

FEE TITLE RECOMMENDATION NORTH FORK FEATHER RIVER PLANNING UNIT

EXECUTIVE SUMMARY

The Stewardship Council was created to oversee Pacific Gas and Electric's (PG&E) Land Conservation Commitment, as set forth in the Settlement and Stipulation,¹ to protect over 140,000 acres of land and to preserve and enhance, on an overall basis, the following six beneficial public values (BPVs): protection of the natural habitat of fish, wildlife, and plants; preservation of open space; outdoor recreation by the general public; sustainable forestry; agricultural uses; and, historic values. The Stewardship Council is responsible for developing a land conservation plan and recommending qualified organizations to become involved in the future stewardship of these lands.

The North Fork Feather River planning unit, located in Butte and Plumas County, consists of 52 legal parcels encompassing approximately 5,671 acres of land. Approximately 4,192 acres have been identified by PG&E as lands outside of Federal Energy Regulatory Commission (FERC) project boundaries and not necessary for current and future utility operations. Therefore, these 4,192 acres of land have been made available for fee title donation.

One organization submitted a land stewardship proposal (LSP) seeking fee title to lands available for donation in this planning unit – the Maidu Summit Consortium (MSC). Based on review of the LSP and follow-up discussions with the MSC, Stewardship Council staff is making the following recommendation, which has been endorsed by the Watershed Planning Committee (Planning Committee):

PG&E to retain fee title to approximately 4,192 acres made available for donation within 30 parcels (parcels 618-632, 634-646, 662 and 664) at the North Fork Feather River planning unit. This acreage is in addition to the approximately 1,479 acres originally designated by PG&E for retention in this planning unit.

If this recommendation is accepted by the Stewardship Council Board (Board), PG&E and Northern California Regional Land Trust (NCRLT), the recommended conservation easement holder, will negotiate one or more conservation easements for the lands that will be retained by PG&E in this planning unit.

After review by the Stewardship Council, the proposed conservation easement(s) would be incorporated into a Land Conservation and Conveyance Plan (LCCP) developed for the planning unit. The public will have an opportunity to review and provide comment on the proposed LCCP and the comments received will be shared with the Planning Committee before the Planning Committee forwards the proposed LCCP to the Board for its review and approval. Adoption of the LCCP by the Board would be the final step in the Stewardship Council's process.

¹ California Public Utilities Commission Decision 03-12-035, December 18, 2003 (the "Settlement") and the Stipulation Resolving Issues Regarding the Land Conservation Commitment dated September 25, 2003 (the "Stipulation").

I. INTRODUCTION AND BACKGROUND

a. *Planning Unit Description*

The North Fork Feather River planning unit is located in Butte and Plumas counties, northeast of the community of Oroville. Lands in this planning unit are located along the North Fork Feather River and within the canyon through which it flows, with parcels extending over a distance of 33 miles. This stretch of the river includes four small reservoirs that divert water to downstream powerhouses. The parcels are generally within or adjacent to the floodplain of the river, thus the lands primarily contain riverbank or steep canyon terrain. Much of the northernmost parcels of land in the planning unit are surrounded by the Plumas National Forest while the southernmost parcels are surrounded by private land.

The planning unit contains important riparian vegetation and wildlife habitat and supports a coldwater fishery. The California red-legged frog, bald eagle, and the California spotted owl are some of the species that have been observed in the planning unit. The planning unit provides recreational opportunities including whitewater boating, swimming, fishing and day use. The Pacific Crest Trail also crosses PG&E land near the community of Belden.

The planning unit contains a total of eight leases, consisting of one lease for a commercial facility, two communication leases, and five leases for recreational homesites. The planning unit also contains three licenses, one for parking, one for grazing, and one for a microwave antenna tower. Portions of the planning unit are included within eight PG&E Timber Management Units (TMUs), which contain a combined total of about 2,500 timbered acres. Most of these forest resources are managed by PG&E under a Sustainable Timber Management prescription.

The planning unit is within the ancestral territory of several Native American tribes including the Mountain Maidu and Konkow Maidu. Maidu archeological sites and ethnographic use areas exist in the canyon and nearby.

b. *Donee Evaluation Process*

The Stewardship Council received statements of qualifications (SOQs) from seven organizations interested in acquiring fee title to lands available for donation within this planning unit. A list of organizations that submitted SOQs is attached. Only one organization, the Maidu Summit Consortium (MSC), submitted an LSP.

In evaluating this LSP, the following factors were considered:

- The potential donee's programmatic, financial, and legal capacity to maintain the property interest so as to preserve and/or enhance the beneficial public values of the planning unit;
- Anticipated funding needs of the potential donee;
- The management objectives for the North Fork Feather River planning unit as set forth in Volume II of the Land Conservation Plan (LCP);
- The requirements of the Settlement and Stipulation; and,
- Other relevant policies, procedures, and goals adopted by the Stewardship Council.

After reviewing the LSP and follow-up discussions with the Tribe, Stewardship Council staff is recommending that PG&E retain fee title to approximately 4,192 acres available for fee donation within the 30 parcels (parcels 618-632, 634-646, 662 and 664). This acreage is in addition to the approximately 1,479 acres originally designated by PG&E for retention in this planning unit.

II. EVALUATION

The MSC's LSP identified interest in 59 acres available for donation within three parcels (parcels 645, 646, and 662). After further conversations with the MSC, it refined its interest to 40 acres in two parcels (parcels 645 and 662). This request for donation of fee title was evaluated and considered along with the alternative that PG&E retain the property.

a. Maidu Summit Consortium's Request for Fee Title Donation

The MSC expressed interest in two parcels in the planning unit in its LSP and in subsequent conversations with Stewardship Council staff. Its interest in acquiring a 20-acre portion of Parcel 645 was in large part, based on a desire to protect cultural resources. After further review of this parcel it was determined that much of the resources the MDS was interested in protecting are on lands within the FERC boundary that will be retained by PG&E.

The MSC also expressed interest in Parcel 662, which encompasses 20 acres. The MSC expressed interest in developing a trailhead and interpretive kiosk at the end of what would be a trail linking this parcel to Humbug Valley along what was an important ancient Maidu trade route. The MSC also believes that this parcel would provide fish resources for the preservation of ceremonial and cultural-specific food gathering traditions.

After reviewing MSC's LSP and follow-up discussions with the MSC, staff has concluded that the MSC's objectives could be achieved without receiving fee title and through continued PG&E ownership. In light of the number of acres that have been previously recommended for donation to the MSC, relative to their existing organizational and financial capacity, staff believes that the donation of Parcel 662 is not necessary to achieve the MSC's objectives. However, staff recommends that the Stewardship Council, in coordination with PG&E, continue to further explore opportunities for the MSC to pursue its proposed activities and enhancements on lands to be retained by PG&E.

b. PG&E Retention

According to PG&E, its management of the watershed lands is guided by a number of considerations, including optimizing benefits to PG&E customers, shareholders, and the environment. The retention of the lands within the North Fork Feather River planning unit by PG&E, at least in the near term, would likely result in continuing the current management regime, subject to a conservation easement.

c. Requirements of the Settlement and Stipulation

The Stewardship Council's recommendation that PG&E retain fee title to certain lands within this planning unit is subject to compliance with all the requirements of the Land Conservation Commitment. Several of these requirements are highlighted below.

- A conservation easement would be established on lands owned by PG&E within the North Fork Feather River planning unit.
- PG&E currently manages eight leases – one lease for a commercial facility, two communication leases, and five leases for recreational homesites. They also manage three license agreements – one for parking, one for grazing, and one for a microwave antenna tower. The conservation easement will allow for these uses to continue.
- The conservation easement would include an express reservation of right for continued operation and maintenance of hydroelectric facilities and associated water delivery facilities, including project replacements and improvements required to meet existing and future water delivery requirements for power generation and consumptive water use by existing users, compliance with any Federal Energy Regulatory Commission (FERC) license, FERC license renewal or other regulatory requirements.

d. Conservation Partners

The permanent protection of the North Fork Feather River planning unit, and the future preservation and enhancement of the BPVs, may involve, and benefit from, the participation of land conservation partners. For purposes of this recommendation, land conservation partners are defined as organizations other than PG&E or the conservation easement holder that become involved in future activities on the retained lands that contribute to the preservation and enhancement of the BPVs. Land conservation partners may be organizations that expressed interest in a fee title donation or enhancement activities on the properties via a land stewardship proposal, such as the MSC, or organizations otherwise identified during or after the development of the Land Conservation and Conveyance Plan (LCCP). Such organizations and activities may be eligible for Stewardship Council funding, depending on the type of organization, proposed activities, availability of funds, and other factors.

Staff would work PG&E and the proposed conservation easement holder in this planning unit to evaluate opportunities for land conservation partners. The results of this effort could be reflected in the final LCCP.

III. PUBLIC COMMENTS

The Stewardship Council has implemented a public outreach program to engage stakeholders and solicit public input on the development and implementation of the land conservation plan. A summary of key public outreach activities is attached.

IV. RECOMMENDATION

After review of the MSC's LSP and further conversations with the MSC, the Stewardship Council staff is making the following recommendation which has been endorsed by the Planning Committee:

PG&E to retain fee title to approximately 4,192 acres made available for donation within 30 parcels (parcels 618-632, 634-646, 662 and 664) at the North Fork Feather River planning unit. This acreage is in addition to the approximately 1,479 acres originally designated by PG&E for retention in this planning unit.

V. NEXT STEPS FOLLOWING PLANNING COMMITTEE RECOMMENDATION

If the Board approves this recommendation on January 22, 2015, PG&E and NCRLT will negotiate one or more conservation easements for all the land in this planning unit. After review by the Stewardship Council, the proposed conservation easement(s) will be incorporated into a Land Conservation and Conveyance Plan (LCCP) developed for the planning unit. The public will have an opportunity to review and provide comment on the proposed LCCP and the comments received will be shared with the Planning Committee before the Planning Committee forwards the proposed LCCP to the Board for its review and approval. Adoption of the LCCP by the Board would be the final step in the Stewardship Council's process.

ATTACHMENTS AND REFERENCE MATERIAL

- North Fork Feather River Planning Unit Map
- LCP Volume II Planning Unit Report for the North Fork Feather River Planning Unit
- List of Registered Organizations that Submitted SOQs for Lands Available in the North Fork Feather River Planning Unit
- Summary of Key Public Outreach Activities and Public Comments Associated with the North Fork Feather River Planning Unit



North Fork Feather River Planning Unit

Organizations That Submitted a Statement of Qualifications for Fee-Title Interests

California Department of Water Resources
Enterprise Rancheria
Maidu Summit Consortium
Northern California Regional Land Trust
Oroville Economic and Community Development Corporation
Plumas County
United States Forest Service – Plumas National Forest

SUMMARY OF KEY PUBLIC OUTREACH ACTIVITIES AND PUBLIC COMMENTS ASSOCIATED WITH THE NORTH FORK FEATHER RIVER PLANNING UNIT

PUBLIC REVIEW OF VOLUMES I AND II OF THE LCP

The draft Land Conservation Plan (LCP) Volumes I and II were released in June 2007 for a 60-day public comment period. During this time, the Stewardship Council held ten public meetings to publicize the availability of the Draft LCP and to encourage public comment. During public review of Volumes I and II of the LCP, four entities/individuals submitted comments concerning the NF Feather River planning unit. Comments were received via email, the Stewardship Council website, and hardcopy letters. The comments were reviewed and responded to individually, and the text in the Draft LCP was revised as appropriate.

Public comments emphasized the following regarding the future management of the property:

- Acknowledge flatwater paddler use on reservoirs in the canyon.
- Forestry activities on the property should be coordinated with other local forestry activities.
- Reopen a three-mile trail along the NF Feather River.

PUBLIC INFORMATION MEETING FOR THE NF FEATHER RIVER PLANNING UNIT

A public information meeting was hosted by the Stewardship Council on April 20, 2011 at the Chico Masonic Family Center in Chico, California. The meeting concerned the following five planning units: Butte Creek, Deer Creek, North Fork Feather River, Oroville, and Philbrook Reservoir. A total of 34 people attended and participated in the meeting, representing a wide variety of interests, including local and federal government agencies, community organizations, and community members. The meeting was advertised via an e-mail sent to contacts in a database, an announcement posted on the Stewardship Council's web site, a press release in the local newspaper, and a postcard sent to all landowners on record that reside within one mile of any PG&E parcel associated with the six planning units that were the focus of the meeting.

The purposes of this meeting were to: (1) provide a review and update on the Stewardship Council's Land Conservation Program; and (2) solicit additional public input on future stewardship of the six planning units. During the meeting, participants were invited to ask questions and provide comments on the six planning units. Stations were set up with maps, other pertinent information, and easels with blank paper. Several comments pertained specifically to the NF Feather River planning unit. Also listed below are general comments that were made concerning the Feather River watershed area.

Comments Concerning the North Fork Feather River Planning Unit

- Limit traffic in Parcel 634 due to fire concerns
- Support for local control of the lands available for donation
- Ensure community safety
- Allow future landowners to generate sustainable revenues on donated parcels to

- become self-supporting
- Coordinate enhancements and uses with the county's 2030 General Plan
- Do not allow changes to land use

General Comments Concerning the Feather River Watershed Area

- Respect local land use decisions and general plans/zoning
- Preserve and enhance public access
- Address property tax neutrality and other socio-economic factors that may affect public entities
- All lands should provide public recreation opportunities (hiking, horseback riding, camping, fishing, rafting, and limited OHV use)
- Where feasible, land should be made available for small scale farming and community gardens
- Limit timber harvesting to preserve biodiversity
- Restore land to a native state where possible
- Ensure Native American access