



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Kathy Zancanella, Power Division Manager

DATE: October 21, 2009

RE: General Information (regarding matters not scheduled on agenda)
10/27/09 Board of Directors Meeting

Operations

Attached is the Storage and Generation Report for September 2009. As of today, the total accumulated precipitation at the Forbestown Headquarters gauge is 4.09". The October 13 storm brought rain accumulations of almost 3" at Forbestown and 6" at La Porte, and knocked out phone and internet service to the Forbestown office. Because Woodleaf Powerhouse was cleared for the annual outage, the draft at Lost Creek needed to be increased to about 25 cfs to avoid spilling over the flashboards.

On September 30, the draft from Little Grass Valley Reservoir was increased to 350 cfs to draw down the reservoir for winter. This information was posted on www.Dreamflows.com for the whitewater boating community, and boaters were observed launching at Little Grass Valley Dam. The flows were ramped down to about 75 cfs beginning October 12. Butte and Plumas counties reported that they had no calls for rescue or medical aid during the release period.

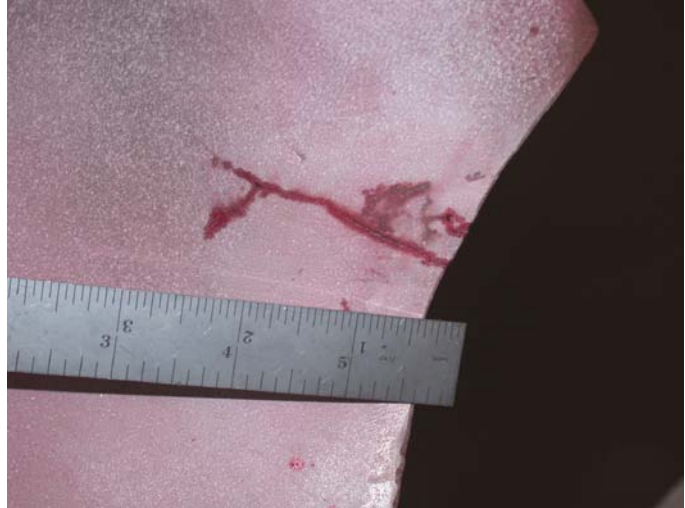
Maintenance Projects

Fall Outages

The Kelly Ridge Powerhouse and Miners Ranch Conduit annual outages went very well with no significant problems encountered. The crew cleaned and patched the canal and performed routine maintenance at Kelly Ridge.

A three-day outage was taken at Forbestown Powerhouse to replace and test the 115kV side bushings on the main transformer. Hart Hi-Voltage worked with Marty Costa, Dorinda Matney and Joe Romero on the installation and testing. During the outage, Henry Reeson was also able to make a necessary adjustment to the governor.

The annual outage at Woodleaf Powerhouse began October 12. Magnaflux testing on the first day found a 2-inch crack on the outer edge of one of the buckets and a PG&E specialist was brought in to make the stainless steel weld repair. Henry Reeson has been focusing on adjusting the governor and Joe and Marty are testing relays and temperature and flow devices. The October 13 storm knocked out the 12kV standby service for several hours, putting the powerhouse in the black. Fortunately, Joe and Marty were able to wire in the portable CAT generator in order to run pumps and lights until the power was restored. One of the projects we will investigate for the future is a stationary standby generator for Woodleaf similar to the one at Sly Creek Powerhouse.



Forbestown Headquarters Roof and Communications Room Expansion

I want to commend Eddie Paul and Tyler Fuller for the work they did on the Forbestown office roof and for then jumping onto the construction of a new wall that allowed the communication room to be expanded outward by four feet. The expansion is needed to accommodate the new SCADA and microwave equipment that is being installed in parallel with the existing equipment. The new wall required painting, and Eddie kept on going down the hall, coating the old "institutional blue" walls with a brighter off-white.

Lost Creek Dam Access Road

Prior to the start of the outages, several crew members worked on brushing the alternate access road for Sly Creek that crosses Lost Creek Dam and follows the north side of Pinkard Creek. Joe Gibson and Gary Daley are now hauling in material and grading the road to improve its surface. Clearing the edges of the road has made more obvious a bit of relatively modern rock art. The pictured carving is upstream from the dam, and is old enough that moss has begun to grow in the cut areas, but not so old that the rock that has been cut looks weathered. The carved area is about 4 inches high and 8 inches long.



Miners Ranch Canal Access Road

In July the Board approved a contract with Cotton Shires and Associates (CSA) for geotechnical work related to repairs of sections of the Miners Ranch Canal access road. CSA has completed their report, "Geotechnical Investigation and Conceptual Mitigation Design Alternatives," and their survey drawings are posted on the Board Room wall for viewing. The preferred mitigation alternative is construction of a soldier pile retaining wall that would provide 16 feet of width for the road. Approximately 240 feet of road would need this repair in the section that they surveyed.

I had budgeted \$150,000 for repairs to the road for this year, but since the repair is more complex than we anticipated, there will not be time to prepare a bid package and complete work by the end of the year, and the amount originally budgeted will not be sufficient. The work therefore will have to wait until late next summer, when the costs will be our responsibility. This work is not included in the current 2010 budget, so at the November meeting when you consider the 2010 Water Division budget, I will present an amendment to the 2010 budget for your consideration. Based on the preferred alternative, the engineering estimate for the work is \$418,980 if all compromised sections of the road are done at the same time. The work could possibly be phased over two years.

General Information

Northwest Park Management

The final invoice to Northwest Park Management for operation of the Sly Creek and Strawberry campgrounds is being paid this month, ending a contractual relationship that began in 1995. The contracts were based on NPM receiving reimbursement for its submitted annual budget, net of receipts from campground fees. The highest amount the Agency has paid to NPM was in 2008 when SFWPA's share was \$11,263 of a total budget of \$40,552; the lowest amount was \$1,548 in 2003 when the budget was \$25,548. Annual campground fee receipts have ranged from \$11,518 in 1997 to \$33,084 in 2006. Beginning in 2010, Agency staff will operate and maintain the campgrounds.

CPUC Approval of PG&E Contract

On September 24, the California Public Utilities Commission approved the new contract with PG&E. They ruled that the new contract provided for renewable portfolio standards-eligible generation resources and that the contract prices are reasonable. Other contract-related activities are ongoing, as we wait for PG&E to develop the interconnection and special facilities agreements necessary for us to finalize agreements with the California ISO.

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

RESERVOIR	MAXIMUM CAPACITY	STORAGE ON 9-30-09	STORAGE ON 9-30-08
Little Grass Valley	89,804 AF	55,903 AF	54,205 AF
Sly Creek	64,338 AF	34,430 AF	11,211 AF
Lost Creek	5,361 AF	4,889 AF	4,892 AF
Forbestown Diversion	352 AF	340 AF	319 AF
Ponderosa	4,178 AF	3,644 AF	3,729 AF
Miners Ranch	896 AF	732 AF	794 AF
TOTAL	164,929 AF	99,938 AF	75,150 AF
Slate Creek Tunnel	800 CFS	N/A CFS	N/A CFS
South Fork Tunnel	600 CFS	283 CFS	99 CFS
Miners Ranch Canal	303 CFS	260 CFS	50 CFS

MONTHLY NET GENERATION

	FOR September 2009	YEAR TO DATE ON 9-30-09	YEAR TO DATE ON 9-30-08
Woodleaf P.H.	14,949,500 KWH	167,028,660 KWH	148,885,870 KWH
Forbestown P.H.	7,749,130 KWH	99,873,310 KWH	86,710,730 KWH
Kelly Ridge P.H.	3,813,402 KWH	54,036,908 KWH	57,527,522 KWH
Sly Creek P.H.	2,190,500 KWH	25,136,100 KWH	18,776,400 KWH
TOTAL	28,702,532 KWH	346,074,978 KWH	311,900,522 KWH