project is going to affect the flow regime currently in place in the Russian River. Most farmers and ranchers divert surface water under appropriative rights issued by the State Water Resources Control Board or under contract with Potter Valley Irrigation District or Russian River Flood Control District. Without summertime abandoned flows from the Project, there will not be enough water from natural flows to support current demand, lessening the face value of state granted appropriative rights. The effect on these appropriative water rights by a change in flow regime must be analyzed and mitigation measures required to compensate farmers for any loss in water availability.

Even if NERF is constructed, without increased storage in Potter Valley and Lake Mendocino, farmers won't be able to fully benefit from the continued diversions. This could put extra strain on the Ukiah Valley Basin Groundwater Sustainability Agency, the local agency formed under the Sustainable Groundwater Management Act as the Ukiah Basin was deemed a basin of moderate concern, to meet the objectives under its Groundwater Sustainability Plan (GSP) as growers drill wells to make up for the loss in supply. Whatever strategy's farmers use to adapt to the change in flow regime, water will become more expensive. This will drastically affect what crops farmers can profitably grow, likely leading

to land use changes.

In the Russian River basin, from Potter Valley to Healdsburg, water diverted through the Project is currently being used for domestic water supply and it is estimated that as many as 600,000 people in these communities rely in part on this water. Decommissioning will profoundly impact domestic water use, be it provided by a private water company, a municipal water district, or a privately owned well. As part of NEPA, this impact must be mitigated for through additional water storage in Potter Valley and Lake Mendocino, as well as funding being made available to upgrade domestic water systems in these communities who will likely need to invest millions of dollars to ensure continued service.

Water use and hydrology need to be analyzed broadly enough to get an accurate assessment of the potential impacts, and mitigation for these impacts must be prioritized prior to decommissioning.

Aquatic Resources, Botanical Resources, Wildlife Resources and Threatened/Endangered Species

The Russian River and Eel River ecosystems have evolved over the past 120 years to a man-made water system dependent on summertime flows from the Project. NEPA must take into consideration the impact of decommissioning on these ecosystems and identify alternatives and/or mitigation prior to any decommissioning.

Land Use

Along with the likely rise in cost of water and reduced availability of water, there will be a change in land use. This could result in land being fallowed and/or converted to non-agricultural uses. Some areas could suffer from even being able to meet basic health and human safety water needs, making them uninhabitable or require substantial investment in municipal water infrastructure in order to meet those needs.

Public Safety and Fire Risk

Summertime water impounded in Lake Pillsbury, irrigation ditches and ponds in Potter Valley, Lake Mendocino, and throughout both the Eel and Russian Rivers water sheds is a valuable resource for firefighting in the region. Decommissioning will impact the water available for firefighting, and impact the ecosystem in the region, increasing the risk of major fires, in an area of California already plagued by extremely high fire risk. Local fire agencies do not have funding to mitigate the loss of water used for firefighting directly caused by decommissioning. NEPA must identify the impacts of decommissioning on the fire risk to the region, and enforce mitigation to these risks. A focus on increased water storage in Potter Valley and Lake Mendocino should be a priority, as well as funding for local, state and federal fire agencies.

Aesthetic Resources

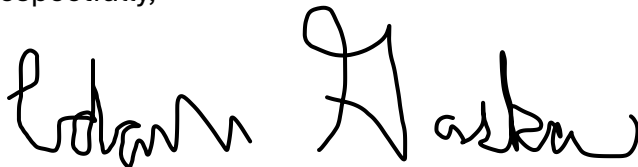
With changes in land use being likely, there will be an effect on the natural features and visual character of our communities. Potter Valley, with many acres of irrigated pastures and hay fields, will be drastically affected as many producers will no longer be able to profitably raise hay or irrigate pasture. We may see some vineyards along the Russian River become abandoned due to more expensive water and less reliable water supplies.

Economic Impact

In 2015, there was an analysis done of the economic impacts of water and agriculture in Inland Mendocino County, and in 2023 there was a similar analysis of the economic impacts of the PVP to the Sonoma County Economy. Both studies were authored by Economic Forensics and Analytics, Inc based in Petaluma, California. For Mendocino County, it was estimated that for every 100-acre feet of water lost, the local economy lost \$8.8 million in economic activity across all sectors of the county economy. Adjusted for inflation, that total would be much higher today. The more recent analysis of Sonoma County, it is estimated that a 10% loss in water availability would lead to an economic loss of \$8.9 million dollars annually spread across all sectors of that county's economy. This is a big impact for a rural county where large geographical portions qualify as Disadvantaged Communities as defined by the State of California. Any substantial negative economic impacts will lead to an increase in areas that meet this definition to the detriment of our county. Higher priced water and less water availability will make some commodities cost prohibitive to produce and potentially some farmland unfeasible to profitably farm. The loss of agricultural production and potential loss in profit will negatively affect our economy and quality of life. These impacts need to be analyzed, mitigations identified and assistance in adapting rendered.

In conclusion, thank you for considering MCFB's concerns about decommissioning of the Potter Valley Project and the adverse impact it will have on our communities in the region. MCFB requests that the NEPA study considers all these negative impacts and mitigates them prior to allowing decommissioning to move forward.

Respectfully,

A handwritten signature in black ink, appearing to read "Adam Gaska". The signature is fluid and cursive, with the first name "Adam" and last name "Gaska" clearly distinguishable.

Adam Gaska, Executive Director
Mendocino County Farm Bureau