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FOR IMMEDIATE RELEASE:

Auburn – Directors of the Placer County Water Agency on Thursday (Apr.17) expressed deep concern over a Pacific Gas & Electric Co. plan to postpone important maintenance work on the PCWA Middle Fork American River Project.

The board voted unanimously to relay their concerns to PG&E after PCWA Power System Manager Steve Jones reported that PG&E was considering a \$5.7 million reduction in the project's proposed 2004 budget of \$11.7 million.

Jones said PG&E wants to conduct further studies and postpone until at least 2005 two planned projects – the \$3 million addition of a steel liner to a surge shaft on the Middle Fork Tunnel; and the other, a \$2.7 million project to rewind the aging generator at the Ralston Powerhouse.

Division 5 Director Otis Wollan of Colfax said the improvements are long overdue and that the water agency must keep its power project in top working order. "We need to deliver a message," he said.

Division Director Pauline Roccucci of Roseville said the project must be kept in good shape so that PCWA can protect its long-term investment and that PG&E would continue to profit from its power production.

PCWA and PG&E are partners on the Middle Fork Project. The 50-year power sale agreement between the two organizations extends to 2013 at which time PCWA would be able to negotiate new power sales contracts.

Agency directors voted to accept the preliminary budget, state their concerns and express their desire to engage in further negotiations.

In a related matter, Jones reported that a rock slide during stormy conditions on Apr. 14 had affected a 100-foot stretch of the Middle Fork American River just below the PCWA Interbay Dam. He said the incident is under review and that the materials must be removed from the river this year.

In other business, directors:

- heard a presentation from California Urban Water Conservation Council Executive Director Mary Ann Dickinson and voted to join the council at a membership rate of approximately \$2,900 annually. The council represents more than 300 water and related agencies throughout the state.

- voted to annex into PCWA's Zone 1 service area a 1.7-acre parcel of land off Cook-Riolo Road, south of Baseline Road.

- learned that nine property owners had joined together to build a water service line to enable them to purchase 4.5 miners' inches of water from the Lower Banvard Canal.

- reviewed a project to replace five old, leaking pipelines in the Auburn area. The overall \$963,000 project will be partially funded through a \$679,000 grant obtained through Prop. 13, the Urban Water Conservation Program, and is expected to save about 770 acre-feet of water per year.

- voted to contract with Risk Management Professionals, Inc. of Mission Viejo for \$18,200 for the revision of the Emergency Response Plan for the PCWA Zone 1 water service area. The project is expected to take six months.

The next regular meeting of the PCWA Board of Directors will be held at 3 p.m. on May 1 in the Placer County Board of Supervisors chambers, 175 Fulweiler Avenue, in Auburn, PCWA board meetings are open to the public.