



## *SOUTH FEATHER WATER & POWER AGENCY*

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**TO:** Board of Directors

**FROM:** Kathy Zancanella, Power Division Manager

**DATE:** June 17, 2009

**RE:** General Information (regarding matters not scheduled on agenda)  
6/23/09 Board of Directors Meeting

### **Operations**

Attached is the Storage and Generation Report for May 2009. Also attached is a chart showing precipitation for the past year. The June thunderstorms produced an additional 0.63 inch of rain and Little Grass Valley and Sly Creek reservoirs are currently remaining near full.

The 2008 water transfer to the State Water Contractors resulted in a determination by DWR that refill impacts occurred and that an additional 10,000 acre-feet will need to be spilled to Lake Oroville this year, over and above what would normally spill. PG&E prepared two model runs for operations of the South Feather Power Project in 2009. One provides the end-of-month storage targets, powerhouse operations schedules and expected spills at Ponderosa under "normal" conditions, with an end-of-year combined storage target of 60,000 AF in Little Grass Valley and Sly Creek. The other provides a monthly schedule that will provide an additional 10,000 AF of spill and an end-of-year storage target of 50,000 AF in the two upper reservoirs. The second case will be used for the remainder of this year's operations.

### Preparation for New PG&E Contract

Now that the Board has approved the new ten-year Power Purchase Agreement with PG&E, there are a number of activities that need to occur to implement the contract provisions. Already completed in late May was registration of Woodleaf and Forbestown powerhouses with the Western Electric Coordinating Council (WECC), a regional compliance organization under the North American Electric Reliability Corporation (NERC). The compliance documentation for WECC is already in place.

Next steps include registering with the Climate Action Registry, which will track the Agency's emissions; registering with the Western Renewable Energy Generation Information System (WREGIS) which will track the renewable energy credits produced by Sly Creek and Kelly Ridge; obtaining certification by the California Energy Commission of the renewable facilities; and negotiating agreements with the California Independent System Operator (CAISO).

The CAISO requires several agreements: 1) a Participating Generator Agreement, 2) a Meter Service Agreement, 3) a Large Generator Interconnection Agreement for Woodleaf and Forbestown, 4) a Small Generator Interconnection Agreement for Sly Creek and Kelly Ridge, and 5) an Affidavit certifying that the electrical characteristics of the powerhouses haven't changed and that no new interconnection studies are required. The CAISO also requires direct telemetry of the facilities, so a Data Processing Gateway device may need to be installed, which will require that an additional communication circuit also be installed.

Once the various registrations and agreements have been negotiated, they will be submitted for Board approval prior to execution.

## Maintenance Projects

### Forbestown Diversion Trash Rake Commissioning

The Forbestown Diversion trash rake is finally functioning, after several issues that needed to be corrected by the manufacturer's representative. Some additional work by PG&E on the 2.3 kV line to the dam will also be required to correct a problem involving excessive voltage drop. There will be a video of the operation of the trash rake shown at the Board meeting, and a demonstration will be run during the tour on Thursday.

### Road Work

The crew, led by equipment operator Joe Gibson, spent part of the week of June 15 patching holes on Barton Hill (Sly Creek) Road, to improve the condition for the recreating public that drives it. The Forest Service has had plans for a couple of years to bring in a Durapatch machine to work on the entire road, but has yet to do so. Joe and utility worker Gary Daley also plan to do quite a bit of work to improve the condition of the road that extends from Lost Creek Dam along Pinkard Creek to Lewis Ridge Road, as this will be the primary access route for our employees once the Sly Creek Dam construction starts next spring.

## General Information

### Employee Milestone

On June 3, a barbecue lunch was held to celebrate Henry Reeson's 25 years with the Agency. Henry started working as a full-time employee in the Water Division on April 30, 1984. He held the classifications of Meter Reader, Ditch Tender and Equipment Operator while there. He came to the Power Division in September 1997 as a Heavy Tractor Driver, and then entered the Electrical Machinist apprenticeship program in May 2000, reaching journeyman status in November 2002. Henry also serves as the IBEW shop steward for the Hydropower Generation Employees Unit.



## Communication Sites

The Forest Service requires annual "self-inspection" photo documentation of sites authorized by special use permits, including the Agency's communications sites. Since you might not have the opportunity to visit these sites, I thought I would share a couple of photos of the newest reflector site at Pike County Peak. Views from the site include Bullards Bar Reservoir to the south and Bald Rock to the north. Please note that the orange color of the reflector was chosen by the Forest Service.



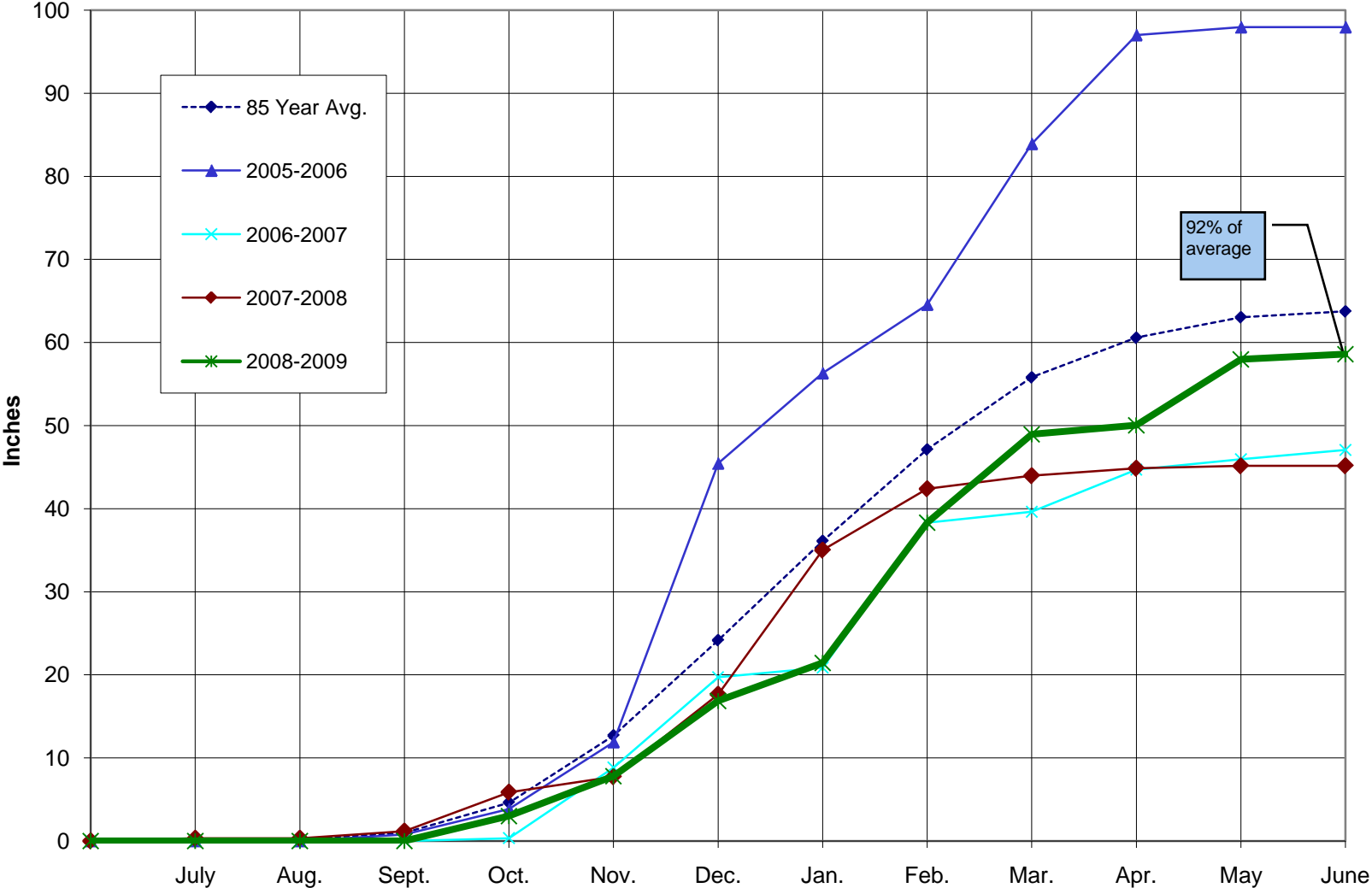
**SOUTH FEATHER WATER AND POWER  
SOUTH FEATHER POWER PROJECT  
May 2009  
STORAGE**

<b>RESERVOIR</b>	<b>MAXIMUM CAPACITY</b>	<b>STORAGE ON 5-31-09</b>	<b>STORAGE ON 5-31-08</b>
Little Grass Valley	89,804 AF	85,037 AF	73,707 AF
Sly Creek	64,338 AF	58,689 AF	60,095 AF
Lost Creek	5,361 AF	4,576 AF	4,942 AF
Forbestown Diversion	352 AF	320 AF	307 AF
Ponderosa	4,178 AF	3,333 AF	3,520 AF
Miners Ranch	896 AF	675 AF	721 AF
<b>TOTAL</b>	<b>164,929 AF</b>	<b>152,630 AF</b>	<b>143,292 AF</b>
Slate Creek Tunnel	800 CFS	80 CFS	113 CFS
South Fork Tunnel	600 CFS	31 CFS	25 CFS
Miners Ranch Canal	303 CFS	218 CFS	245 CFS

**MONTHLY NET GENERATION**

	<b>FOR May 2009</b>	<b>YEAR TO DATE ON 5-31-09</b>	<b>YEAR TO DATE ON 5-31-08</b>
Woodleaf P.H.	30,806,730 KWH	102,510,170 KWH	63,130,440 KWH
Forbestown P.H.	21,284,530 KWH	65,325,450 KWH	39,984,120 KWH
Kelly Ridge P.H.	7,345,991 KWH	30,150,568 KWH	28,970,933 KWH
Sly Creek P.H.	5,781,700 KWH	14,940,200 KWH	6,564,900 KWH
<b>TOTAL</b>	<b>65,218,951 KWH</b>	<b>212,926,388 KWH</b>	<b>138,650,393 KWH</b>

### South Feather Power Project - Forbestown Precipitation



92% of average