



Eel-Russian Project Authority

c/o Sonoma County Water Agency
404 Aviation Blvd, Santa Rosa, CA 95403
<https://www.eelrussianauthority.org>

Board of Directors

<u>County of Sonoma</u> James Gore	<u>Mendocino County Inland Water and Power Commission</u> Madeline Cline Janet Pauli, Vice Chair
<u>Round Valley Indian Tribes</u> James Russ	<u>Sonoma County Water Agency</u> David Rabbitt, Chair

Board Meeting
July 21, 2025 3:00-5:00pm

County of Sonoma Board of Supervisors Chambers
575 Administration Drive, Room 102A
Santa Rosa, CA 95403



July 21, 2025 Board of Directors Meeting Agenda

1. Call to Order
2. Welcoming New Board Member Madeline Cline
3. Approval of the Agenda
4. Consent Calendar
 - a. Approve minutes from March 19, 2024 meeting
 - b. Delegate authority to Sonoma Water to perform public information functions
 - c. Adopt a resolution designating Executive Director
 - d. Adopt a resolution delegating authority to Executive Director to take appropriate actions and provide statements
 - e. Adopt a resolution adopting State of California's CA Environmental Quality Act (CEQA) guidelines.

July 21, 2025 Board of Directors Meeting Agenda

Regular Calendar

5. New Eel-Russian Facility Update and adopt resolution approving the Water Diversion Agreement.
6. Approval and direction to staff and counsel regarding agreements for reimbursement of costs and expenses.
7. Informational Items
 - a. CA Environmental Quality Act update
 - b. Communications update
8. Public Comment – items not on the agenda
9. Board Member Announcements
10. Adjournment



Items 3 and 4. Approval of the Agenda & Consent Calendar





Item 5.

New Eel-Russian Facility Update & Approval of Water Diversion Agreement for New Eel-Russian Facility

David Manning (Division Manager, Environmental Resources,
Sonoma Water)

Don Seymour, P.E. (Deputy Director of Engineering, Sonoma
Water)

Cory O'Donnell (Chief Deputy County Counsel, Sonoma
County)



PG&E Potter Valley Project License Surrender

- Currently owned by PG&E, has diverted water from the Eel River to the Russian River since 1908.
- The Federal Energy Regulatory Commission (FERC) issued the current license for PVP on October 4, 1983.
- On January 25, 2019, PG&E announced intent to not seek or hold a new license for the Project as it is no longer economically feasible.
- The license expired on April 14, 2022.
- On May 11, 2022, FERC directed PG&E to file a plan and schedule for license surrender.
- By July 29, 2025 PG&E will file License Surrender Application.
- Eel-Russian Project Authority implementing a plan of action.



Scott Dam & Lake Pillsbury



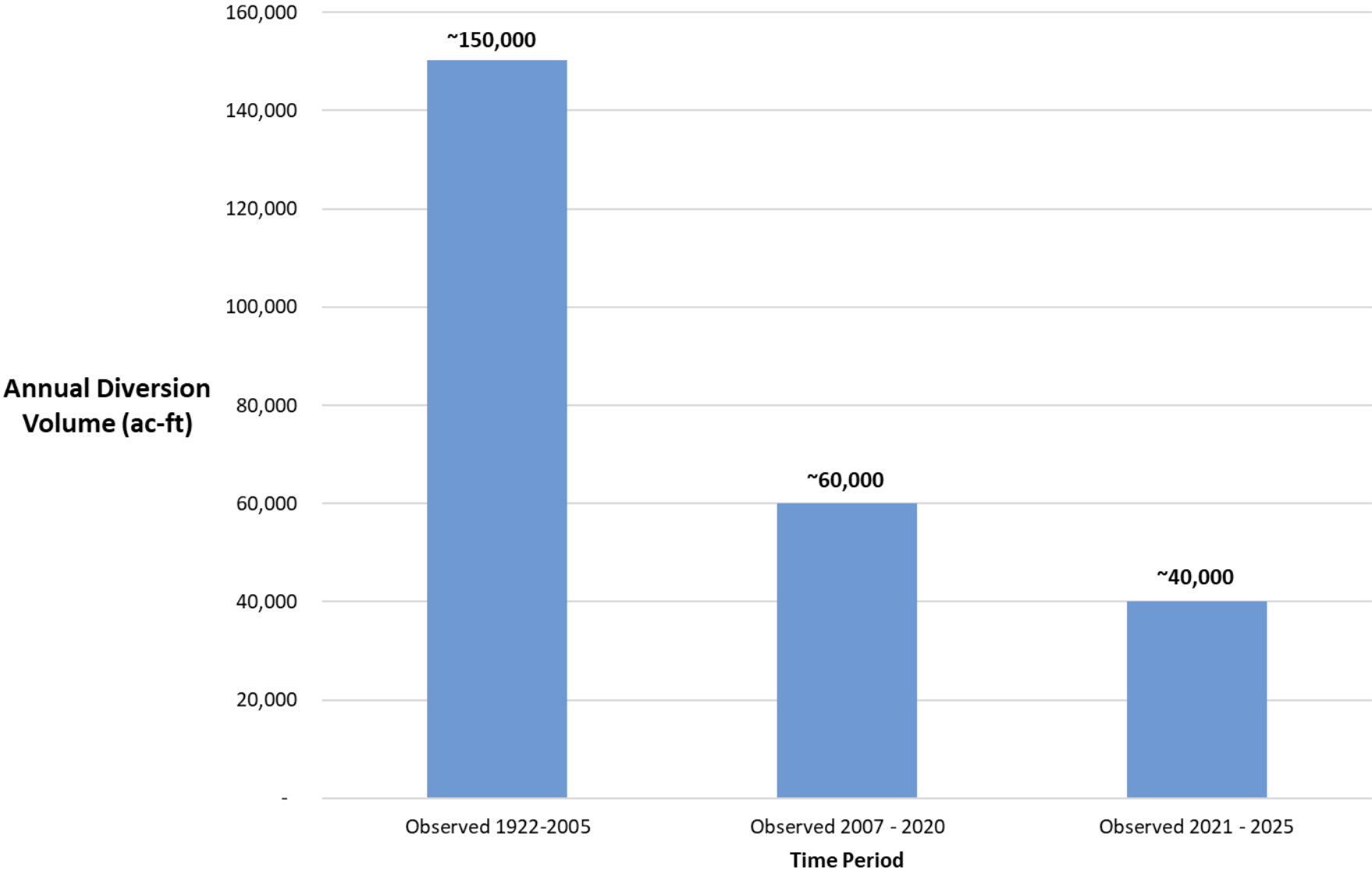
Cape Horn Dam & Van Arsdale Reservoir



Coyote Valley Dam & Lake Mendocino



Average Annual Volumes of Eel River Water Diverted through the Potter Valley Project (acre-feet per year)



Two-Basin Partnership

- 💧 Improve fish migration and habitat on the Eel River with the objective of achieving naturally reproducing, self-sustaining, and harvestable native anadromous fish populations; and
- 💧 Maintain continued water diversion from the Eel River through the existing tunnel to the Russian River to support water supply reliability, fisheries, and water quality in the Russian River Basin.

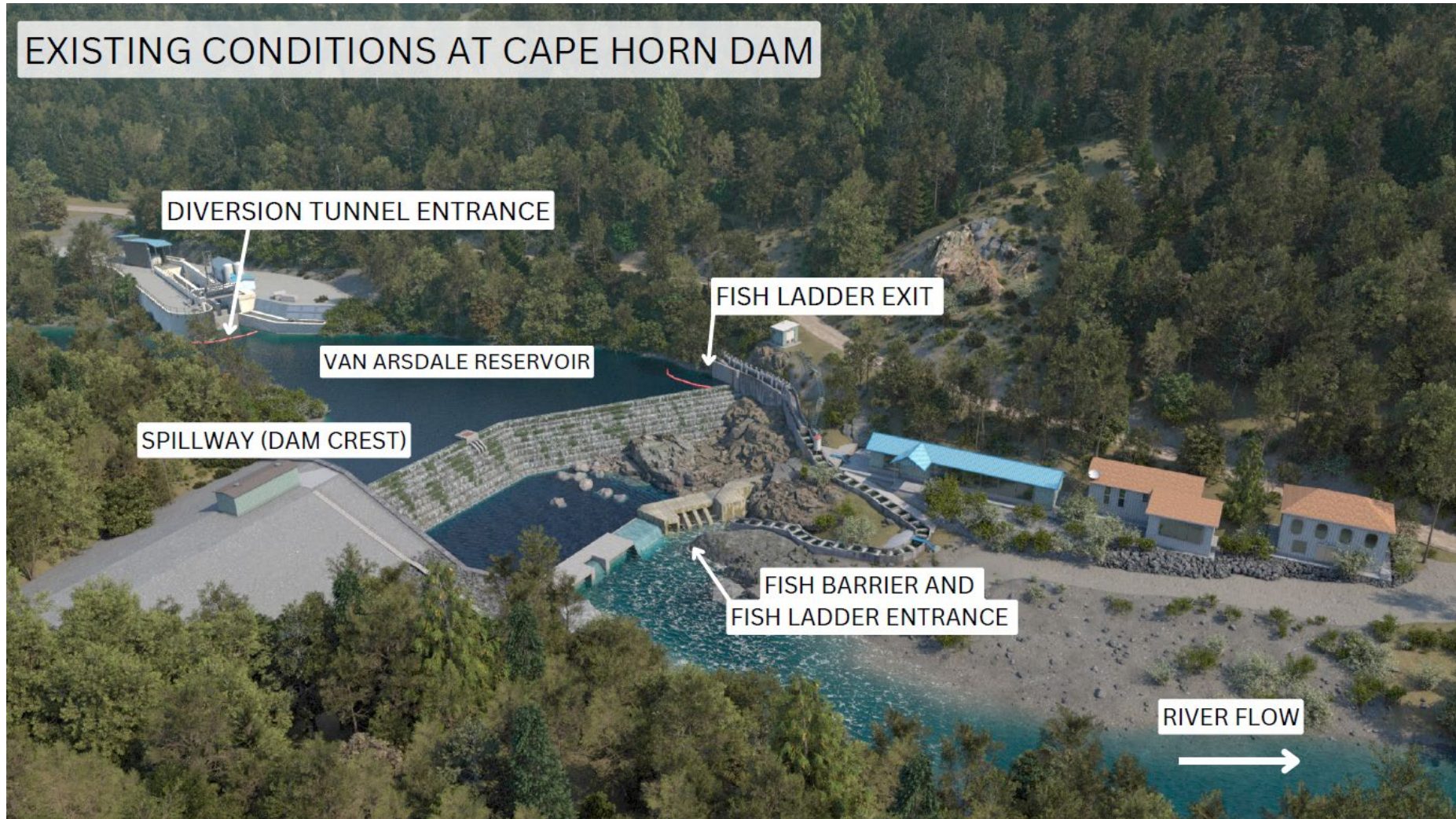


Eel-Russian Project Authority

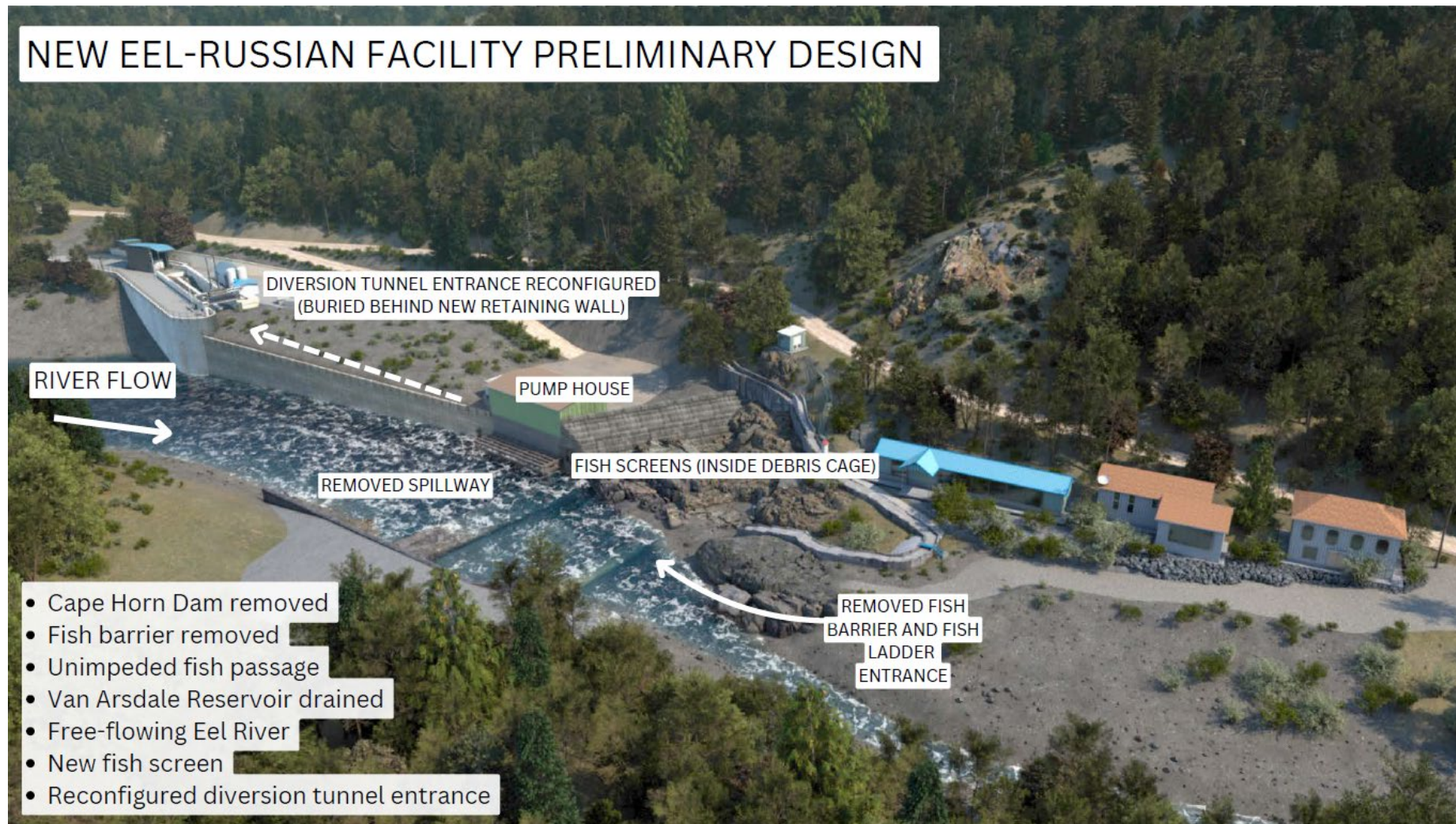
- ◆ In December 2023, Sonoma Water, Sonoma County, and Mendocino County IWPC formed ERPA as a joint powers authority. RVIT has a seat on ERPA's Board of Directors.
- ◆ ERPA proposes to construct, operate, and maintain a New Eel-Russian Facility to divert water from the Eel River, at the site of and following the decommissioning and removal of Cape Horn Dam, on terms consistent with restoration of the anadromous fisheries of the Eel.



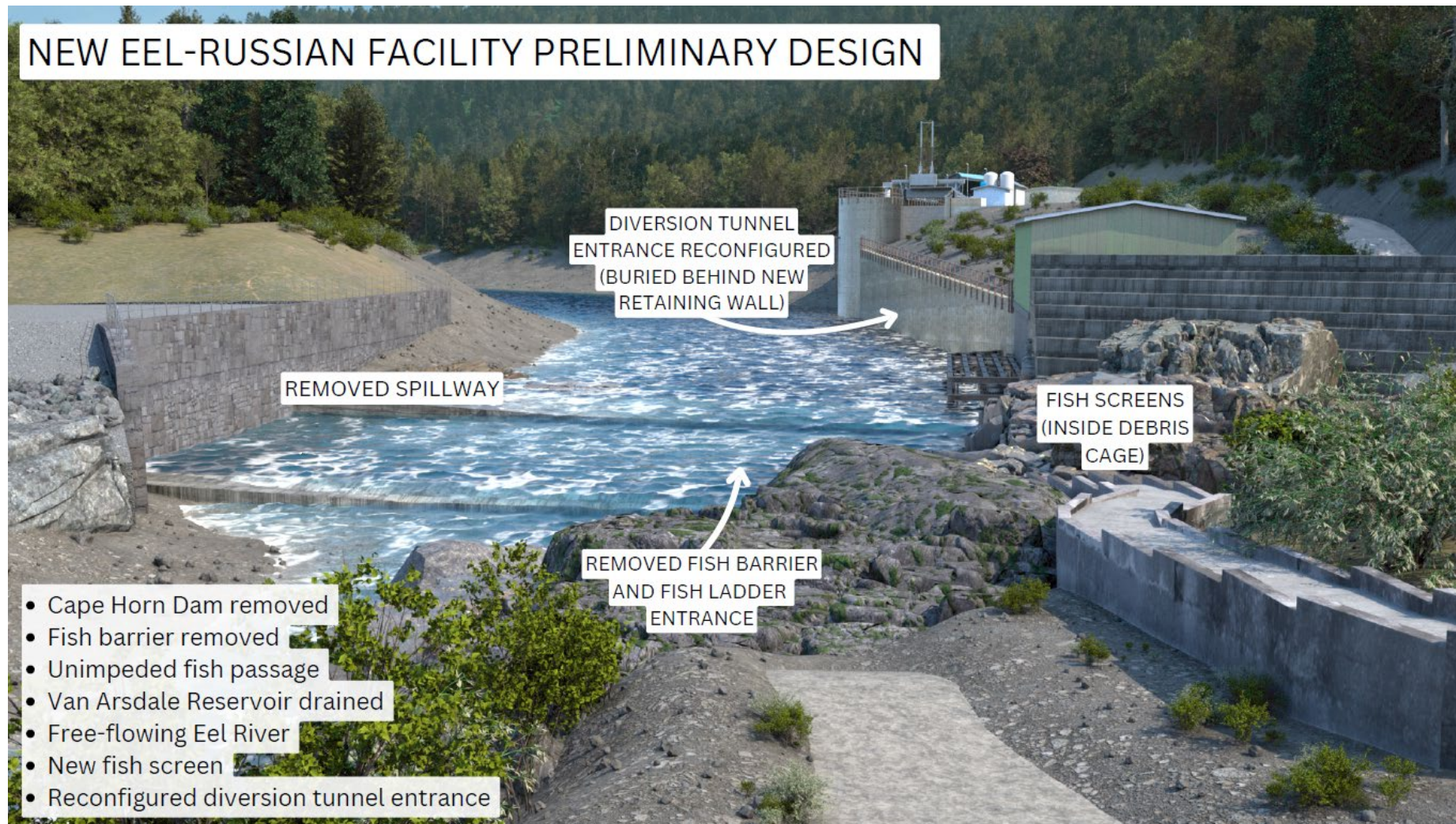
Cape Horn Dam



New Eel-Russian Facility (NERF)



New Eel-Russian Facility (NERF)



NERF Preliminary Cost Estimates (2025 dollars)

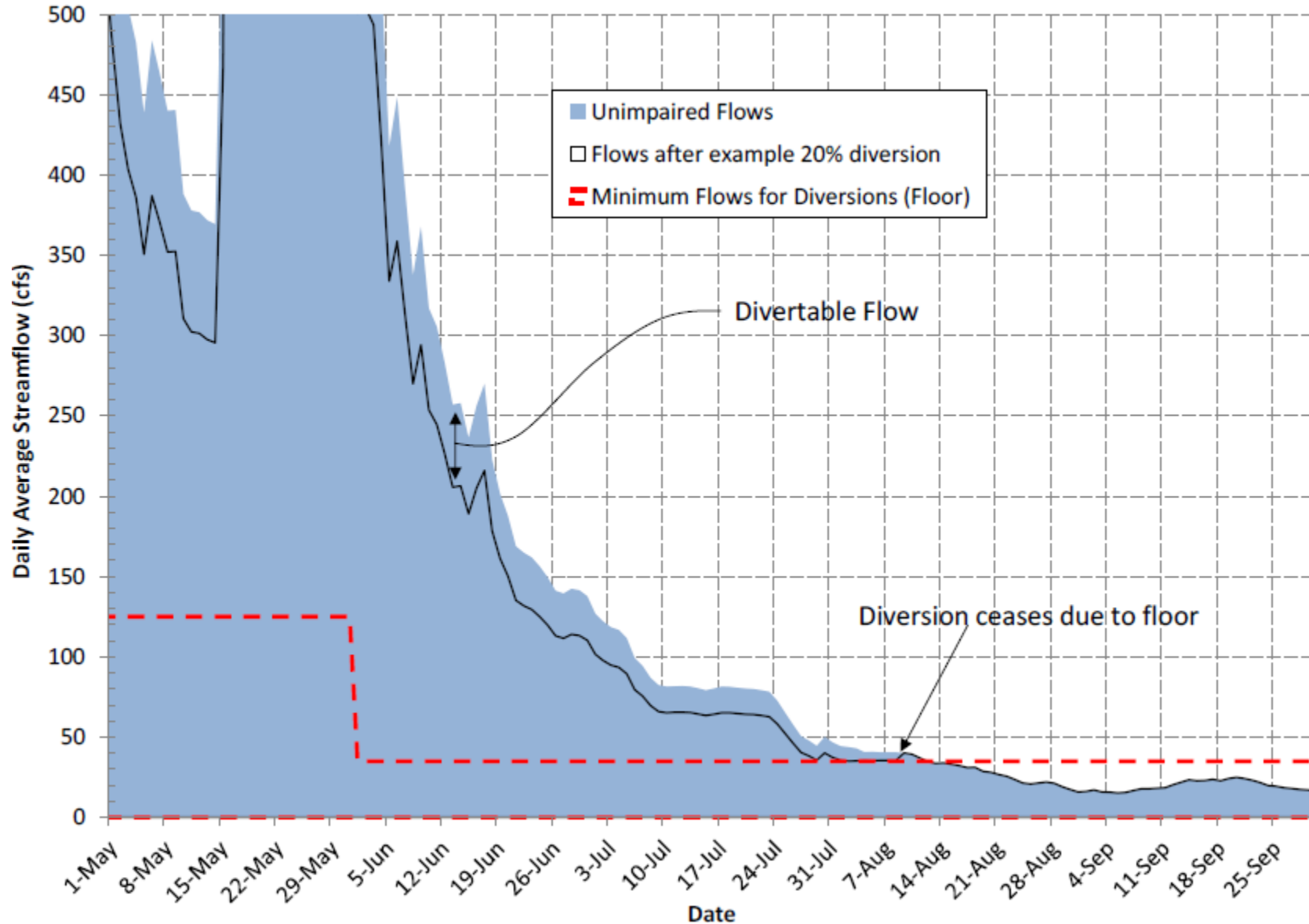
- 💧 Design and Permitting: \$5 million
- 💧 Construction: \$50 million
- 💧 Operations and Maintenance: \$7-12 million annually
 - Operations (staffing, equipment, supplies, power)
 - Administration and Insurance
 - Construction Bonds
 - Annual Contingency
 - Annual Water Rights Lease
 - Annual Restoration Payment
- 💧 Revenue: Grants, Bonds, Water User Payments

New Eel Russian Facility Diversion Rules

Developed by RVIT (Applied River Sciences)

	Fall Flows*	Winter Flows	Spring Flows	Summer Flows
Date Range:	Oct 1 – Dec 31	Jan 1 – Feb 29	Mar 1 – May 31	Jun 1 – Sep 30
Floor:	300 cfs	250 cfs	125 cfs	35 cfs
Maximum Diversion Rate:	20%	30%	20%	20%
Ramping Rates	To protect floor, NERF hits Maximum Diversion Rate (20%) When Eel River flow is 375 cfs	To protect floor, NERF hits Maximum Diversion Rate (30%) When Eel River flow is 357 cfs	To protect floor, NERF hits Maximum Diversion Rate (20%) when Eel River flow is 156 cfs	To protect floor, NERF hits Maximum Diversion Rate (20%) when Eel River flow is 43.75 cfs
Maximum Diversion Capacity	300 cfs	300 cfs	300 cfs	300 cfs

New Eel Russian Facility Diversion Rules



Lake Mendocino Storage and Water Supply Storage Limit

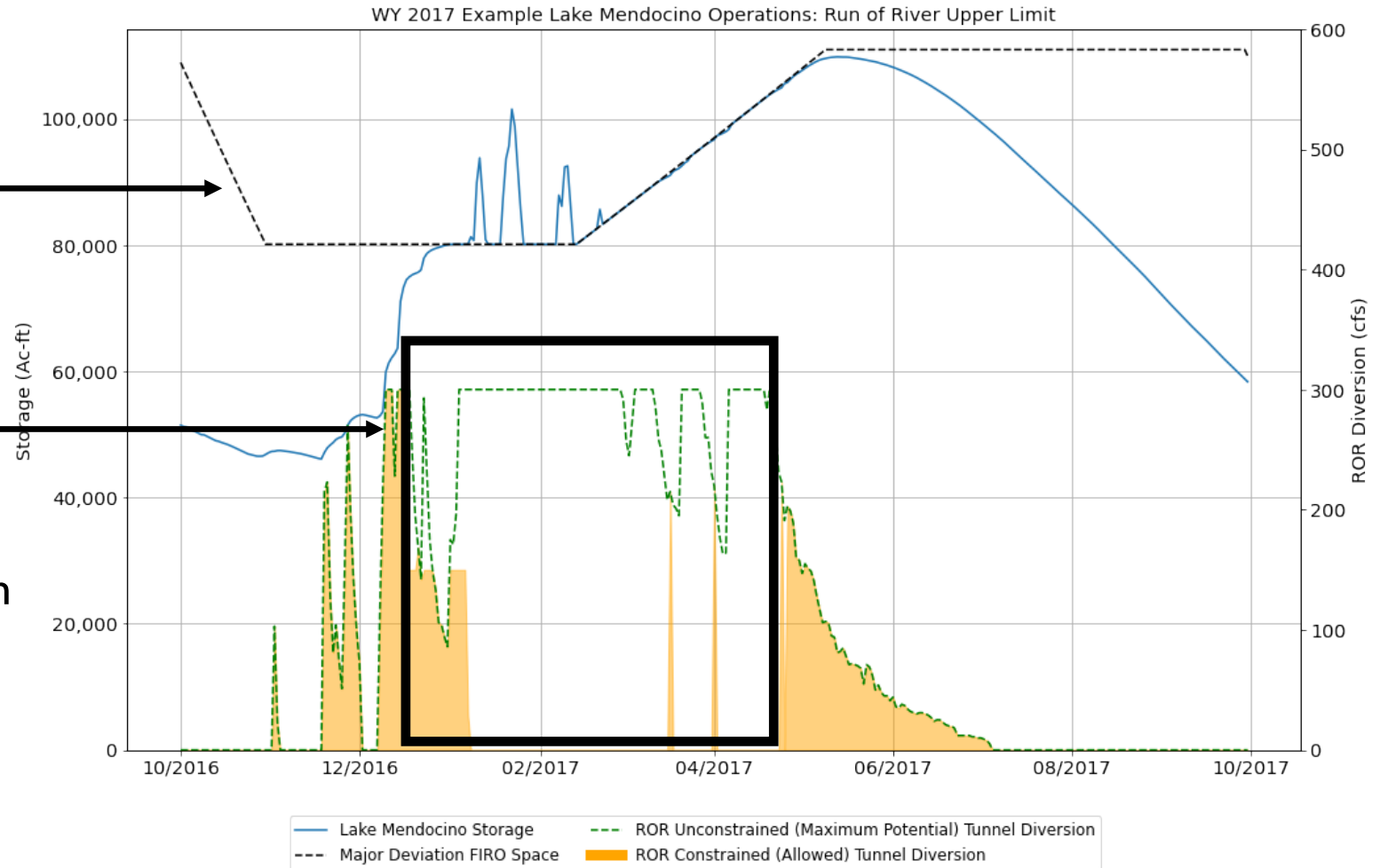
- Water above dashed line is released to maintain flood storage space
- NERF will not divert Eel River flow when Lake Mendocino storage is above dashed line (storage limit)

NERF Diversions:

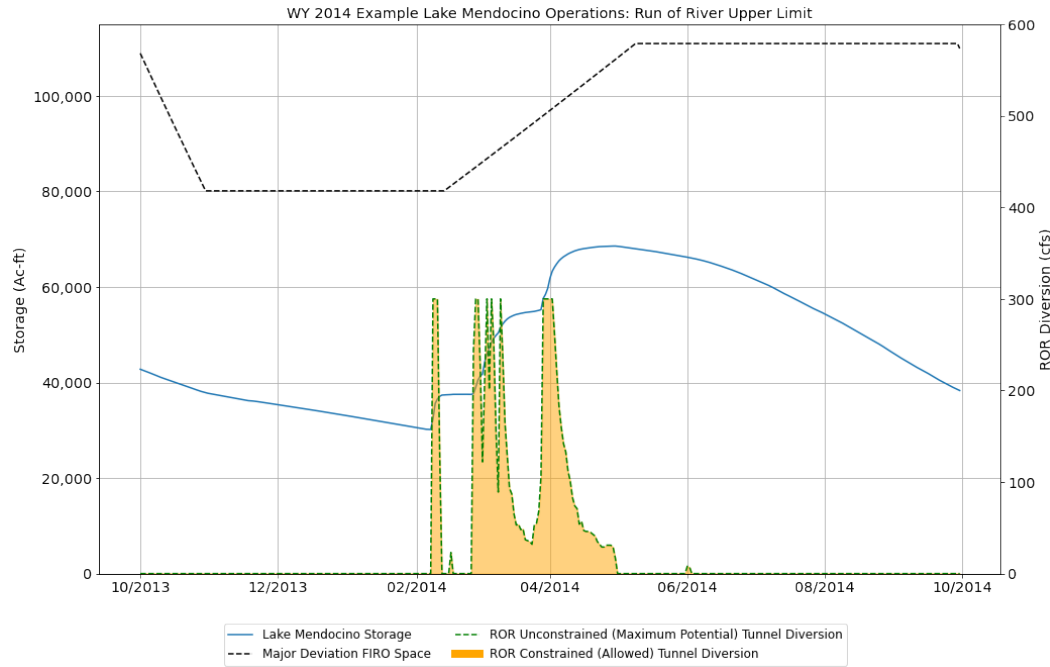
Volume Allowed by Diversion Rules ~ 86,400 ac-ft

Volume Stored Based on Flood Storage Limitations ~ 24,500 ac-ft

Wet Year Example (2017)



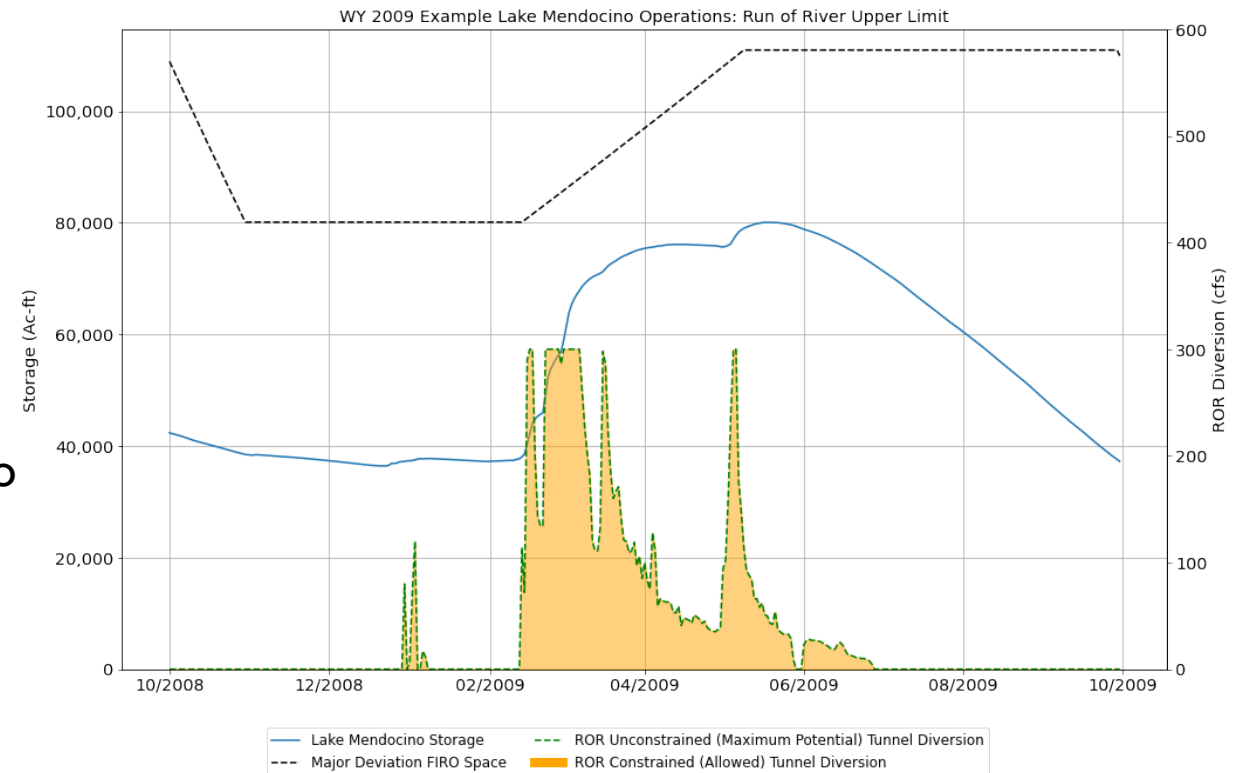
Dry Year Example (2014)



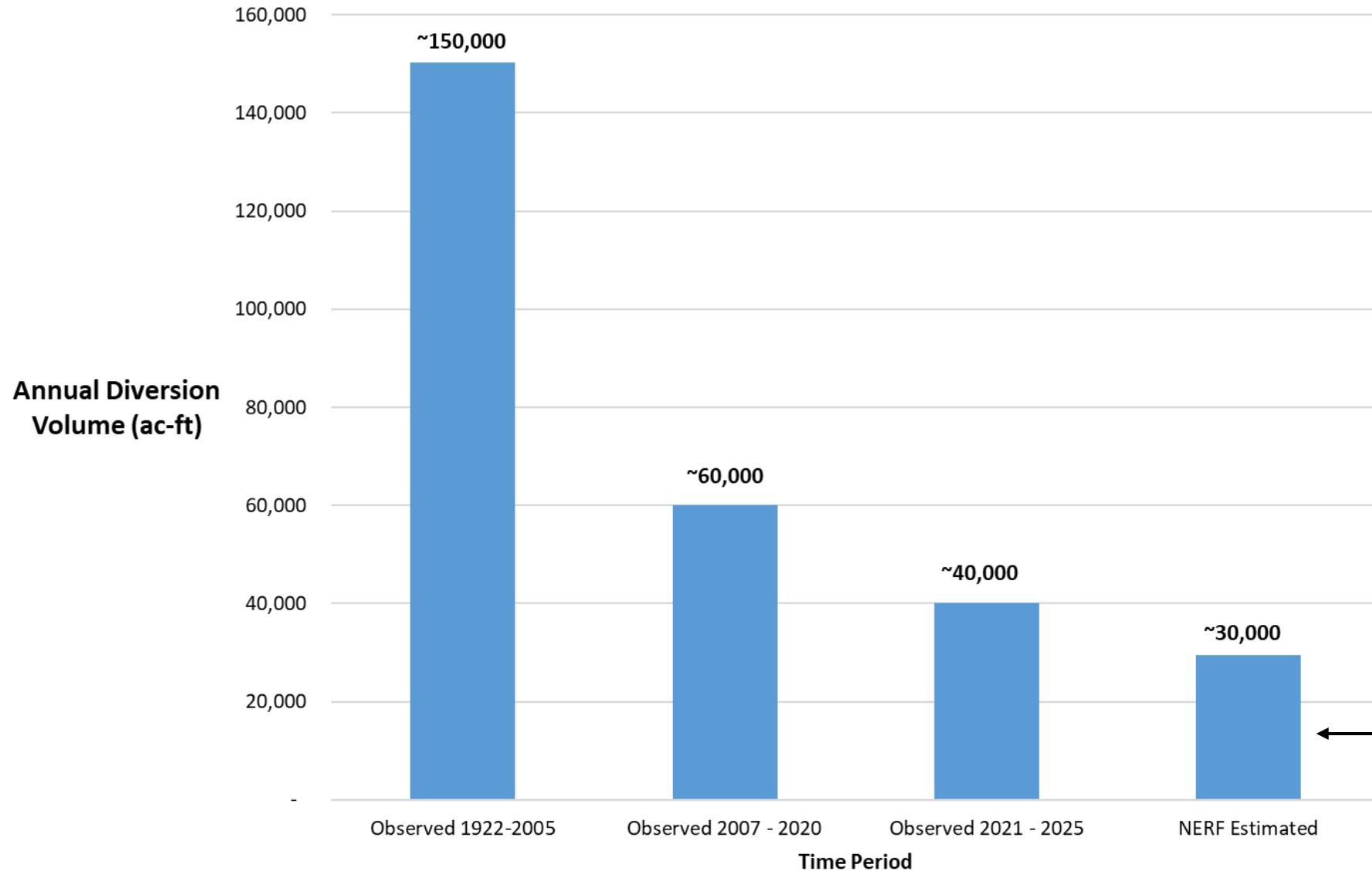
All Allowed NERF Diversions Stored in Lake Mendocino

- Dry Year (2014): 18,200 ac-ft
- Average year (2009): 29,500 ac-ft

Average Year Example (2009)

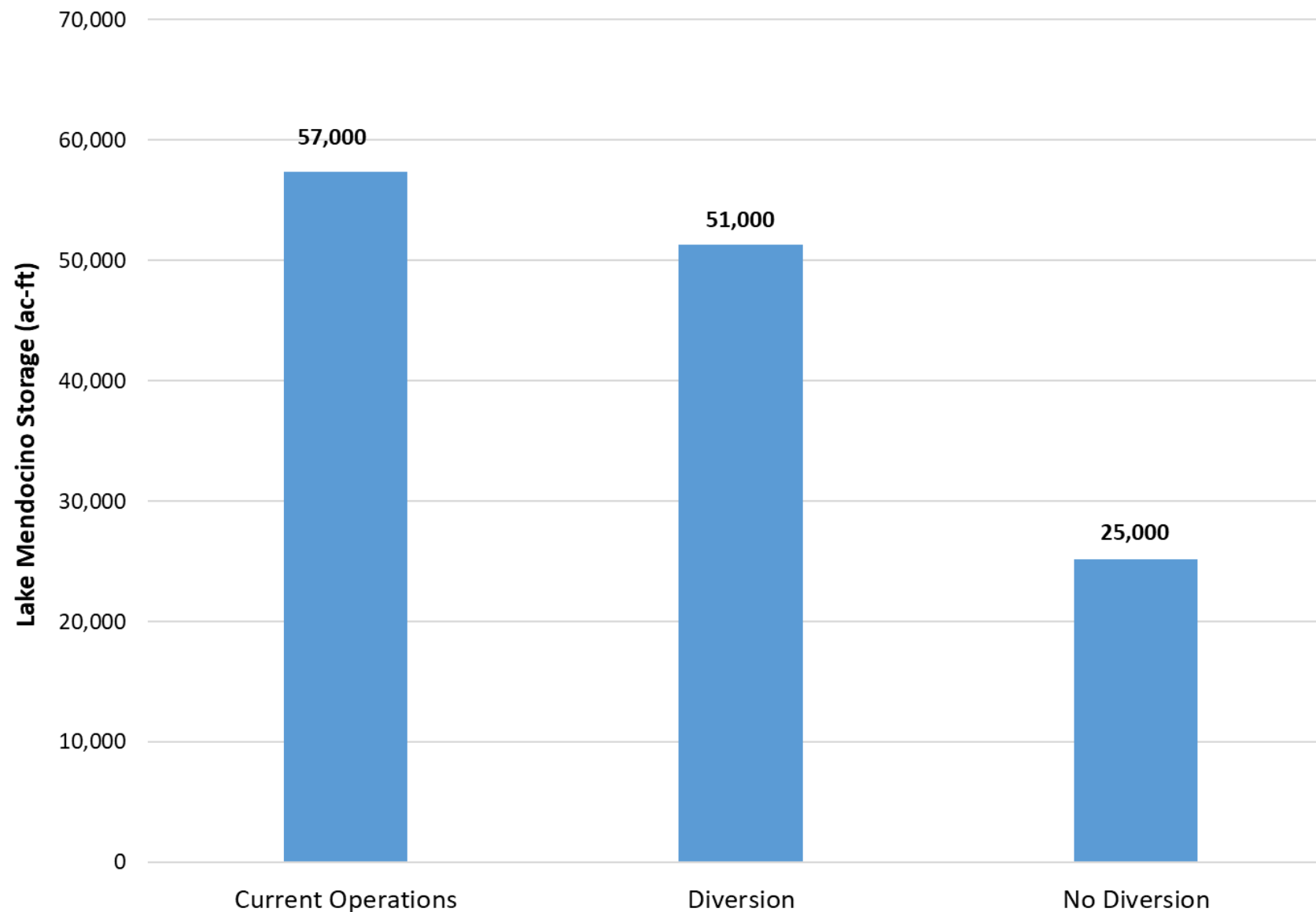


Average Annual Volumes of Eel River Water Diverted through the Potter Valley Project (acre-feet per year)



Approx. NERF estimate
constrained by available
Lake Mendocino storage

Average Modeled Lake Mendocino Storage on September 30th



Next Steps and Potential Schedule

- 💧 PG&E License Surrender Application filed with FERC by July 29, 2025
- 💧 All Parties Sign Water Diversion Agreement by July 29, 2025
- 💧 2025-2028
 - ERPA Business Plan
 - NERF 60%-90% design
 - ERPA CA Environmental Quality Act (CEQA) for NERF
 - PG&E resource management and engineering plans
 - FERC prepares NEPA document for PG&E License Surrender
 - State Water Board CEQA for PG&E Clean Water Act Compliance
 - U.S. Army Corps Of Engineers NEPA for PG&E and ERPA Clean Water Act Compliance
 - National Marine Fisheries Service (NMFS) Biological Opinions for PG&E dam removal and NERF construction
- 💧 2028-2030
 - FERC Surrender Order
 - ERPA and PG&E Final Engineering, Permits, Bidding, Contracting
- 💧 2030-2035
 - PG&E Dam Removal and Restoration
 - NERF Construction

MOU to Advance Water Diversion Agreement

CDFW, Round Valley Indian Tribes, Sonoma Water, Mendocino County IWPC, Cal-Trout, Humboldt County, Trout Unlimited

- Signed February 13, 2025
- State pledged \$18 million (\$9 million for NERF; \$9 million Eel River Restoration Fund).



Water Diversion Agreement

- Support PG&E's application to FERC to construct NERF concurrent with removal of Cape Horn Dam
- PG&E's water rights
 - Proposed to be owned by RVIT, dedicated to instream flow and NERF diversion
 - Leased to ERPA when operations begin, lease payment of \$1,000,000/year
 - Additional payment of \$750,000/year to Eel River Restoration Fund
- Operations
 - Not under FERC's jurisdiction
 - Diversion rules, performance metrics & adaptive management including monitoring
- Initial term of 30 years, renewal term of 20 years if:
 - \$25 million raised for Eel River Restoration Fund
 - Russian River users increase resiliency
 - Compliance with diversion rules, no negative effect to salmon and steelhead recovery
- Shared fundraising goal (not required for renewal)
 - \$100 million for NERF and Eel (before construction), \$100 million (renewal term), split between NERF and Eel
- Dispute resolution and enforcement

Recommended Board Action

- ◆ Adopt a resolution approving the Water Diversion Agreement for the New Eel-Russian Facility establishing the rights and obligations of the Eel-Russian Project Authority to divert water from the Eel River basin and authorizing Chair to execute the agreement in substantially the form presented and in a form approved by counsel.



Item 6.

Approval and direction to staff and counsel regarding reimbursement of costs and expenses and a future policy on determining work subject to reimbursement

Cory O'Donnell (Chief Deputy Sonoma County Counsel)

David Manning (Division Manager, Environmental Resources, Sonoma Water)



Member Agency Activities Subject to Reimbursement

- 💧 Costs and expenses for employees acting on ERPA's behalf
- 💧 Costs and expenses for member agencies contracting for services on ERPA's behalf
- 💧 Currents efforts potentially subject to reimbursement include:
 - Sonoma Water staff acting as ERPA Executive Director
 - Sonoma Water and Mendocino County IWPC staff acting in technical capacities for outreach and communications, NERF engineering design, NERF environmental compliance and permitting
 - Sonoma Water contracting with consultants to prepare a CEQA document and business plan for NERF.

Recommended Board Actions

1. The ERPA Board requests Sonoma Water and MCIWPC track their costs and expenses associated with work in furtherance of ERPA's efforts with an understanding that ERPA, subject to revenue, intends to reimburse them for those costs and expenses. This approval includes specific consent for Sonoma Water to negotiate with an environmental firm selected pursuant to its normal procurement process, so that the firm can begin to develop the CEQA document that will be required for NERF approval and construction.
2. The ERPA Board direct staff and counsel to return to ERPA's next meeting with draft agreements with Sonoma Water and MCIWPC that will provide the terms and conditions of how Sonoma Water and MCIWPC will be reimbursed for costs and expenses incurred for the benefit of ERPA. The agreement with Sonoma Water will specifically cover the environmental firm that will perform the task identified in number 1 above.
3. The ERPA Board direct staff and counsel to return to ERPA's next meeting with a draft policy that sets the procedures by which ERPA, Sonoma Water, and MCIWPC decide which costs and expenses are incurred for the benefit of ERPA beyond those previously covered.



Item 7. Informational Items

a. CEQA Process Update

Jessica Martini-Lamb (Environmental Resources Manager, Sonoma Water)

b. Communications Update

Mark Millan (Principal, Data Instincts)

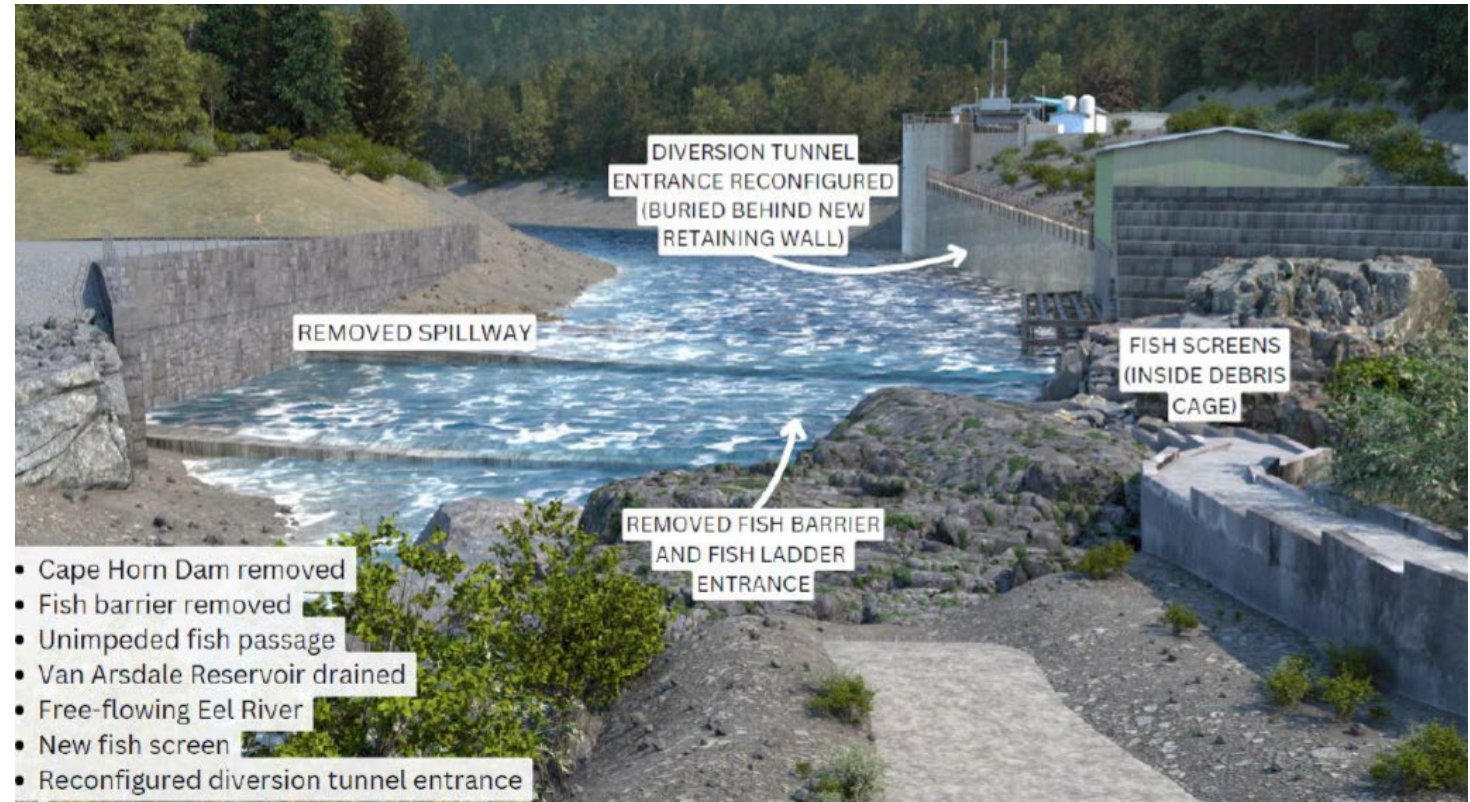


New Eel-Russian Facility CEQA Process

- Scope of Work in development anticipating Environmental Impact Report (EIR) preparation covering project construction, operations, and maintenance
 - Will include multiple opportunities for public and agency input during process
 - Initial work to:
 - Clarify New Eel-Russian Facility Project Description and Objectives
 - Distinguish from PG&E project
 - Identify future diversion scenarios
 - Organize, synthesize existing information and identify studies needed for environmental compliance
 - Technical analyses for hydrology, biological resources, cultural resources, recreation, agriculture, others
 - Project-specific and cumulative effects

New Eel-Russian Facility CEQA Process

- Close coordination with ERPA member agencies, State Water Board and other agencies to complete studies on schedule, keeping pace with PG&E license surrender environmental review
- Timeline approximately 24 months once initiated
- Estimated cost approx. \$1.3-\$1.5 million



Communications Coordinated with ERPA Partner Agencies

Providing information to the public:

- Project related background information
- Past timelines and estimated schedules
- Topical informational Fact Sheets
 - NERF / ERPA overview
 - Explaining how new diversion would affect Russian River water supply
 - Explaining how Water Diversion Agreement rules work and how they protect Eel River ecosystem
- Robust information on ERPA website
- Respond to media inquiries



Website provides in-depth information on how we got here



[Home](#) [Meetings](#) [News](#) [Files](#) [FAQs](#) [Contact](#)

Eel-Russian Project Authority Reports

[New Eel-Russian Facility Preliminary Engineering Report describing fish passage and water supply infrastructure design alternatives at the site of Cape Horn Dam on the Eel River](#)
(PDF 40.3 MB)

Eel-Russian Project Authority Documents

[Feb. 7, 2025 - Memorandum of Understanding to Advance a Water Diversion Agreement for a New Eel-Russian Facility](#)

Russian River Water Forum Documents

[August, 2023 - Potter Valley Project Proposal](#)

Proposal for Pacific Gas & Electric Company. Draft license surrender application, Potter Valley Project

Two Basin Solution Documents

[Sept. 2, 2021 - Request for an Abeyance Letter \(Project No. 77-285\)](#)

[Sept. 13, 2021 - Request for an Abeyance Letter \(Project No. 77\)](#)

Attachments

[July 2021 - Analyses of Fine Sediment Erosion](#)

[July 2021 - Analyses of Fine Sediment Erosion Effects on Aquatic Species](#)

[January 2021 - Lake Pillsbury Vegetation Management Discussion](#)

[January 2021 - Lake Pillsbury Sediment Management Discussion](#)

Initial Study

[March 16, 2021 - Determination on Requests for Study Modifications and New Studies](#)

[Sept. 16, 2020 - Initial Study Report Announcement Letter](#)

ERPA Fact-Sheets



PROJECT OVERVIEW



Spring 2025

POTTER VALLEY PROJECT BACKGROUND

The Potter Valley Project is located on the Eel River and the East Branch Russian River, in Mendocino and Lake Counties. Owned and operated by Pacific Gas and Electric Co. (PG&E), it includes Scott Dam, Cape Horn Dam and a hydroelectric powerhouse (no longer generating). The Potter Valley Project includes facilities to divert water from the Eel River to the East Branch Russian River, and eventually to Lake Mendocino and the mainstem Russian River. This provides water for farmers, businesses, and residents in Mendocino, Sonoma and Marin counties.



THE EEL-RUSSIAN PROJECT AUTHORITY

A joint powers authority created in 2023, the Eel-Russian Project Authority is governed by a five-member Board of Directors made up of representatives from the County of Sonoma, Sonoma County Water Agency (Sonoma Water), the Mendocino County Inland Water and Power Commission, the Round Valley Indian Tribes.

PURPOSE OF THE EEL-RUSSIAN PROJECT AUTHORITY

PG&E will decommission the Potter Valley Project on the Eel River and remove Scott and Cape Horn dams. This will bring to an end more than 100 years of diverting water from the Eel River to the Russian River watershed. Originally used to generate electricity for the Ukiah Valley, the diverted water also provided for municipal, irrigation and ecosystem benefits to the Russian River watershed.

In 2019, when PG&E announced it was withdrawing its preliminary license application and would no longer seek relicensing, it invited interested parties to consider taking over the hydroelectric license. No group came forward and as a result, PG&E began the formal license surrender process. Local agencies, recognizing the urgent need to protect the regional water supply, formed the Eel-Russian Project Authority to lead the transition and develop a viable solution for maintaining the crucial water diversion.

Given the diversion of Eel River water will end with PG&E's license surrender and decommissioning of the project, the primary focus of the Eel-Russian Project Authority's

work is to develop a reconfigured water diversion facility upon PG&E's removal of Cape Horn Dam (via Federal Energy Regulatory Commission order). This continues to support water supply for the Russian River watershed by diverting water from the Eel River during fall, winter and spring for storage and use in the Russian River during the dry season. Diversions were undertaken so as not to affect the Eel River ecosystem.

Maintaining seasonal diversions of Eel River water to the Russian River and Lake Mendocino would preserve the water for hundreds-of-thousands of people in Mendocino, Sonoma, and Marin counties, support wildlife, riparian habitat and the ecosystems along the Russian River.

WHAT ARE THE IMPACTS WITH WATER DIVERSION?

Without the seasonal Eel River diversion, Lake Mendocino would frequently have less water available to downstream users. Further, there would be a series of Lake Mendocino draining in drought without substantial intervention such as curtailment of downstream water rights as has already occurred in 2021 and

If a replacement project is not implemented, the diversion of Eel River water supply for over 600,000 people in Mendocino, Sonoma and Marin counties would cease, as would the water diversion.

What is the Federal Energy Regulatory Commission?

The Federal Energy Regulatory Commission (FERC) is an independent agency regulating natural gas and hydropower projects, as well as the interstate transmission of natural gas, oil and electricity. Federal Energy Regulatory Commission authorization is required for PG&E to surrender its license and decommission the Potter Valley Project, remove the dams, and provide the opportunity for the New Eel-Russian Facility project to be implemented. Various environmental reviews and studies, such as required by the National Environmental Policy Act, will need to be conducted prior to a final Federal Energy Regulatory Commission decision.

the tens of millions of dollars per year would be expected in the affected local economies.

In February 2025, several entities expressed their support for the concept of a project to provide for a seasonal diversion of water, by signing a Memorandum of Understanding. These included California Department of Fish & Wildlife, Round Valley Indian Tribes, Sonoma Water, Mendocino County Inland Water and Power Commission, Cal Trout, Humboldt County and Trout Unlimited.

THE EEL-RUSSIAN PROJECT AUTHORITY'S WATER DIVERSION FACILITY REPLACEMENT PROJECT

In 2024, the Eel-Russian Project Authority submitted a proposal to PG&E to allow for the construction of a new diversion facility, called the New Eel-Russian Facility. After Cape Horn Dam and a fish barrier are removed, and Van Andule Reservoir is drained, the Eel River will be free-flowing. The preliminary concept of the New Eel-Russian Facility is that a mechanical pump station would be constructed, utilizing the existing water diversion tunnel (buried beneath a new retaining wall), with a reconfigured diversion tunnel entrance. Water would only be transferred during seasonal wet periods. To take full advantage of the seasonal diversions, studies are underway investigating expanding storage in Lake Mendocino and finding other locations for storing water from the Eel River. A new fish screen would be installed so that fish would remain in the Eel River.

PROJECT COST AND FUNDING

The total construction cost of the new diversion facility is preliminarily estimated at \$50 million (as of March 2025). Russian River water users will pay for the cost of annual operations and maintenance, and support restoration efforts on the Eel River.

In late 2023, the U.S. Bureau of Reclamation awarded a \$2 million grant to Sonoma Water to advance the engineering design of the diversion facility. Additional federal and state funds are being pursued to reduce design, permitting, and construction cost for Russian River water users.

STATUS OF THE EEL-RUSSIAN PROJECT AUTHORITY'S EFFORTS

- It is anticipated that PG&E will file its Final Surrender Application with the Federal Energy Regulatory Commission on July 29, 2025. The application includes the concept of the New Eel-Russian Facility project.
- While the Federal Energy Regulatory Commission considers PG&E's surrender and decommissioning application, the Eel-Russian Project Authority will complete engineering designs for the new facility and work with other state and federal regulatory agencies to secure the permissions necessary to construct the facility.
- The design and permitting phase of the new facility project is expected to last several years.

PROJECT TIMELINE



EEL-RUSSIAN PROJECT AUTHORITY

404 Aviation Boulevard Santa Rosa, CA 95403

www.eelrussianauthority.org

How future Eel River diversions might affect Russian River water supply

Summer 2025



A rendering of one of two proposed approaches for the New Eel-

Once PG&E removes Cape Horn Dam, the New Eel-Russian Facility will continue to support water resiliency in the Russian River watershed by maintaining diversion of water from the Eel River during seasons for storage and use during the dry season. Diversions would be undertaken so as not to affect the Russian River's ecosystem.

Maintaining seasonal diversions of Eel River water to the Russian River and Lake Mendocino would support water supply for hundreds of thousands of people in Mendocino, Sonoma and Marin counties, supporting agricultural uses, wildlife, riparian habitat and sensitive ecosystems along the Russian River.

New Eel-Russian Facility: Operational overview and diversion capacity

Location
The new diversion facility will be built at the former Cape Horn Dam site, which will be removed as part of PG&E's Potter Valley Project decommissioning process.

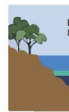
Diversion infrastructure
The facility will include a pump station which will operate seasonally during high flow in the Eel River (during wet seasons – fall, winter and spring). The pump station will convey water into the existing diversion tunnel, which has a capacity of approximately 300 cubic feet per second (2,244 gallons per second, equivalent to about 595 acre-feet per day).

Estimated annual diversion volumes
Computer modeling indicates that under typical wet-season conditions, the facility can reliably divert up to 50,000 acre-feet/year. Depending on rainfall levels and Lake Mendocino storage capacity, diversion volumes up to 30,000 acre-feet/year are anticipated.

Storage capacity and operational constraints

Lake Mendocino storage
Lake Mendocino's maximum water supply storage capacity between Nov. 1 and March 1 is 68,400 acre-feet. Based on Forecast-Informed Reservoir Operations (a water supply management strategy using advanced watershed monitoring and weather and water forecasting), the U.S. Army Corps of Engineers may, at its discretion, retain an additional 11,650 acre-feet of water, increasing total seasonal storage to 80,050 acre-feet between Nov. 1 and March 1, with a further increase to 111,000 acre-feet on May 10.

Under typical wet-season conditions, and dependent on Lake Mendocino storage capacity, diversion volumes up to 30,000 acre-feet/year are anticipated.

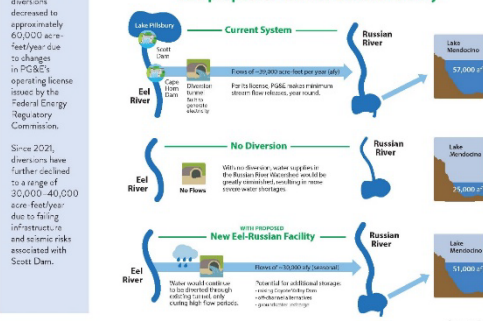


Storage C
● Water Supp
● Forecast Inl Reservoir Q
● Winter Floo = additional

Historical diversions via PG&E's Potter Valley Project

Between 1922 and 2005, PG&E diverted an average of approximately 150,000 acre-feet of water from the Eel River to the Russian River basin. An acre-foot is 325,851 gallons of water – enough to cover one acre of land with one foot of water.

Comparison of Current System, No Diversion and proposed New Eel-Russian Facility



www.eelrussianauthority.org





Item 8. Public Comment on Items not Listed on the Agenda





Item 9. Board Member Announcements

Item 10. Adjournment

