

Humboldt Working Group

April 29, 2010

Conference Call Summary

Introductions

Led by Anna West, Kearns & West (K&W) Facilitator

Discussion

Led by Anna West, K&W Facilitator

Anna explained that the purpose of the meeting is to further discuss PG&E's proposal to move the offshore project site and hopefully come to a consensus on the final offshore project site. Ian Caliendo, PG&E, further explained that PG&E's proposal is to move the offshore site from the northwestern most corner of the FERC preliminary permit area, to an area approximately four miles south where the southern most boundary of the offshore site would be directly west of the onshore cable landing site.

Anna then summarized where the siting discussion left off at the last HWG meeting on April 7, 2010 and asked participants on the call to further discuss their thoughts on PG&E's proposed site. Interest group representatives made the following statements:

- The commercial fishing representatives agreed that PG&E's proposed site is the best site for the project for the following reasons: 1) it is the least intensively fished/crabbed area, 2) it requires less cable and therefore there's less potential for crab pots to get hung up on the cables, and 3) it requires less transit through crab grounds for monitoring and maintenance vessels to access the project.
- The Surfrider Foundation, Humboldt Chapter, representatives accept the current wave models that PG&E has provided which indicate that a reduction in wave height by the project would be negligible. Given this, they accept PG&E's proposed more southern site even though they would prefer to see the site located in the more northern section of the preliminary permit area. In addition to moving the site, they would like to see PG&E have a monitoring program of the effects on wave structure with associated thresholds and clarity on actions that would be taken should the thresholds be triggered. PG&E agreed to explore the idea of a monitoring program for wave structure and to identify thresholds for potential surfing impacts. Brendan Dooher, PG&E, informed the group that PG&E has contracted with HSU to conduct a radar study on wave structure. It was shared that the surfing community prefers/supports exploring a site further offshore in Minerals Management Service (MMS) territory (see discussion below).
- The recreational fishing representative expressed that the recreational fishing community did not anticipate as significant an impact on the recreational fishing community as the commercial fishing community and therefore the recreational fishing community supports PG&E's proposed site.
- The recreational sailing representative expressed that PG&E's proposed site might interfere with quarterly sailing races that occur in the same location. It does not matter to the recreational sailing community if the offshore site is further north or at the proposed more southern site. It was shared that the recreational

- sailing community prefers/supports exploring a site further offshore in MMS territory (see discussion below). The recreational sailing community “can live with” PG&E’s proposed site further south.
- The Humboldt Bay Harbor, Recreation, and Conservation District (HBHRCD) representatives expressed that they were in line with the opinions of the commercial fishing representatives and support PG&E’s proposed more southern site.
 - The Humboldt County Planning Department representative expressed no preference in site selection. He conveyed concerns for an offshore site beyond three nautical miles in MMS territory (see discussion below). Also, he mentioned that in addition to monitoring and setting thresholds for potential wave impacts for surfing, he hopes that potential biological impacts to marine mammals and seabirds are being addressed. Anna clarified that the Permitting Authority Subcommittee is actively addressing these topics.
 - The US Fish and Wildlife Service (USFWS) representative expressed that the USFWS analysis of the project would be similar for either the current more northern site or PG&E’s proposed more southern site and, therefore, has no preference in site selection.
 - The California State Lands Commission (CSLC) representative expressed that the CSLC analysis of the project would be similar for either the current more northern site or PG&E’s proposed more southern site and therefore has no preference in site selection.
 - The National Marine Fisheries Service (NMFS) had no comment on PG&E’s proposed site.
 - The US Army Corps of Engineers (USACE) representative expressed no preference in site selection.
 - The California Department of Fish and Game (CDFG) expressed that they prefer PG&E’s proposed more southern site because less cable will be required, and therefore the potential environmental impact on the seafloor will be less.
 - The Humboldt State University (HSU) representative expressed no preference in site selection.
 - The Federal Energy Regulatory Commission representatives expressed no preference in site selection.

Some stakeholders expressed interest in a project site located further offshore, beyond three nautical miles. Anna reminded folks that the purpose of this discussion is to choose a site within the current FERC preliminary permit boundary, but the facilitation team will take note of stakeholders interested in a project site located further offshore.

Interest group representatives made the following statements:

- The Surfrider Foundation, Humboldt Chapter, representatives would prefer the project to be located further offshore. They would also like to better understand why a further offshore site in MMS territory is not being pursued at this time.
- The recreational sailing community representative would prefer the project to be located further offshore.
- The Humboldt County Planning Department representative expressed that if the project were located further offshore there could be impacts to the commercial trawler fishing industry. He shared that there is ample trawling fishing data that he could provide to PG&E.
- The commercial fishing representatives expressed that the data for the commercial trawling grounds is not completely accurate because there are areas

that are more productive and areas that are less productive within the trawling territory.

- o The CDFG expressed that they are willing to work with PG&E regarding commercial fishery data.

Once all stakeholders had an opportunity to share their opinion on PG&E's proposed more southern offshore site, Anna asked the group one more time if there were any objections to the proposed site. None were heard. Therefore, this brings unanimous support from the HWG Siting Subcommittee for moving the offshore site further south. At the last meeting, the HWG agreed to abide by the HWG Siting Subcommittee's outcomes, so this siting decision is now being brought to PG&E management for review. The following clarifications were made in addition to this siting decision:

- o CDFG confirmed that thresholds and triggers were needed for the biological resources monitoring plans in addition to wave structure monitoring plans.
- o The commercial fishing representatives confirmed that though they have no objection to PG&E's proposed site, the commercial fishing community still has unresolved issues with the project.
 - o PG&E confirmed that they are aware that the commercial fishing community's acceptance of PG&E's proposed more southern site in no way alleviates the concerns of the commercial fishing community. PG&E is still working to develop an agreement with the commercial fishing community and considers this a high priority.
 - o It was confirmed that the next step to a PG&E/Fishermen's agreement is identifying for the fishing community an entity that is a comprehensive and legal counterparty to an agreement with PG&E. The Humboldt Bay Fishermen's Marketing Association is being considered as a potential counterparty.

The next steps for site selection were discussed. It was confirmed that PG&E's proposed site is approved by this HWG Siting Subcommittee. Next, PG&E representatives on this subcommittee will take this site recommendation back to PG&E management for approval, with the goal of having this recommendation approved and confirmed by the June 9th FERC/CSLC public scoping meeting, if possible. Once the new site is confirmed, a map of the new site will be posted on the PG&E WaveConnect website. In the interim, a map outlining the proposed more southern site will be provided to the HWG.

Folks were reminded that the deadline to submit formal comments to FERC on the Draft Pilot License Application (DPLA) are due on Friday, April 30, tomorrow. PG&E will determine whether or not formal responses to comments will be provided and the timeline for preparing and distributing those responses. FERC clarified that it is favorable for PG&E to provide responses to comments by June 9, the date of the FERC/CSLC public scoping meeting.

Action Items

Action Item	Who	When
1. PG&E to explore a monitoring program for wave structure and associated thresholds.	1. Ed Cheslak, PG&E	1. ASAP
2. Track stakeholder interest in a	2. K&W	2. ASAP

further offshore project site (MMS territory) in a "bin list"		
3. PG&E to work with Tom Hofweber, Humboldt County Planning Dept, and Vicki Frey, CDFG to obtain data on commercial trawling fisheries.	3. Bill Toman, CH2M HILL; Tom Hofweber; Vicki Frey	3. ASAP
4. Create interim map of the proposed offshore site to share with the HWG	4. Doug Davy, CH2M HILL	4. ASAP
5. Create and post map of new project site on PG&E WaveConnect website once approved internally by PG&E.	5. Ian Caliendo, PG&E	5. Once approved by PG&E internal management
6. PG&E to determine if formal responses to comments will be prepared and, if so, in what timeframe.	6. Ed Cheslak, PG&E	6. ASAP

Attendees

- Vicki Frey, CDFG
- John Dye, CSLC
- Ken Hogan, FERC
- Shana Murray, FERC
- Gene Morris, Humboldt Area Saltwater Anglers (HASA), rep for Larry DeRidder
- Adam Wagschal, HBHRCD
- John Hull, HBHRCD
- Pat Higgins, HBHRCD
- Maggy Herbelin, Humboldt Bay Stewards
- Tom Hofweber, Humboldt County Planning Department
- Aaron Newman, Humboldt Fisherman's Marketing Association (HBMA)
- Jim Howard, HSU
- Kathryn Kempton, NMFS
- Dave Bitts, Pacific Coast Federation of Fishermen's Associations (PCFFA)
- Bill Lydgate, Surfrider Foundation, Humboldt Chapter
- Scott Willits, Surfrider Foundation, Humboldt Chapter
- David Ammerman, USACE
- Bill McIver, USFWS

PG&E:

- Robert Blair, PG&E
- Bob Booth, PG&E
- Ian Caliendo, PG&E
- Ed Cheslak, PG&E
- Mike Gunby, PG&E
- Gina Morimoto, PG&E

PG&E WaveConnect Consultants:

- Doug Davy, CH2M HILL
- Aarty Joshi, CH2M HILL

- Bill Toman, CH2M HILL
- Rick Williams, SAIC

Facilitators:

- Anna West, Kearns & West
- Briana Moseley, Kearns & West