

March 3, 2010

Deputy Chief
National Forest Systems
United States Forest Service
NFS, Washington Office (WO) Lands Staff
Mail Stop 1124
1400 Independence Avenue, SW
Washington, DC 20250-0003

**RE: United States Forest Service's March 1, 2010 revised preliminary 4(e)
conditions for the McCloud Pit Hydroelectric Project (FERC No. P-2106)**

Submitted via facsimile (202-205-1604)

Dear Sir or Madam:

American Whitewater and Friends of the River respectfully notify the United States Forest Service (USFS) that we reserve the right, pursuant to section 4(e) of the Federal Power Act, to request a trial-type hearing to resolve disputed issues of material fact or to file alternative conditions with respect to the USFS' March 1, 2010 revised preliminary 4(e) conditions for Pacific Gas and Electric's (PG&E) McCloud-Pit Hydroelectric Project (FERC No. P-2106).

On January 29, 2010, the USFS submitted its preliminary 4(e) conditions for the McCloud-Pit Project. However, on March 1, 2010, the USFS submitted revised preliminary 4(e) conditions for this project, amending Part 1 of its Preliminary Condition #19, which addressed instream flows on the Lower McCloud River below the McCloud Dam. In the March 1 filing, the USFS further indicated that it intended to submit its revised conditions as its final 4(e) conditions; and that PG&E intended to file a substantively identical set of alternative conditions.

In its March 1, 2010 filing with the Commission, USFS stated that the intent of its negotiations with PG&E “was to develop a flow alternative that **would better meet the needs of both parties, and to avoid an unnecessary Trial Type Hearing.**” (emphasis added).

While we acknowledge that USFS’ negotiations with PG&E may have helped avoid a PG&E-initiated trial-type hearing, we are concerned that by doing so, the USFS has denied the same opportunity to all other parties to the proceeding. The right to request a trial-type hearing under the Federal Power Act is not limited to the license applicant. In fact, section 4(e) of the Federal Power Act specifically provides that “[t]he license applicant **and any party to [a hydropower licensing] proceeding** shall be entitled to a determination on the record, after opportunity for an agency trial-type hearing of no more than 90 days, on any disputed issues of material fact with respect to [conditions required pursuant to section 4(e) of the Federal Power Act].” (emphasis added). The law further provides that “the license applicant **or any other party to the license proceeding** may propose an alternative” to a section 4(e) condition.

The U.S. Department of Agriculture’s regulations implementing section 4(e) of the Federal Power Act provide license parties with a 30-day window to request a trial-type hearing after the USFS has filed preliminary conditions with the Federal Energy Regulatory Commission (FERC). In this instance, however, the USFS revised its preliminary conditions less than 48 hours before the deadline for filing a request for a trial-type hearing or filing alternative conditions.

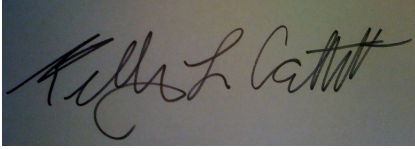
Our organizations have carefully reviewed the USFS's January 29 preliminary 4(e) conditions and compared them to the project record. We are generally supportive of those preliminary 4(e) conditions, and do not dispute the underlying factual basis of those conditions. However, because the USFS' *revised* preliminary conditions were filed at the 11th hour, we have not had sufficient time to review those conditions and determine if we wish to dispute any issues of material fact that form the basis for these revised conditions. By running out the clock on the window identified in its regulations, the USFS has prejudiced other parties to this proceeding who were not party to USFS' closed-door negotiations with PG&E.

American Whitewater and Friends of the River fully intend to exercise our rights afforded under section 4(e) of the Federal Power Act. Within 30 days from the USFS' March 1 filing of its revised preliminary conditions, we will review the USFS' revised preliminary conditions and the record for the McCloud-Pit project in order to determine if they are consistent. If we determine that there is a need to dispute any of the issues of material fact underlying the revised conditions, or if there is a need to file an alternative condition, we will avail ourselves of our statutory rights to do so, not later than 30 days after the Forest Service's March 1 filing.

Sincerely,

A handwritten signature in black ink that reads "Dave Steindorf". The signature is written in a cursive, slightly slanted style.

Dave Steindorf
California Stewardship Director
American Whitewater
4 Baroni Drive
Chico, CA 95928

A rectangular image containing a handwritten signature in black ink on a light-colored background. The signature is written in a cursive style and reads "Kelly L. Catlett".

Kelly Catlett
Policy Advocate
Friends of the River
915 20th Street
Sacramento, CA 95814

Certificate of Service

I hereby certify that I have this day served, pursuant to 7 C.F.R. § 1.613, the accompanying document on the following parties to the licensing proceeding for the McCloud-Pit Hydroelectric Project (P-2106).

Carla Miner

Carla Miner, Stewardship Assistant
American Whitewater
carla@americanwhitewater.org

Service List for P-2106-000 Pacific Gas and Electric Company

Contacts marked ** must be postal served

Party	Primary Person or Counsel of Record to be Served	Other Contact to be Served
Amador Water Agency	Joshua Horowitz Attorney Bartkiewicz, Kronick & Shanahan 1011 22nd Street Sacramento, CALIFORNIA 95816-4907 UNITED STATES jmh@bkslawfirm.com	
American Rivers		Steve Rotherth Director, California Field Off American Rivers 432 Broad St Nevada City, CALIFORNIA 95959 srotherth@americanrivers.org
American Rivers	Julie Gantenbein Staff Attorney Natural Heritage Institute 18255 Robin Ave Sonoma, CALIFORNIA 95475-4043 UNITED STATES jgantenbein@n-h-i.org	Gerrit J Jobsis, III American Rivers 2231 Devine St Ste 100 Columbia, SOUTH CAROLINA 292052419 Richland gjobsis@americanrivers.org
American Whitewater		Kevin Richard Colburn National Stewardship Director American Whitewater 1035 Van Buren St Missoula, MONTANA 59802 kevin@amwhitewater.org
American Whitewater	Dave Steindorf California Stewardship Dir. American Whitewater 4 Baroni Drive Chico, CALIFORNIA 95928-4314 UNITED STATES dave@amwhitewater.org	Kelly L. Catlett Policy Advocate Friends of the River 915 20th Street Sacramento, CALIFORNIA 95814 kelly@friendsoftheriver.org

<p>Anglers Committee</p>	<p>Robert Baiocchi President Anglers Committee PO Box 1035 , 96103 UNITED STATES rbaiocchi@gotsky.com</p>	
<p>Association of California Water Agencies</p>		<p>Dan Smith Director of Regulatory Affairs Association of California Water Agencies 910 K St., Suite 100 Sacramento, CALIFORNIA 95814 dans@acwanet.com</p>
<p>Calif. Sportfishing Protection Alliance</p>		<p>John Beuttler Calif. Sportfishing Protection Alliance 1360 Neilson Street Berkeley, CALIFORNIA 94702 JBeuttler@aol.com</p>
<p>Calif. Sportfishing Protection Alliance</p>	<p>Stephan Volker Law Offices of Stephan C. Volk Law Offices of Stephan C. Volker 436 14th Street Oakland, CALIFORNIA 94612 UNITED STATES svolker@volkerlaw.com</p>	<p>**JIM CRENSHAW Calif. Sportfishing Protection Alliance SUITE D 1248 E Oak Ave Woodland, CALIFORNIA 957764104 Yolo</p>
<p>California Department of Fish and Game</p>	<p>Annie Manji Statewide FERC Coordinator California Department of Fish and Game Water Branch 830 S Street Sacramento, CALIFORNIA 95814 UNITED STATES amanji@dfg.ca.gov</p>	
<p>California Department of Fish and Game</p>	<p>Matt Myers California Department of Fish and Game 601 Locust Street Redding, CALIFORNIA 96002 UNITED STATES</p>	<p>**Stephen G Puccini California Department of Fish and Game 1416 9th St Fl 12 Sacramento, CALIFORNIA 958145510</p>

	mmyers@dfg.ca.gov	Sacramento
California Electricity Oversight Board	Sidney Mannheim Senior Staff Counsel California Electricity Oversight Board 770 L Street Suite 1250 Sacramento, CALIFORNIA 95814 UNITED STATES smannheim@eob.ca.gov	
California Fisheries and Water Unlimited	Robert Baiocchi President Anglers Committee PO Box 1035 , 96103 UNITED STATES rbaiocchi@gotsky.com	
California Generation Coalition and Individual Members	Orlando Foote Attorney Horton, Knox, Carter & Foote 895 Broadway El Centro, CALIFORNIA 92243 UNITED STATES ofoote@hkcf-law.com	
California Hydropower Reform Coalition	Richard Roos-Collins Director, Legal Services Natural Heritage Institute 100 Pine St. Suite 1550 San Francisco, CALIFORNIA 94111 UNITED STATES rrcollins@n-h-i.org	
California Hydropower Reform Coalition	Charlton Bonham Trout Unlimited 1808B 5th Street Berkeley, CALIFORNIA 94710 UNITED STATES cbonham@tu.org	
California Outdoors		Nate Rangel President

		<p>California Outdoors PO Box 401 Coloma, 95613-0401 El Dorado nate@raftcalifornia.com</p>
<p>California Public Utilities Commission</p>	<p>Traci Bone CPUC California Public Utilities Commission 505 Van Ness Avenue, 5th Floor San Francisco, CALIFORNIA 94102 UNITED STATES tbo@cpuc.ca.gov</p>	
<p>California Resources Agency</p>		<p>**Margaret J Kim California Resources Agency 1416 9th St Ste 1311 Sacramento, CALIFORNIA 958145509 Sacramento</p>
<p>California Salmon and Steelhead Association</p>		<p>Bob Baiocchi Private Consultant California Salmon and Steelhead Association PO Box 1035 , 96103 rbaiocchi@gotsky.com</p>
<p>California Salmon and Steelhead Association</p>	<p>Percival Banks Board Member California Salmon and Steelhead Association 78 Railroad Avenue Richmond, CALIFORNIA 94801 UNITED STATES office@sctus.com</p>	
<p>California Sportfishing Protection Alliance</p>	<p>Christopher Shutes FERC Projects Director Individual 1608 Francisco St. Berkeley, CALIFORNIA 94703 UNITED STATES blancapaloma@msn.com</p>	

California Trout, Inc.		
California Trout, Inc.	Curtis Knight Conservation Manager California Trout, Inc. PO Box 650 Mt. Shasta, CALIFORNIA 96067-0650 UNITED STATES cknight@caltrout.org	Brian J. Johnson Staff Attorney Trout Unlimited 1808B 5th Street Berkeley, CALIFORNIA 94710 bjohnson@tu.org
Center for Water Advocacy	Harold Shepherd Center for Tribal Water Advocacy PO Box 331 Moab, UTAH 84532-0331 UNITED STATES waterlaw@uci.net	
City of Pasadena Dept. of Water & Power		Eric R Klinkner Assistant General Manager City of Pasadena Dept. of Water & Power 150 S. Los Robles Suite 200 Pasadena, CALIFORNIA 91101 eklinkner@cityofpasadena.net
City of Rockingham, North Carolina	Julie Gantenbein Staff Attorney Natural Heritage Institute 18255 Robin Ave Sonoma, CALIFORNIA 95475- 4043 UNITED STATES jgantenbein@n-h-i.org	Monty Crump City Manager City of Rockingham, North Carolina 514 Rockingham Road Rockingham, NORTH CAROLINA 28379 monty@gorockingham.com
Coastal Conservation League	Julie Gantenbein Staff Attorney Natural Heritage Institute 18255 Robin Ave Sonoma, CALIFORNIA 95475- 4043 UNITED STATES jgantenbein@n-h-i.org	
Duke Energy North America,	Mark Perlis Partner	

LLC	Dickstein Shapiro LLP 1825 Eye Street NW Washington, DISTRICT OF COLUMBIA 20006-5403 UNITED STATES perlism@dicksteinshapiro.com	
Duke Energy Trading & Marketing, LLC	**Contact No Longer Valid Service Not Required Duke Energy Trading & Marketing, LLC	
Foothill Conservancy		**R Winston Bell, Jr Vice President Foothill Conservancy P.O. Box 1255 Pine Grove, CALIFORNIA 95665
Friends of the Eel River	Stephan Volker Law Offices of Stephan C. Volk Law Offices of Stephan C. Volker 436 14th Street Oakland, CALIFORNIA 94612 UNITED STATES svolker@volkerlaw.com	
Friends of the River		**Jennifer Carville P. ADVOCATE Friends of the River 1418 20th St; Ste A Sacramento, CALIFORNIA 95811- 5206 Sacramento
Glendale, City of		**Steven G Lins Assistant City Attorney Glendale, City of 613 E Broadway Ste 220 Glendale, CALIFORNIA 91206- 4308 Los Angeles
Humboldt, County of		**TAMARA C FALOR Esquire Humboldt, County of 825 5th St Eureka, CALIFORNIA 955011153 Humboldt

Imperial Irrigation District		John Steffan Imperial Irrigation District PO Box 937 Imperial, 92251-0937 Imperial jsteffen@iid.com
Law Offices of Stephan C. Volker		Stephan C. Volker, ESQ Law Offices of Stephan C. Volk Law Offices of Stephan C. Volker 436 14th Street Oakland, CALIFORNIA 94612 svolker@volkerlaw.com
Los Angeles Department of Water & Power	Norman Pedersen Attorney Hanna and Morton LLP 444 South Flower Street, Suite 1500 Los Angeles, CALIFORNIA 90071-2916 UNITED STATES npedersen@hanmor.com	Robert Pettinato Los Angeles Department of Water & Power PO Box 51111 Los Angeles, CALIFORNIA 90051-5700 Los Angeles robert.pettinato@ladwp.com
McCloud River Club	Perl Perlmutter Shute, Mihaly & Weinberger 396 Hayes St. San Francisco, CALIFORNIA 94102 UNITED STATES perlmutter@smwlaw.com	Kristin Burford Shute, Mihaly & Weinberger 396 Hayes St. San Francisco, CALIFORNIA 95102 burford@smwlaw.com
McCloud River Club's		Robert Perlmutter Shute, Mihaly & Weinberger 396 Hayes St San Francisco, CALIFORNIA 94102 perlmutter@smwlaw.com
McCloud RiverKeepers		Dennis A Amato McCloud RiverKeepers 4723 Tee View Court Santa Rosa, CALIFORNIA 95405 dennis@dennisamato.com
McCloud RiverKeepers	Dennis Amato 4723 Tee View Court Santa Rosa, CALIFORNIA 95405	

	UNITED STATES dennis@dennisamato.com	
McCloud-Pit Project LLC	John Whittaker Winston & Strawn LLP 1700 K St. N.W. Washington, DISTRICT OF COLUMBIA 20006-3817 UNITED STATES jwhittak@winston.com	
Modesto Irrigation District		Gregory Pohl Modesto Irrigation District PO Box 4060 Modesto, 95352-4060 Stanislaus gregp@mid.com
Nevada Irrigation District		**Ronald S Nelson General Manager Nevada Irrigation District PO Box 1019 Grass Valley, 95945-1019 Nevada
Nevada Irrigation District	Jeffrey Meith Partner Meith, Soares & Sexton, LLP 1681 Bird Street Oroville, CALIFORNIA 95965 UNITED STATES jmeith@minasianlaw.com	**Les Nicholson Hydro Manager Nevada Irrigation District 28311 Secret Town Rd Colfax, CALIFORNIA 957139473 Placer
NOAA, General Counsel Southwest		Eric Theiss Fisheries Biologist NOAA, General Counsel Southwest 1655 Heindon Road Arcata, CALIFORNIA 95521 eric.theiss@noaa.gov
Northern California Power Agency		Karl W Meyer Northern California Power Agency 180 Cirby Way Roseville, CALIFORNIA 956786420 Placer karl@ncpa.com
OGC	Joshua Rider United States Department of	

	<p>Agriculture 33 New Montgomery, 17th Flr San Francisco, CALIFORNIA 94105 UNITED STATES joshua.rider@usda.gov</p>	
<p>Oroville- Wyandotte Irrigation District</p>	<p>Jeffrey Meith Partner Meith, Soares & Sexton, LLP 1681 Bird Street Oroville, CALIFORNIA 95965 UNITED STATES jmeith@minasianlaw.com</p>	<p>MICHAEL GLAZE GENERAL MANAGER Oroville-Wyandotte Irrigation District 2310 Oro-Quincy Highway OROVILLE, CALIFORNIA 95966 glaze@southfeather.com</p>
<p>Pacific Gas and Electric Company</p>	<p>Annette Faraglia Attorney Pacific Gas and Electric Company PO Box 7442 San Francisco, CALIFORNIA 94120-7442 UNITED STATES ARF3@pge.com</p>	
<p>Pacific Gas and Electric Company</p>		<p>**Randal S Livingston Lead Director Pacific Gas and Electric Company PO Box 770000 San Francisco, 94177-0001 San Francisco</p>
<p>Pacific Gas and Electric Company</p>		<p>PG&E Law Dept FERC Cases Pacific Gas and Electric Company 77 Beale Street Room 3120 B30A San Francisco, CALIFORNIA 94120-7442 lawferccases@pge.com</p>
<p>People of the State of California</p>		<p>Michael W. Neville Deputy Attorney General People of the State of California 455 Golden Gate Avenue Ste. 11000 San Francisco, CALIFORNIA 94102-7004 michael.neville@doj.ca.gov</p>
<p>PIT RIVER</p>	<p>Delia Parr</p>	

TRIBE	Directing Attorney California Indian Legal Services 324 F Street Eureka, CALIFORNIA 95501 UNITED STATES dparr@calindian.org	
Public Service Department of Burbank, CA		**Bruno Jeider Contact/Addr no longer valid Public Service Department of Burbank, CA Los Angeles
Redding Electric Utility		David Arthur Redding Electric Utility PO Box 496071 Redding, 96049-6071 Shasta darthur@ci.redding.ca.us
Regional Council of Rural Counties		Lon W House Regional Council of Rural Counties 4901 Flying C Rd Cameron Park, CALIFORNIA 95682 lwhouse@innercite.com
Reliant Energy Power Generation, LLC	**Kirby Bosley Manager Reliant Energy Wholesale Group PO Box 148 Houston, TEXAS 77001-0148 UNITED STATES	**Kurt W Bilas Contact/Addr No Longer Valid Reliant Energy Power Generation, LLC Arlington
Reliant Energy Power Generation, LLC	**Kurt Bilas Contact/Addr No Longer Valid Reliant Resources, Inc. UNITED STATES	**Michael L Jines Contact/Addr No Longer Valid Reliant Energy Power Generation, LLC Harris
Silicon Valley Power	Michael Pretto Silicon Valley Power 1500 Warburton Ave Santa Clara, CALIFORNIA 950503713 UNITED STATES mpreto@ci.santa-clara.ca.us	Raymond C Camacho Assistant Director of Electric Silicon Valley Power 1500 Warburton Ave. Santa Clara, CALIFORNIA 95050 rcamacho@siliconvalleypower.com
Solano Irrigation	Jeffrey Meith	**ROBERT ISAAC

District	Partner Meith, Soares & Sexton, LLP 1681 Bird Street Oroville, CALIFORNIA 95965 UNITED STATES jmeith@minasianlaw.com	GEN. MANAGER Solano Irrigation District 508 Elmira Rd Vacaville, CALIFORNIA 956874931 Solano
Southern California Edison Company	Catherine Giovannoni Steptoe & Johnson LLP 1330 Connecticut Ave., NW Washington, DISTRICT OF COLUMBIA 20036 UNITED STATES cgiovann@steptoe.com	**Michael D Mackness Southern California Edison Company PO Box 800 Rosemead, DISTRICT OF COLUMBIA 91770-0800 Los Angeles
The Fly Shop	Michael Caranci The Fly Shop 4140 Churn Creek Rd Redding, CALIFORNIA 96002 UNITED STATES michael@theflyshop.com	Mike Michalak Chief Executive Officer The Fly Shop 4140 Churn Creek Rd Redding, CALIFORNIA 96002 mike@theflyshop.com
THE HEARST CORPORATION	Lloyd Bradshaw P. O. Box 670 McCloud, CALIFORNIA 96057 UNITED STATES lbradshaw@nctv.com	
Tri-Dam Project		Steve Felte General Manager Tri-Dam Project PO Box 1158 Pinecrest, 95364-0158 jsf@tridamproject.com
Trout Unlimited		Charlton Bonham Trout Unlimited 1808B 5th Street Berkeley, CALIFORNIA 94710 cbonham@tu.org
Turlock Irrigation District		Michael T Brommer Turlock Irrigation District 333 E Canal Dr Turlock, CALIFORNIA 953803946 Stanislaus mtbrommer@tid.org
U.S. Department of Interior		**Kaylee A Allen U.S. Department of Interior

		Pacific Southwest Region 2800 Cottage Way Ste E1712 Sacramento, CALIFORNIA Sacramento
U.S. Department of Interior	**Regional Environmental U.S. Department of Interior 1111 Jackson St Ofc 520 Oakland, CALIFORNIA 946074807 UNITED STATES	Denis O'Halloran FERC Coordinator U.S. Department of Interior 6000 J. Street, Placer Hall Sacramento, CALIFORNIA 95819 dohall@usgs.gov
U.S. Department of Interior	john bezdek U.S. Department of Interior 1849 C Street Washington, DISTRICT OF COLUMBIA 20240 UNITED STATES john_bezdek@ios.doi.gov	**Martin Bauer U.S. Department of Interior Bureau Of Reclamation 3310 El Camino Ave Ste 300 Sacramento, CALIFORNIA 958216377 Sacramento
U.S. Department of Interior	**Erica Niebauer U.S. Department of Interior Office of the Regional Solicitor 2800 Cottage Way Ste E1712 Sacramento, CALIFORNIA 958251863 UNITED STATES	
U.S. Department of Interior	Legal Department U.S. Department of Interior OFFICE OF THE SOLICITOR 1849 C St NW Washington, DISTRICT OF COLUMBIA 202400001 UNITED STATES gloria-smith@ios.doi.gov	Stephen M. Bowes Planner U.S. Department of Interior 1111 Jackson Street oakland, CALIFORNIA 94607 stephen_bowes@nps.gov
U.S. Department of Interior	**Kerry O'Hara U.S. Department of Interior Office of the Regional Solicitor 2800 Cottage Way Ste E1712 Sacramento, CALIFORNIA 958251863 UNITED STATES	**Field Supervisor Sacramento Office U.S. Department of Interior 2800 Cottage Way Ste W2605 Sacramento, CALIFORNIA 95825 Sacramento
U.S. Department of Interior	Chris Watson Attorney-Advisor U.S. Department of Interior 1849 C St, NW - MS 6513	**Regional Director Pacific Region U.S. Department of Interior 2800 Cottage Way Ste W2605

	Washington, DISTRICT OF COLUMBIA 20240 UNITED STATES chriswatson.sol@gmail.com	Sacramento, CALIFORNIA 958251886 Sacramento
Williams Energy Services Company	**Roger Pelote Contact No Longer Valid Williams Companies, The UNITED STATES	
Williams Energy Services Company	**Alex Goldberg Contact/Addr No Longer Valid Williams Companies, The UNITED STATES	
WINNEMEM WINTU TRIBE	Stephan Volker Law Offices of Stephan C. Volk Individual 436 14th Street Oakland, CALIFORNIA 94612 UNITED STATES svolker@volkerlaw.com	Mark Franco Headman WINNEMEM WINTU TRIBE 14840 Bear Mountain Road Redding, CALIFORNIA 96003 winnemem@msn.com
Yuba County Water Agency	Joshua Horowitz Attorney Bartkiewicz, Kronick & Shanahan 1011 22nd Street Sacramento, CALIFORNIA 95816-4907 UNITED STATES jmh@bkslawfirm.com	Curt Aikens General Manager Yuba County Water Agency 1220 F Street Marysville, CALIFORNIA 95901 caikens@ycwa.com