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NEWS RELEASE

FOR IMMEDIATE RELEASE:

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AUBURN -- The Placer County Water Agency is entering the homestretch in its lengthy process to obtain a new federal license for operation of the Middle Fork American River Hydroelectric Project.

The PCWA Board of Directors on Thursday (Sept. 16) authorized staff to file the agency's Draft License Application with the Federal Energy Regulatory Commission. The draft application will be filed by Oct. 1, and after a review and comment period, the agency intends to file its final application in February 2011.

PCWA built the Middle Fork Project in 1963-67 under a 50-year federal license that expires in February 2013. The project is an extensive water and power system that includes two major reservoirs, seven dams, five hydroelectric power plants, and 21 miles of tunnels and related facilities, including public campgrounds and recreational attractions. Its power generation capacity is 224 megawatts and in the average year it produces enough clean hydroelectric energy to power more than 100,000 homes.

The water agency began preliminary planning for the relicensing in 2002 and has actively engaged in the license renewal process since 2005.

As it pursues relicensing, the water agency is conducting a parallel power marketing study. The agency has sold its Middle Fork Project power to PG&E under a 50-year agreement that expires in 2013.

In a related item, directors approved sending a letter to PG&E and NID expressing concern and seeking more information on their neighboring federal relicensing project.

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PG&E and the Nevada Irrigation District (NID) are seeking to renew their licenses for the intertwined PG&E Drum Spaulding Project and the NID Yuba-Bear Project.

PCWA Director of Strategic Affairs Einar Maisch said modeling by PG&E and NID system shows that increased flows down the South Yuba River could potentially divert water that might otherwise be available to PCWA and result in shortages for PCWA customers. He said he hoped to review the matter with the two agencies at a Sept. 27 meeting.

In other business, directors:

- welcomed Tony Hazarian, publisher of The Auburn Journal, who thanked the board for the agency's participation in and sponsorship of the recent "Fire & Water" newspaper supplement which has been distributed to 25,000 Placer County homes.

- renewed a contract with governmental affairs consultant Jason Larrabee, who joined the agency a year ago to assist the agency with legislative and regulatory affairs in Washington DC and has since taken on added responsibilities in Sacramento.

- heard an update from Director of Customer Services John Kingsbury who is working to gain more Northern California representation on the California Urban Water Conservation Council, a group that helps develop and write state water use standards. Kingsbury said north state representatives are proposing a six-region state structure that gives representation to the mountain county region. The council is currently tilted to the south and coastal areas.

The PCWA Board of Directors will travel to Tahoe City on Oct. 7 for a meeting with eastern Placer County water leaders. Directors will gather in Auburn at 8:15 a.m. and then convene at 10:15 a.m. at the Tahoe City Public Utility District office, 221 Fairway Drive, in Tahoe City.

The board will reconvene at 2:00 p.m. at the PCWA Business Center, 144 Ferguson Road, in Auburn for its regular biweekly business meeting.

Information on PCWA board meetings may be obtained through the Clerk to the Board at (530) 823-4850 or (800) 464-0030.