

FEE TITLE DONEE RECOMMENDATION LAKE SPAULDING 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 forestry²; 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 Lake Spaulding planning unit, located in Nevada and Placer counties, consists of 32 parcels encompassing approximately 8,241 acres of land. Approximately 4,481 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 lands have been made available for fee title donation, with the remaining approximately 3,760 acres to be retained by PG&E. The Stewardship Council received land stewardship proposals (LSPs) from four organizations interested in receiving a donation of fee title to all or a portion of the three parcels subject to this recommendation: University of California Center for Forestry (UC), California Department of Forestry and Fire Protection (CAL FIRE), Bear Yuba Land Trust (BYLT)³, and the USDA Forest Service (USFS) - Tahoe National Forest⁴. Based on an evaluation of the University of California Center for Forestry's LSP, follow up discussions with UC, and consultation with members of the Watershed Planning Committee (Planning Committee), Stewardship Council staff developed the following recommendation which was endorsed by the Planning Committee:

The University of California – Center for Forestry (UC) is being recommended to receive fee title to approximately 1,484 acres within three parcels (Parcels 795, 796, and 797).

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”).

² The Stewardship Council has adopted the following definition of “Sustainable Forestry”: The practice of managing dynamic forest ecosystems to provide ecological, economic, social, and cultural benefits for present and future generations.

³ This organization is formerly known as the Nevada County Land Trust.

⁴ The San Joaquin County Office of Education (SJCOE) submitted an LSP for a portion of one parcel which is not subject to the current recommendation. SJCOE's LSP will be considered as part of a future recommendation.

UC only applied for fee title to three parcels in the Lake Spaulding planning unit. Stewardship Council staff would continue to work with CAL FIRE, BYLT, San Joaquin County Office of Education, and the USFS to assess the possibility of additional land transfers within the Lake Spaulding planning unit involving these organizations.

If this recommendation is adopted by the Stewardship Council Board (Board), Stewardship Council staff would work with the prospective donee on the development of a management and funding agreement. This agreement would be developed in coordination with the development of a Land Conservation and Conveyance Plan (LCCP). The proposed management and funding agreement and proposed LCCP would then be presented to the Board for consideration and approval.

I. INTRODUCTION AND BACKGROUND

a. *Planning Unit Description*

The Lake Spaulding planning unit is located 26 miles from Nevada City and 19 miles from Truckee at an elevation range of between 5,200 and 7,000 feet. It is composed of many scenic lakes in the high elevation mountains of the Sierra Nevada. The planning unit is located in Placer and Nevada counties and lands in the planning unit contribute to the source water supply of the Placer County Water Agency and Nevada Irrigation District (NID). Lands within the planning unit are primarily surrounded by Tahoe National Forest and private lands.

The Lake Spaulding planning unit offers a variety of habitat for both plants and wildlife. Several special status plant and wildlife species have been surveyed in the vicinity of the planning unit. Many parcels in the planning unit abut USFS California spotted owl Protected Activity Centers (PACs), which protect this species in late successional forest habitats. Throughout the planning unit, there are key winter and summer deer ranges, fawning areas, and major deer migration corridors.

The Lake Spaulding planning unit is a popular recreation destination that provides many recreation facilities, including campgrounds, day use areas, boat launches, fishing access sites, and trails. The planning unit, which covers all or a portion of 12 lakes, provide opportunities for boating (motorized and non-motorized), camping, angling, hiking, mountain biking, horseback riding, off-highway vehicle (OHV) riding, cross-country skiing, and whitewater boating. There are two leases in the planning unit consisting of one homesite lease located south of Lake Spaulding and a recreation lease for the Sky Mountain Christian Camp at Lake Valley Reservoir.

Forest resources within the Lake Spaulding planning unit consist of 4,880 acres of second-growth mixed conifer forests within 14 Timber Management Units (TMUs). The majority of the TMUs are managed under a Multiple-Use management prescription, which promotes sustained timber production, balanced with the goal of protecting and using other resources and facilities in the TMU, which may preclude timber harvesting as the primary focus. In 2001, the catastrophic Gap Fire destroyed the majority of mature forests on planning unit lands north and west of Lake Valley Reservoir. Since the fire, PG&E has restocked the area with seedlings to promote revegetation.

The Maidu, Washoe, and Nisenan-Southern Maidu groups once lived in the area around the Lake Spaulding planning unit. At the time of drafting the Land Conservation Plan (LCP), sixteen historic and/or prehistoric sites had been identified within the planning unit. However, only limited portions of the planning unit have been inventoried for cultural resources.

b. Description of Parcels 795, 796 and 797

The attached planning unit map shows Parcels 795, 796, and 797 on Map 2, which are subject to this recommendation. All are located in Nevada County. PG&E does not manage any leases on the lands being recommended for donation to UC in the following three parcels.

Parcel 795

Parcel 795 contains 640 acres of moderately sloping, forested land that is mostly bounded by USFS lands. The parcel can be accessed from USFS road 14/Grouse Ridge Road, which runs through the northern half of the parcel. The parcel has been managed for timber production for many years and contains numerous unimproved logging roads and log decks. The existing roads on this parcel are informally, but frequently, used by OHV enthusiasts.

Parcel 796

Parcel 796 consists of 236 acres of moderately sloping, forested land that is bounded by USFS land to the north, Sierra Pacific Industries land to the south, and various other private lands to the east and west. The parcel can be accessed from USFS road 18/Bowman Lake Road, which runs through the eastern half of the parcel. Timber management has occurred on this parcel and some unimproved logging roads and log decks exist within the parcel. NID owns and operates both the Bowman-Spaulding Canal and a 60 kilovolt (kV) electric transmission line that run entirely through this parcel. Rucker Creek runs through the southern half of the parcel and is a natural water conveyance channel between PG&E's Rucker Lake and NID's Bowman-Spaulding Canal.

Parcel 797

Parcel 797 consists of 608 acres of moderately sloping, forested land that is completely surrounded by USFS lands. Sierra Pacific Industries owns a 40-acre in holding parcel located completely within the southwest quarter of this parcel. The majority of the western half of this parcel burned during a wildfire in 2008. The burned area was subsequently salvage logged and has been restocked with seedling trees. The timber on this parcel has been managed for many years and numerous unimproved logging roads and log decks exist throughout the parcel. Access to the parcel is gained from a USFS road (number unknown) that enters the parcel's eastern boundary and connects to USFS road 18/Bowman Lake Road. An old, abandoned construction camp, commonly referred to as Camp 19, is located on parcel 797 (near the eastern boundary) and consists of several dilapidated wood frame structures with associated outbuildings. Several concrete slabs intended for RV parking also remain at this location from a recreation lease that expired approximately a decade ago. Following PG&E's preliminary assessment of the existing Camp 19 structures, PG&E has indicated that the buildings may have structural, safety and/or hazardous materials concerns. Due to these reasons, PG&E believes that it is likely that the structures may need to be demolished prior to any fee title transfer. Fall Creek, Clear Creek, and

Trap Creek run through the parcel, in addition to the Creek Channel and NID's Bowman-Spaulding Canal. Spillways and associated equipment are also located on the parcel. A further description of this planning unit, including the BPVs and the management objectives that were previously approved by the Board for this planning unit, is included in the attached excerpted section of Volume II of the LCP.

c. Donee Evaluation Process

The Stewardship Council received statements of qualifications (SOQs) from nine organizations interested in acquiring fee title to lands available for donation within this planning unit. A list of organizations that submitted an SOQ is attached. Of these organizations, the following five organizations submitted LSPs for the Lake Spaulding planning unit:

- University of California, Center for Forestry (UC)
- California Department of Forestry and Fire Protection (CAL FIRE)
- Bear Yuba Land Trust (BYLT)
- San Joaquin County Office of Education
- USFS – Tahoe National Forest

Pursuant to this recommendation, a total of 1,484 acres of the 4,481 acres available for donation are being recommended for donation at this time. Stewardship Council staff would continue to work with CAL FIRE, BYLT, San Joaquin County Office of Education, and Tahoe National Forest to assess the possibility of additional land transfers within the Lake Spaulding planning unit.

In evaluating each of the LSPs, the following factors were considered:

- An evaluation of the potential donees' programmatic, financial, and legal capacity to maintain the property interest so as to preserve and/or enhance the BPVs of the planning unit;
- Anticipated funding needs of the potential donees;
- The management objectives for the Lake Spaulding planning unit as set forth in Volume II of the Land Conservation Plan;
- Public comments received regarding the desired qualifications of potential donees and the future stewardship of the planning unit;
- The requirements of the Settlement and Stipulation; and,
- Other relevant policies, procedures, and goals adopted by the Stewardship Council.

II. EVALUATION

UC is being recommended to receive a donation of fee title to 1,484 acres of land available for donation in this planning unit. This recommendation is based on a determination that UC Center for Forestry possesses the organizational and financial capacity to own and manage fee title to this land as further described below.

a. Donee Organizational Capacity

Located in the College of Natural Resources on the UC Berkeley Campus, UC Center for Forestry serves as part of the University of California's system wide Division of Agriculture and Natural Resources. It assembles interdisciplinary teams of campus faculty, Cooperative Extension specialists and advisors, students, and staff from various agencies and organizations to develop research projects, outreach and public education activities, and policy analysis on issues affecting the state's forested lands.

The mission of UC Center for Forestry is to sustain forested ecosystems through scientific inquiry. To this end, UC Center for Forestry seeks to create and disseminate knowledge concerning ecosystem processes, human interactions and value systems, and restoration and operational management practices. UC Center for Forestry functions as a hub where multidisciplinary research teams are organized, financial support is developed, and science-based outreach is coordinated.

UC's research forests provide unique opportunities for field experiments, applied science and hands-on learning opportunities. According to UC's LSP, UC has conducted a successful basic and applied program that has materially contributed to the sustainable management of forested lands since 1910. Several hundred peer-reviewed journal publications and 76 dissertations have involved research at UC's Blodgett Research Forest. Research has covered disciplines including silviculture, wildlife management, stream ecology, fires science, plant demography, carbon dynamics, insect and disease interactions, and air pollution.

UC Center for Forestry believes that the forces of global changes (climate warming, air pollution, and invasive species) pose unprecedented threats and society must develop better strategies for the natural resource management in a world of ongoing global change. UC's primary responsibility is to manage the forests owned in fee title by the Regents of the University of California. These forests are an integral part of the system of wildlands maintained by the University of California's Natural Reserve System, which includes 36 sites and over 135,000 acres. UC maintains forest inventory databases and related data, as well as a full library of articles and reports that are publicly accessible.

UC Center for Forestry's four research stations have an explicit focus on understanding the science and stewardship of working forests. These four forests range in size from the 80 acre Baker Forest/Summer Camp in Plumas County to Blodgett Forest, which is 4,270 acres in El Dorado County. The two other forests – Russell Research Station and Whitaker Forest - are 283 and 320 acres in size, respectively.



UC Center for Forestry is headquartered at the Blodgett Forest Research Station owned by the University of California since 1933. The Blodgett Forest Research Station is located at approximately 4,000' elevation in the mixed conifer vegetation type. This research forest is UC Center for Forestry's largest, at approximately 4,270 acres in size and contains large public meeting spaces, housing for researchers, and heavy equipment.

Blodgett is used for research, outreach and education. The current management involves research and demonstration into sustainable forest management practices to produce forest products over the long term while minimizing impacts to water quality, wildlife habitat, fire risk and other environmental benefits. Management is accomplished using a mix of even aged (40% of area) and uneven-aged (40%) silvicultural systems, and 20% reserve stands for comparison. The goal is to inform the broader public discussion about the pros and cons of different treatments rather than to promote a single preferred approach.

There are between four and seven experienced full-time staff at Blodgett, which varies annually depending on funding and research needs. Seasonal staff also fluctuates. Currently UC has three Registered Professional Foresters who implement THPs and provide logistical and technical support to researchers; maintain a comprehensive forest inventory and environmental monitoring program; archive data and geospatial information; conduct applied research; and open other forest sites that have been snowed in all winter.

UC staff has indicated that their forestry standards generally exceed the Forest Practice Rules and include the following measures (except when a specific research goals dictates otherwise):

- maintaining higher than required minimum stocking levels on partial cut harvests (selection, thinning, shelterwood seed cuts, etc.)
- maintaining higher numbers and larger diameter seed trees than required for selection and seed/shelterwood methods
- often extending watercourse protection zones beyond the minimum distances required by the rules, managing all native species with equal emphasis
- maintaining roads at a high standard even between harvest operations (according to the Forest Practice Rules, in most cases road maintenance is only required up to three years following the completion of a THP)

Regionally, UC Cooperative Extension offices in Auburn and South Lake Tahoe have resource professionals in forestry and range management that have decades of experience with local landowners, other citizens, and public agencies at local, state, and federal levels.

In addition, ongoing programs supported by UC facilities include the Forestry Institute for Teachers, the Sierra Nevada Adaptive Management Program, and UC Forestry Camp. Public education is offered through existing partnerships with K-12 educational institutions and county-based 4H programs.

b. Donee Financial Capacity

The financial capacity of UC Center for Forestry (a research unit which reports to the College of Natural Resources at the University of California, Berkeley) was evaluated based on a review of its operating budget for the current year, as well as financial statements for the three most recent fiscal years for the Center for Forestry and UC Berkeley. Based on a review of financial statements submitted, UC appears to possess the financial capacity to own and manage the lands being recommended for donation in the Lake Spaulding planning unit.

c. Management Objectives

Volume II of the Land Conservation Plan established certain management objectives for the Lake Spaulding planning unit (see attached Volume II Planning Unit Report). UC is seeking fee title to 1,484 acres of land within the Lake Spaulding planning unit to achieve a number of proposed management activities that are described below and appear to be consistent with the established management objectives.

UC's proposal revolves around one key question: *How can California's working forests located in key watersheds above major water supply systems be managed to sustainably provide essential ecosystem and climate benefits over the next century?*

In order to address this question, UC's proposes a "UC Sierran Forest Global Change Network". UC is proposing to install a research and monitoring network specifically designed to measure emerging stressors to develop adaptive management strategies; measure energy and water balances to understand the role of forested watersheds and water supply; monitor air pollution and its affect on trees and plants; and monitor invasive species.

UC's proposal indicates that acquiring the subject three parcels in the Lake Spaulding planning unit will provide them with an opportunity to build an infrastructure needed to address challenges of California's actively managed forests. These lands, together with existing research forests, would permit UC to test approaches to mitigate and adapt to the manifold effects of a changing climate across the gradient in order to ensure insights gained are broadly applicable. The goal is to develop a research, education, and outreach program using field-based empirical studies that are guided by good experimental design. This foundation will provide valuable insights on how best to steward the Sierra Nevada forests now and in the future.

UC proposes to implement a diverse array of experimental forest stands to learn what structures will be most resilient over the coming decades. UC's interest in the lands at Lake Spaulding is to advance sustainable forestry practices that are appropriate for Sierra Nevada watersheds, enhance the diversity of natural habitats, and protect cultural resources while accounting for the changes and uncertainty introduced by the forces of global change. From an operational perspective, UC wants to explore and develop a range of approaches that meet the common mixture of demands on actively managed forests in California.

More specifically, UC is proposing the following:

- Expand their existing research forests with the donation of the three subject parcels and further develop a research forest that would be split into three primary management categories (reserves, even-aged, and uneven-aged) which would then be further split

among specific silviculture systems. UC would implement treatments that would include all methods of silviculture allowed under the California Forest Practice Act to ensure relevance to actively managed forests in the state. Other non-commercial regimes would be studied, such as different methods of site preparation to ensure regeneration, different levels of vegetation control to minimize competition and limit spread of invasive species, and different intensities of thinning to promote wood production and the growth of big trees. The performance of all of these management strategies would be evaluated using treatments replicated across latitudinal gradients to understand effects of climate change.

- Conduct research-level inventories of forest stands, wildlife, stream, and archaeological/cultural resources during the first summer field season after fee transfer. Permanent fixed plots would also be developed and marked.
- Design and test protocols for invasive species monitoring.
- Survey existing roads and address any illegal activities.
- Install year-round weather stations at each site that measure air temperature, precipitation, relative humidity, wind speed and direction, incoming radiation, snow melt timing, and soil moisture. In addition, install passive ozone monitors during the snow free months. Other sensor arrays for other pollutants (e.g., nitrogen) could be added as conditions warrant.
- UC expressed an interest in working with the BYLT on Parcel 797 (note, BYLT also submitted an LSP for fee ownership of Parcel 797; however they have indicated a desire to partner with UC, if UC is the recommended donee). In partnership with UC, BYLT is proposing to develop a public *Bear Yuba Forest Interpretive Center* at the historic Camp 19 that is located on Parcel 797 (a former PG&E construction camp). The center would utilize historic buildings to depict the critical role of a healthy forest to support an environmentally and economically prosperous future⁵. BYLT would like to demonstrate both historic timber management methods, such as utilizing draft horses, as well as the latest technology in sustainable forestry practices. The center would also provide office and meeting space for researchers and UC staff, student training and housing, and act as a hub for enhanced recreational opportunities.

d. Funding

Consistent with the Stewardship Council's Land Conservation Funding Policy, the Stewardship Council may elect to fund certain costs related to the transfer of fee title, satisfaction of property tax neutrality requirements and/or costs of enhancements to the beneficial public values on watershed lands. Any costs to be funded by the Stewardship Council would be identified in a

⁵ Following PG&E's preliminary assessment of the existing Camp 19 structures, PG&E has indicated that the buildings may have structural, safety and/or hazardous materials concerns. Due to these reasons, PG&E believes that it is likely that the structures may need to be demolished prior to any fee title transfer. BYLT has indicated that if the existing buildings could not be renovated, that they would continue to be interested in pursuing the development of an interpretive center at this location.



management and funding agreement to be developed by the Stewardship Council in coordination with UC, the prospective donee.

e. Requirements of the Settlement and Stipulation

The Stewardship Council's recommendation that UC receive fee title to certain lands available for donation within this planning unit is subject to compliance with all the requirements of the Land Conservation Commitment. Several of these requirements are highlighted below.

The Stewardship Council would work with PG&E and Nevada County to ensure the land conveyance of these parcels achieves property tax neutrality.

A conservation easement will be established on the lands within the planning unit. The conservation easement for lands that are donated will include an express reservation of rights 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, and compliance with any FERC license, FERC license renewal, or other regulatory requirements on lands to be retained by PG&E. On lands to be conveyed to UC, the grant deed would reserve to PG&E similar rights for operation and maintenance of hydroelectric facilities and associated water delivery facilities.

f. Conservation Partners

The permanent protection of the Lake Spaulding 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 the prospective fee title donee or conservation easement holder that become involved in future activities on the donated lands that contribute to the preservation and enhancement of the BPVs. Land conservation partners may be identified in LSPs submitted by organizations interested in a fee title donation, or during or after the development of the 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.

Stewardship Council staff would work with the prospective donees recommended for donation of fee title and conservation easements in this planning unit and evaluate opportunities for land conservation partners. The results of this effort would be reflected in the management and funding agreements and LCCP.

As discussed in Section 2c above, UC has proposed a partnership with the BYLT to explore the development of a *Bear Yuba Forest Interpretive Center* at the former PG&E construction camp commonly referred to as Camp 19 on Parcel 797. A letter of support from the BYLT is included with UC's LSP. The BYLT is a "private, non-profit, membership-supported group promoting voluntary conservation of our natural, historical and agricultural resources through protection and enhancement of natural areas, farms and ranches, trails and parks to provide a lasting community heritage." Stewardship Council staff proposes to continue to work with UC and BYLT to evaluate the feasibility of a *Bear Yuba Forest Interpretive Center* at this location, and possible partnership arrangements between UC and BYLT.



UC also proposes to explore extending public programs that are currently being offered at other UC facilities, including the Forestry Institute for Teachers, UC Forestry Camp, and partnerships with K-12 educational institutions and county-based 4H programs.

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 and public comments associated with the Lake Spaulding planning unit is attached. Additional public comments received concerning this recommendation will be provided to the Board for consideration.

IV. RATIONALE FOR RECOMMENDATION

Staff is recommending that fee title to 1,484 acres be donated to UC for the following reasons:

- Donation of these lands would further one of the key goals of the Land Conservation Commitment of donating lands to a qualified organization with the financial and organizational capacity to preserve and enhance the BPVs.
- UC is committed to preserving the BPVs. UC has proposed the following actions and activities that would contribute to the preservation and/or enhancement of BPVs:
 - Enhance management to create a diversity of forest stand structural conditions across the landscape, and in turn create a more sustainably managed forest.
 - Create a research and demonstration program where one has not existed before.
 - Conduct forest, wildlife, stream, and archaeological/cultural resource inventories.
 - Design and test protocols for invasive species monitoring.
 - Install year-round weather stations at each site that measure air temperature, precipitation, relative humidity, wind speed and direction, incoming radiation, snow melt timing, and soil moisture. In addition UC proposes installation of passive ozone monitors during the snow free months at all the research forests. Other sensor arrays for other pollutants (e.g., nitrogen) could be added as conditions warrant.
- Donation of these lands to UC would advance the burgeoning field of sustainable forestry and climate change research by providing UC with additional lands for research and demonstration, with benefits that would extend well beyond the watershed lands.

V. NEXT STEPS

If this recommendation is adopted by the Board, staff would invite UC to negotiate specific terms of the transactions with PG&E and would work with UC to develop a management and funding agreement. The development of a management and funding agreement would be coordinated with the development of an LCCP.

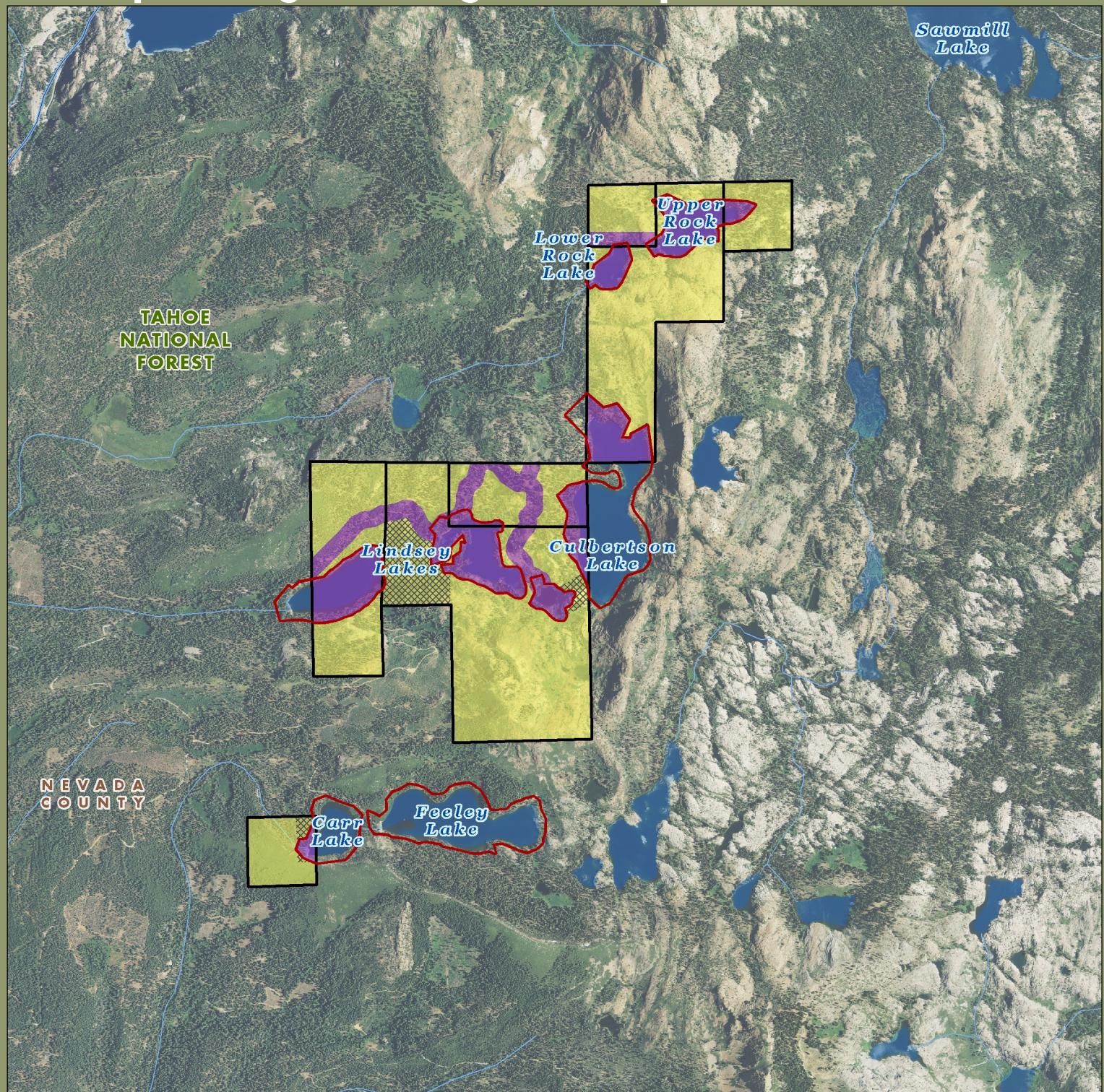


Adoption of the LCCP by the Board would be the final step in the Stewardship Council's process for selecting donees. The proposed LCCP would be made available for public review and comment before it is approved by the Board.

ATTACHMENTS AND REFERENCE MATERIAL

- Lake Spaulding Planning Unit Map
- LCP Volume II Planning Unit Report for Lake Spaulding Planning Unit
- Organizations that Submitted SOQs for Lands Available in the Lake Spaulding Planning Unit
- Summary of Key Public Outreach Activities and Public Comments Associated with the Lake Spaulding Planning Unit

Lake Spaulding Planning Unit: Map 1


 PG&E Lands Preliminarily Designated for Donation

 FERC Boundary

Imagery: NAIP 2009

 PG&E Lands Preliminarily Designated for Retention

 Certain Conditions May Make Donation Inadvisable

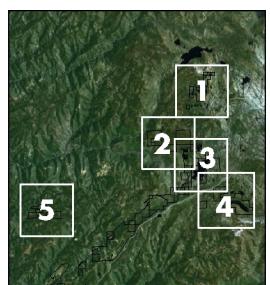
Acreage and location of lands preliminarily designated for retention by PG&E outside the FERC boundary are approximate. FERC boundary is approximate and may change over time.



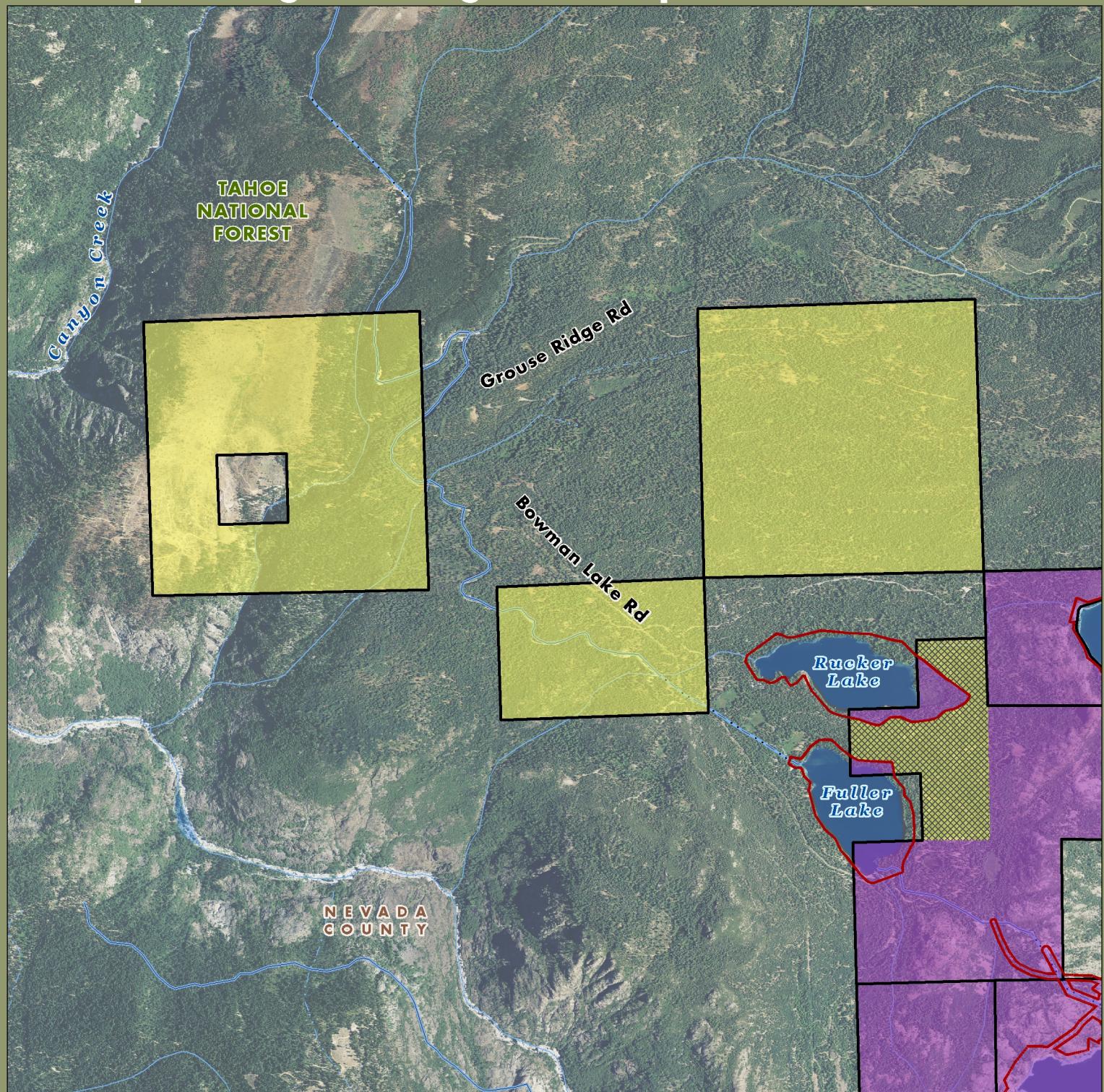
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1 Mile

April 2011
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Lake Spaulding Planning Unit: Map 2


 PG&E Lands Preliminarily Designated for Donation

 FERC Boundary

Imagery: NAIP 2009

 PG&E Lands Preliminarily Designated for Retention

 Certain Conditions May Make Donation Inadvisable

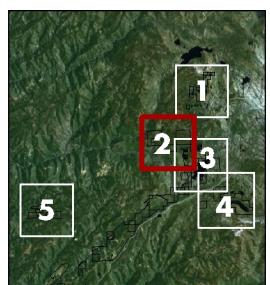
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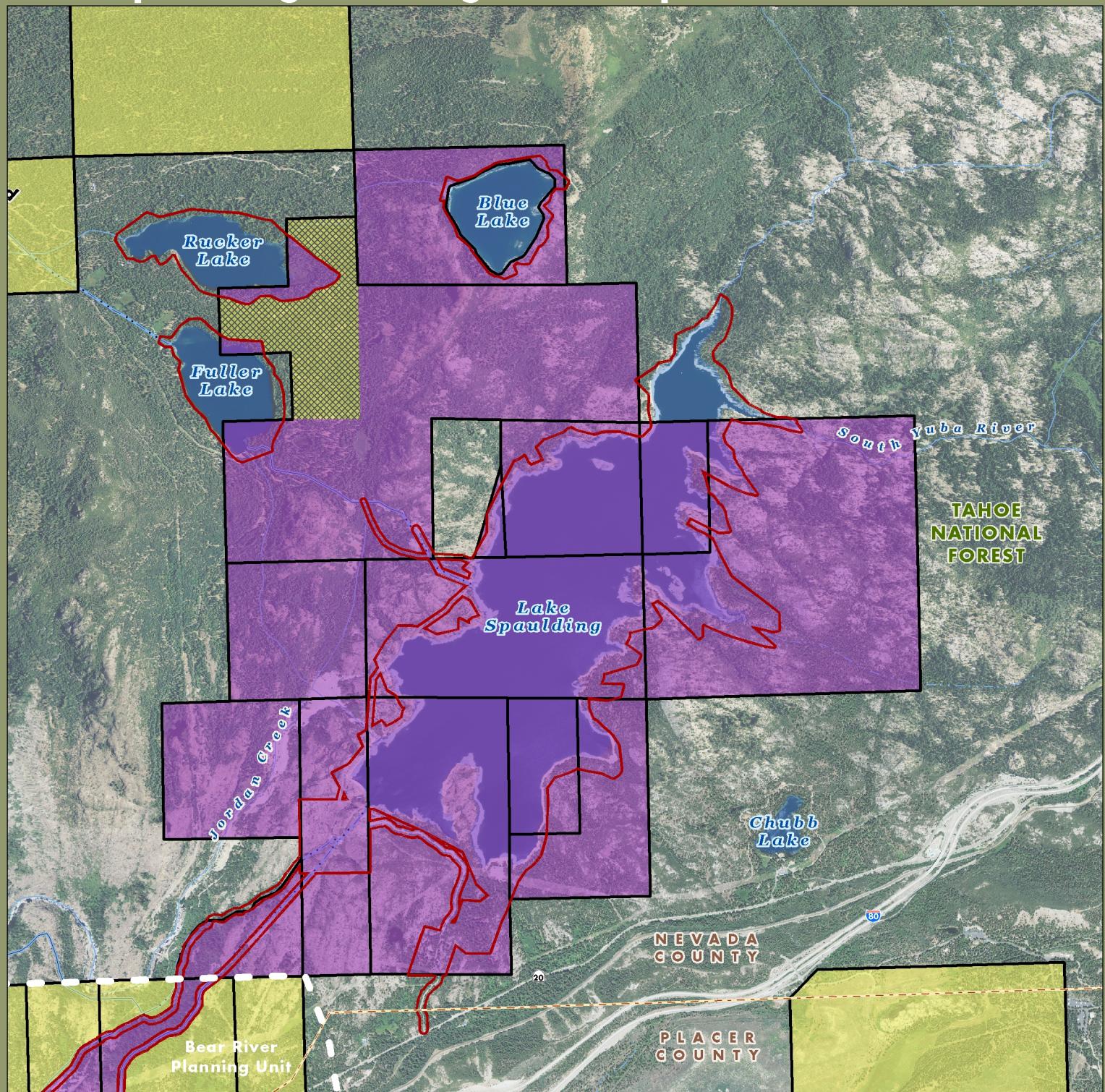
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Lake Spaulding Planning Unit: Map 3



PG&E Lands Preliminarily Designated for Donation

FERC Boundary

Imagery: NAIP 2009

PG&E Lands Preliminarily Designated for Retention

Certain Conditions May Make Donation Inadvisable

Acreage and location of lands preliminarily designated for retention by PG&E outside the FERC boundary are approximate. FERC boundary is approximate and may change over time.

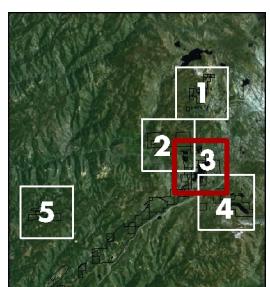


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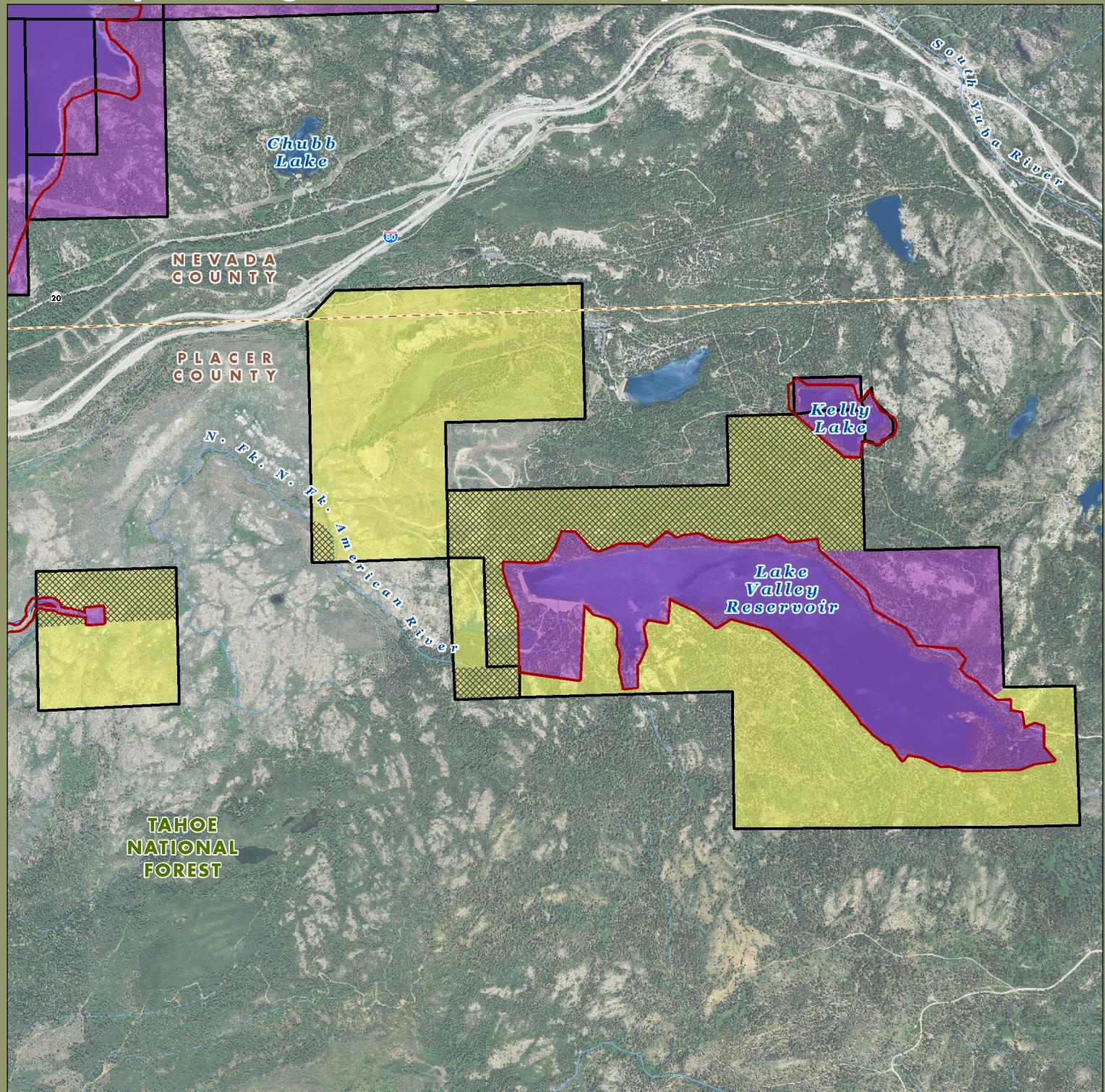
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Lake Spaulding Planning Unit: Map 4



 PG&E Lands Preliminarily Designated for Donation

 FERC Boundary

Imagery: NAIP 2009

 PG&E Lands Preliminarily Designated for Retention

 Certain Conditions May Make Donation Inadvisable

Acreage and location of lands preliminarily designated for retention by PG&E outside the FERC boundary are approximate. FERC boundary is approximate and may change over time.

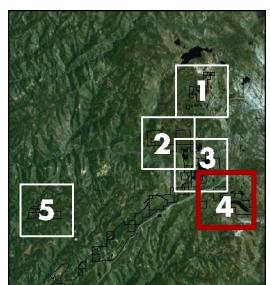


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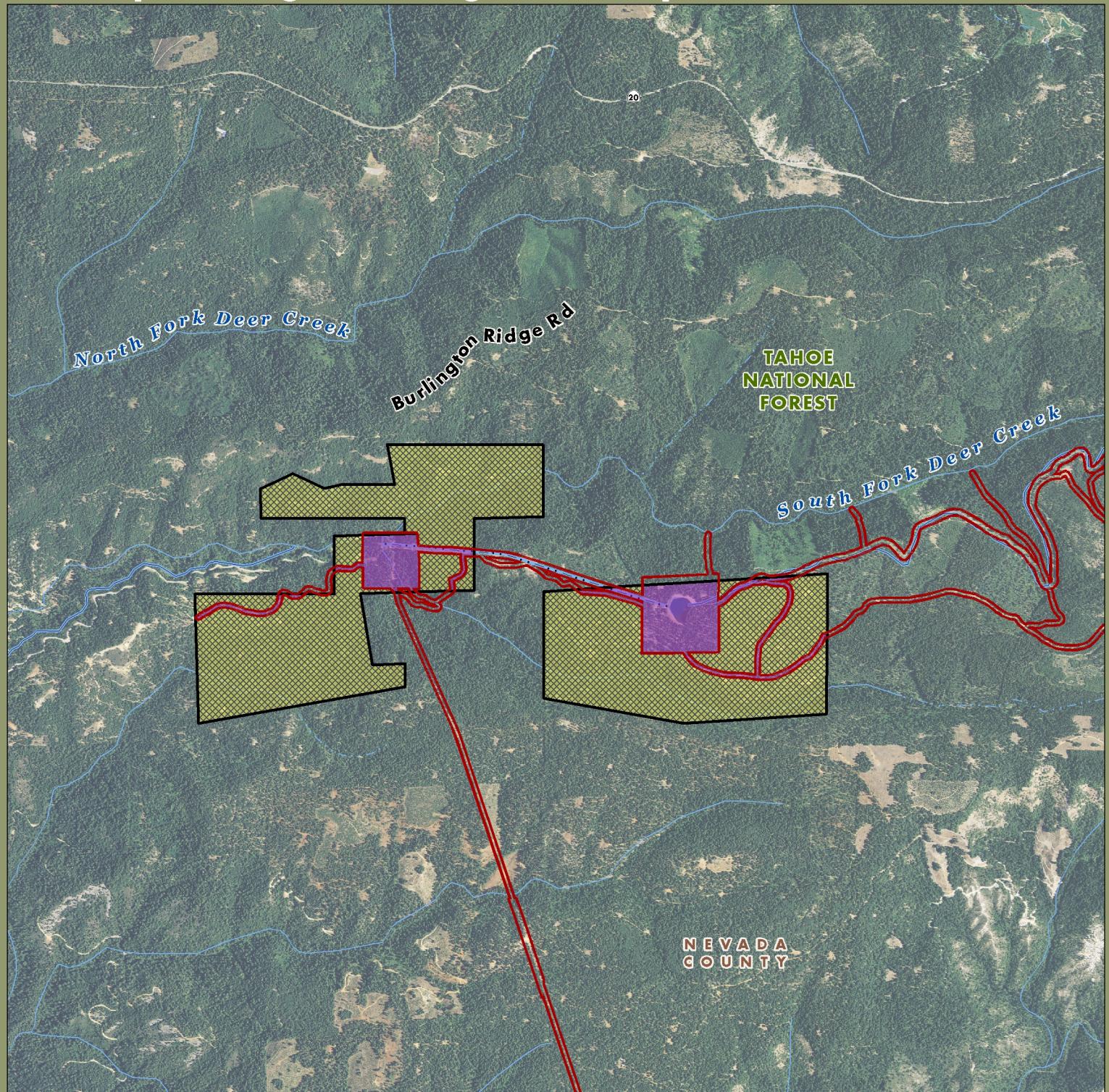
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Lake Spaulding Planning Unit: Map 5


 PG&E Lands Preliminarily Designated for Donation

 FERC Boundary

Imagery: NAIP 2009

 PG&E Lands Preliminarily Designated for Retention

 Certain Conditions May Make Donation Inadvisable

Acreage and location of lands preliminarily designated for retention by PG&E outside the FERC boundary are approximate. FERC boundary is approximate and may change over time.

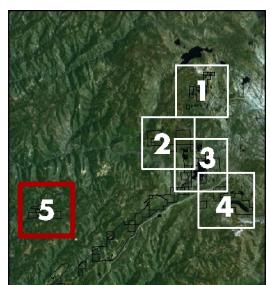


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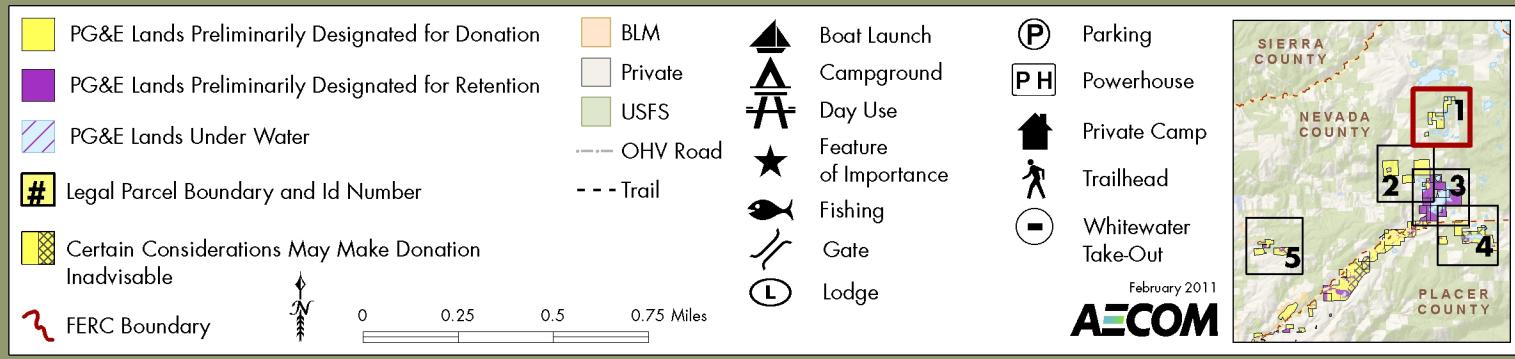
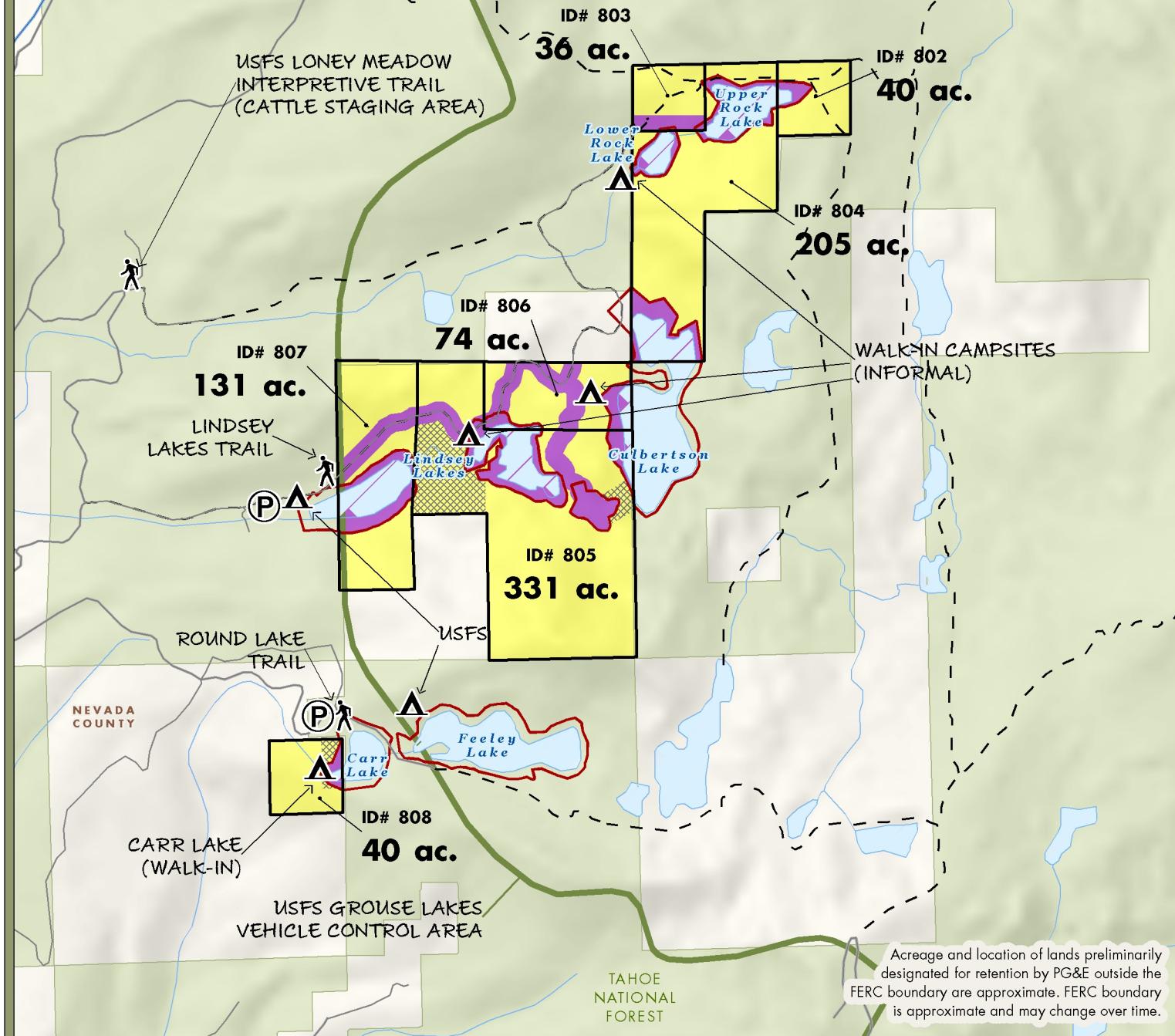
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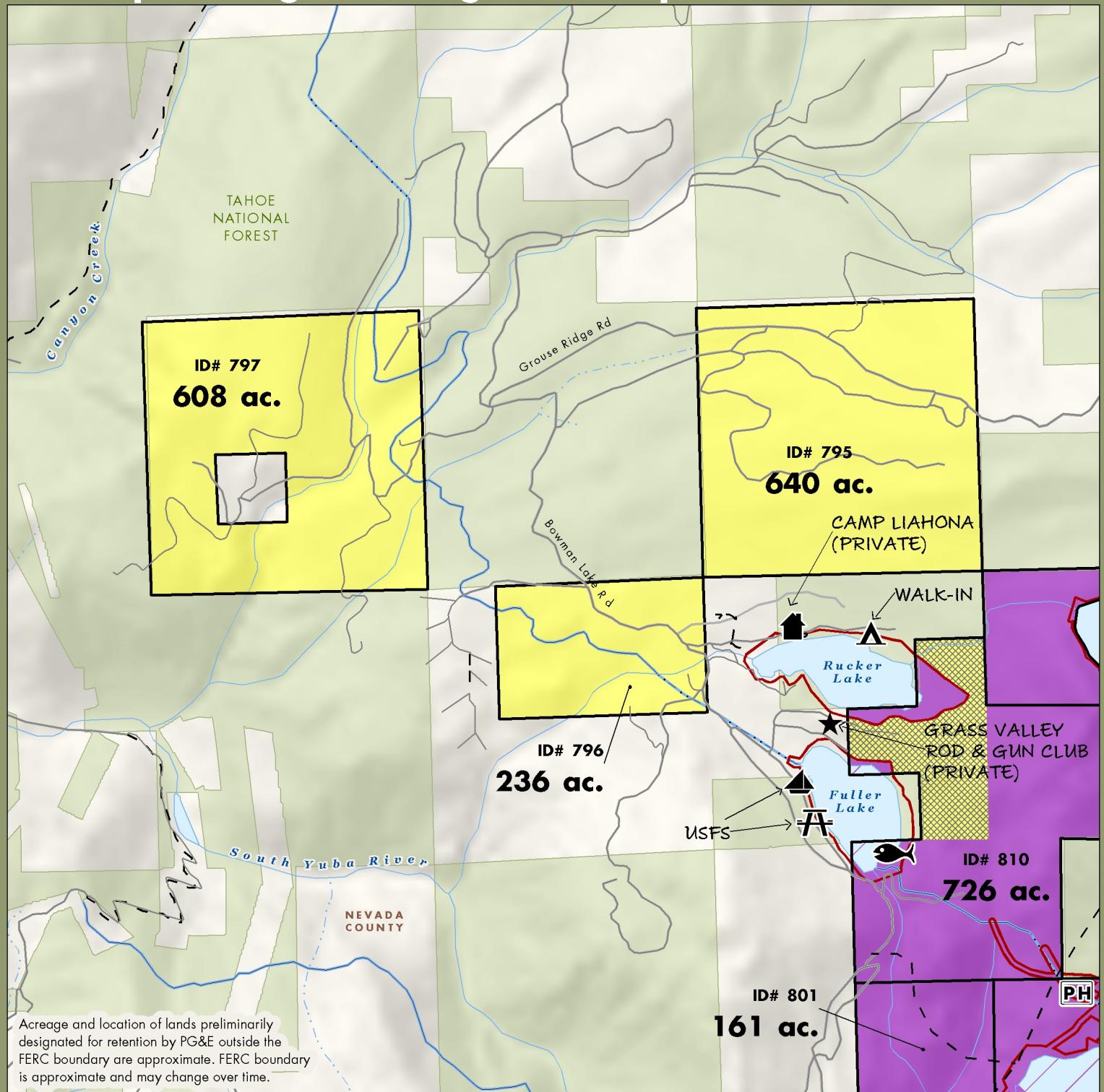
Lake Spaulding Planning Unit: Map 1

FERC Project: Drum-Spaulding (#2310)
8,241 Total Acres (7,169 acres land)
1,783 Acres Within FERC (22%)

14 TMUs: 5,332 Timbered Acres



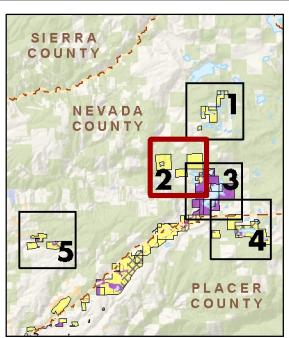
Lake Spaulding Planning Unit: Map 2



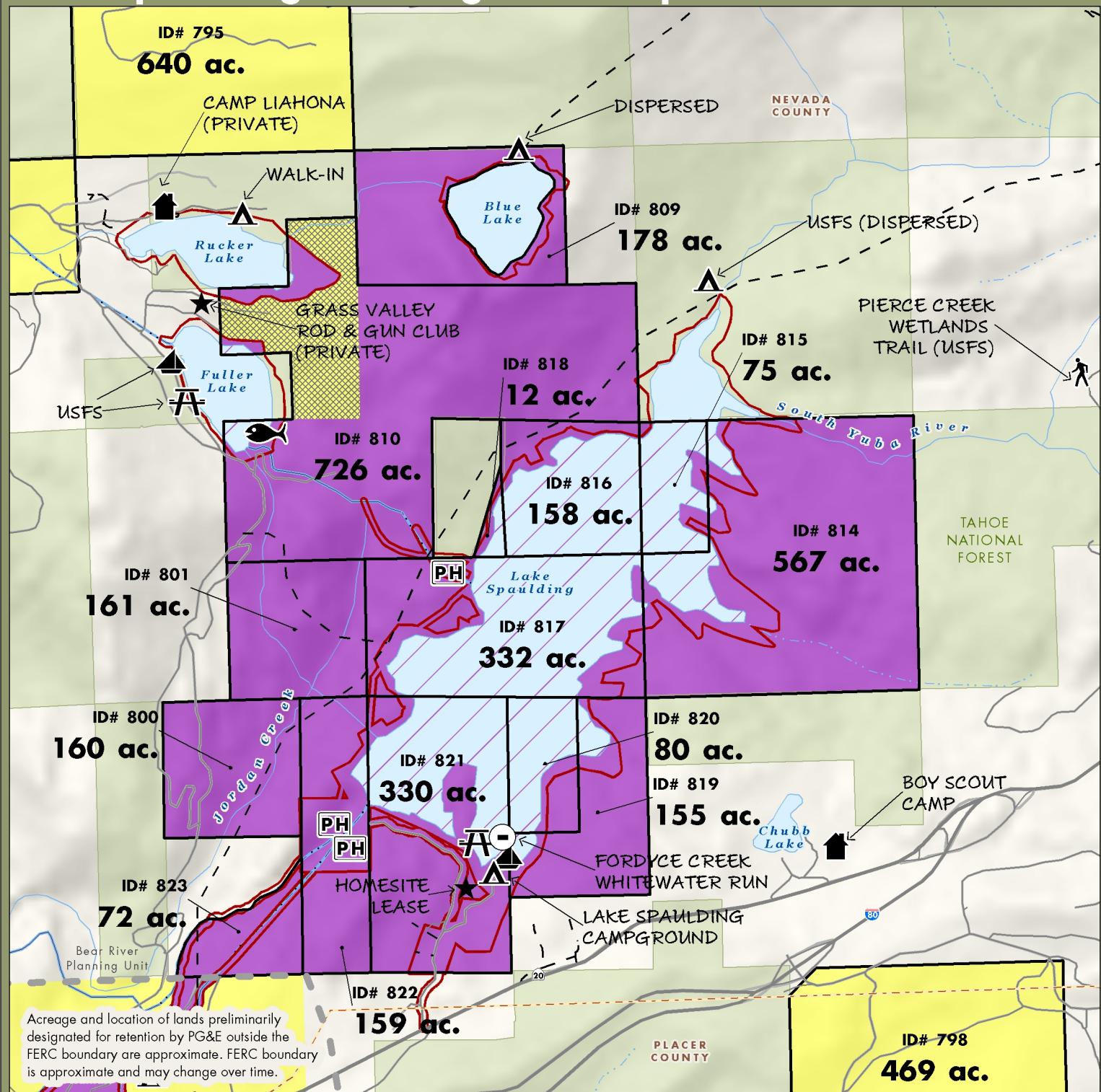
- Yellow box: PG&E Lands Preliminarily Designated for Donation
- Purple box: PG&E Lands Preliminarily Designated for Retention
- Blue box with diagonal lines: PG&E Lands Under Water
- #: Legal Parcel Boundary and Id Number
- Yellow box with diagonal lines: Certain Considerations May Make Donation Inadvisable
- Red wavy line: FERC Boundary

- Light orange box: BLM
- Light grey box: Private
- Light green box: USFS
- : OHV Road
- - -: Trail
- ▲: Boat Launch
- ▲: Campground
- ▲: Day Use
- ★: Feature of Importance
- 🐟: Fishing
- : Gate
- : Lodge

- (P): Parking
- (PH): Powerhouse
- (House): Private Camp
- (Person): Trailhead
- (Circle with line): Whitewater Take-Out



Lake Spaulding Planning Unit: Map 3

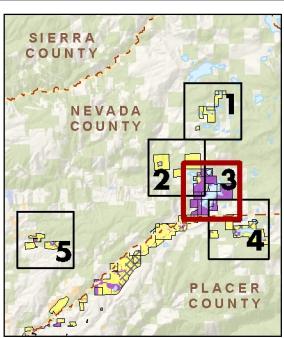


- PG&E Lands Preliminarily Designated for Donation
- PG&E Lands Preliminarily Designated for Retention
- PG&E Lands Under Water
- # Legal Parcel Boundary and Id Number
- Certain Considerations May Make Donation Inadvisable
- FERC Boundary

- BLM
- Private
- USFS
- OHV Road
- Trail

- Boat Launch
- Campground
- Day Use
- Feature of Importance
- Fishing
- Gate
- Lodge

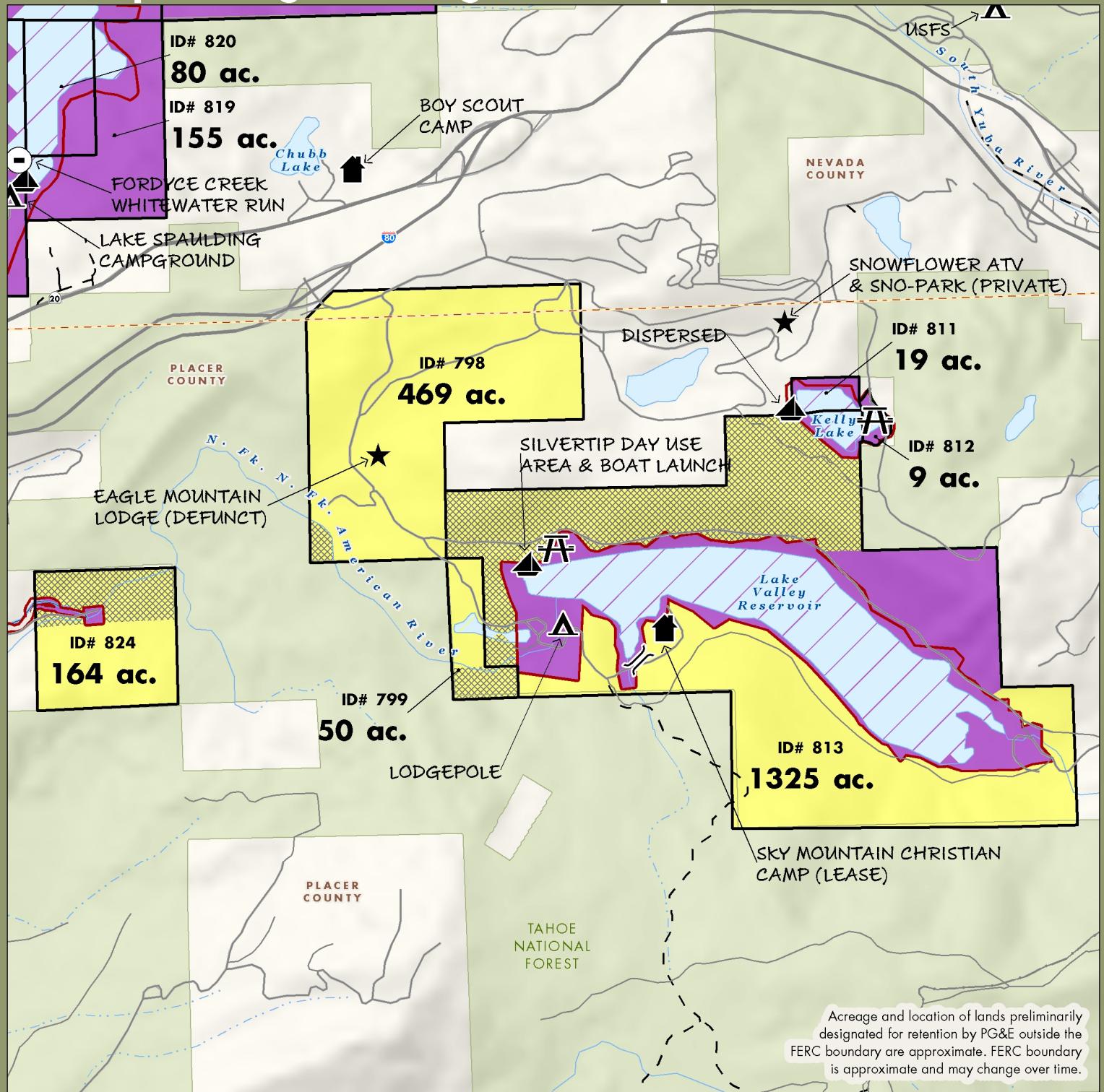
- P Parking
- PH Powerhouse
- Private Camp
- Trailhead
- Whitewater Take-Out



February 2011

AECOM

Lake Spaulding Planning Unit: Map 4



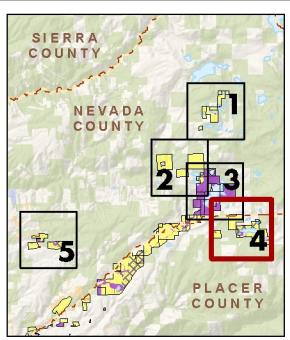
Acreage and location of lands preliminarily designated for retention by PG&E outside the FERC boundary are approximate. FERC boundary is approximate and may change over time.

- PG&E Lands Preliminarily Designated for Donation
- PG&E Lands Preliminarily Designated for Retention
- PG&E Lands Under Water
- Legal Parcel Boundary and Id Number
- Certain Considerations May Make Donation Inadvisable
- FERC Boundary

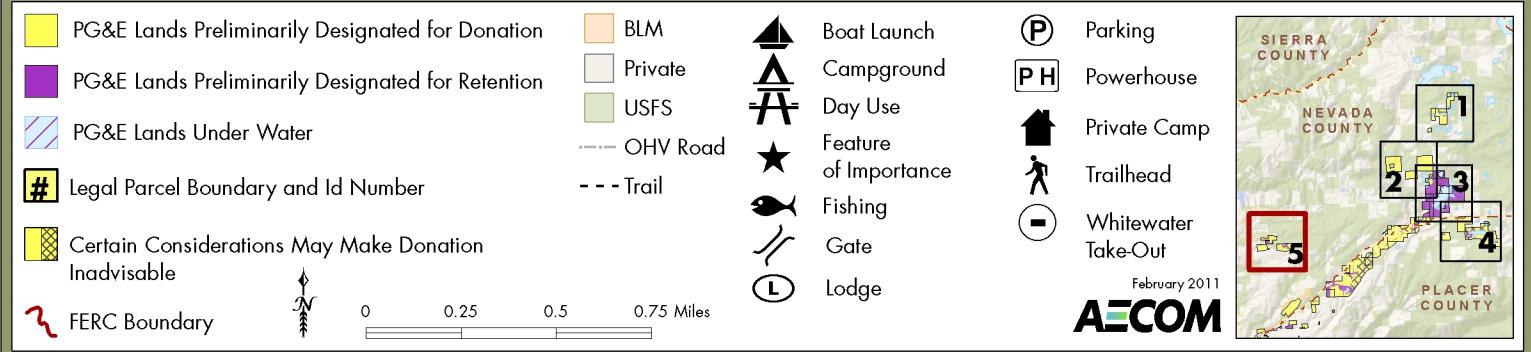
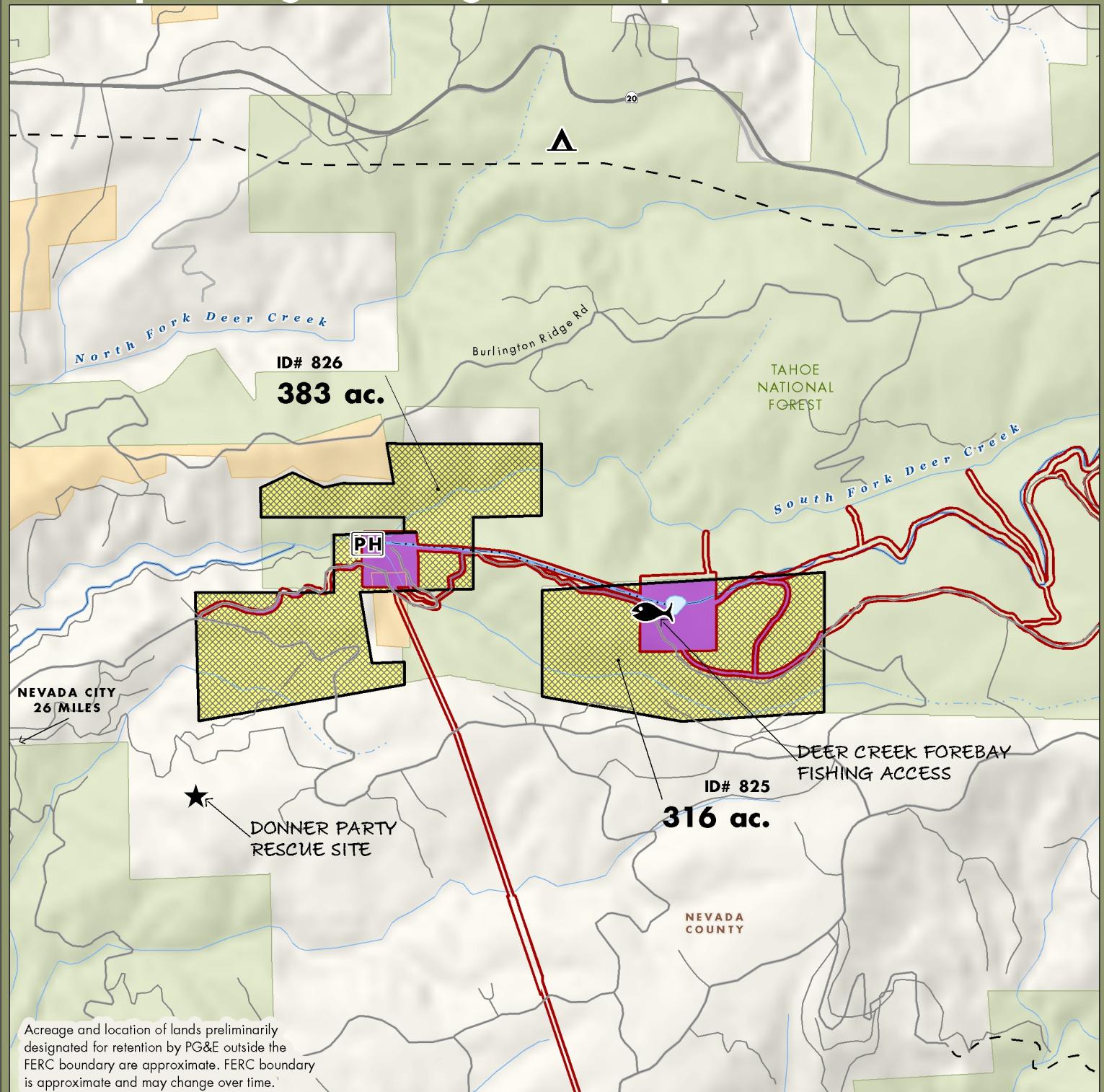
Legend for symbols and trail types:

- BLM (orange square)
- Private (light gray square)
- USFS (green square)
- OHV Road (dashed line)
- Trail (dash-dot line)
- Boat Launch (boat icon)
- Campground (tent icon)
- Day Use (A-frame icon)
- Feature of Importance (star icon)
- Fishing (fish icon)
- Gate (gate icon)
- Lodge (lodge icon)

- Parking
- Powerhouse
- Private Camp
- Trailhead
- Whitewater
- Take-Out



Lake Spaulding Planning Unit: Map 5



LAKE SPAULDING PLANNING UNIT

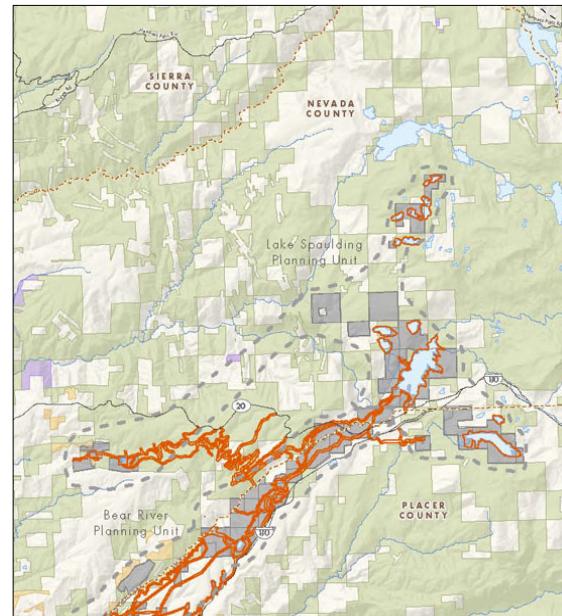
Yuba-Bear River Watershed

Existing Conditions & Uses

Overview

- Highly scenic, forested area with many lakes of exceptional beauty
- 8,308 acres in Nevada and Placer Counties; 6,525 acres outside the FERC boundary and 1,783 acres inside
- Drum-SpaULDING Project (FERC #2310); License expires in 2013, relicensing expected to begin in 2007

As shown in Figure YB-3, the Lake SpaULDING Planning Unit encompasses many scenic lakes in the high elevation mountains of the Sierra Nevada. Lake SpaULDING is located 26 miles from Nevada City and 19 miles from Truckee, and the planning unit is primarily surrounded by the Tahoe National Forest and private lands. With an elevation range of 5,200 to 7,000 feet, the topography of the planning unit ranges from exposed outcroppings to forested slopes surrounding remote lakes and canyons. This area is a popular recreation destination for hikers, boaters, anglers, cyclists, OHV riders, cross-country skiers, and other nature and outdoor enthusiasts. In addition, this planning unit is an important area for watershed protection as it contributes to the source water supply of



Lake SpaULDING Planning Unit
Nevada & Placer Counties

the Placer County Water District and Nevada Irrigation District.

This planning unit is within the FERC Drum-SpaULDING Project and contains four powerhouses and other associated infrastructure such as canals and flumes.

Fish, Plant, and Wildlife Habitat

The Lake SpaULDING Planning Unit offers a variety of habitat for both plants and wildlife. Various special status plant species have been identified in the vicinity of the planning unit, including shore sedge, Oregon fireweed, Stebbins' phacelia, Butte County fritillary, and Cantelow's lewisia. Similarly, special status wildlife species such as Sierra Nevada snowshoe hare, Pacific fisher, Sierra marten, foothill yellow-legged frog, and the Federally endangered mountain yellow-legged frog have been surveyed in the vicinity of the planning unit. Many parcels abut USFS California spotted owl Protected Activity Centers (PACs), which protect this species in late successional forest habitats. Throughout the planning unit, there are key winter and summer deer range, fawning areas, and major deer migration corridors. Rainbow,



Lake Valley Reservoir

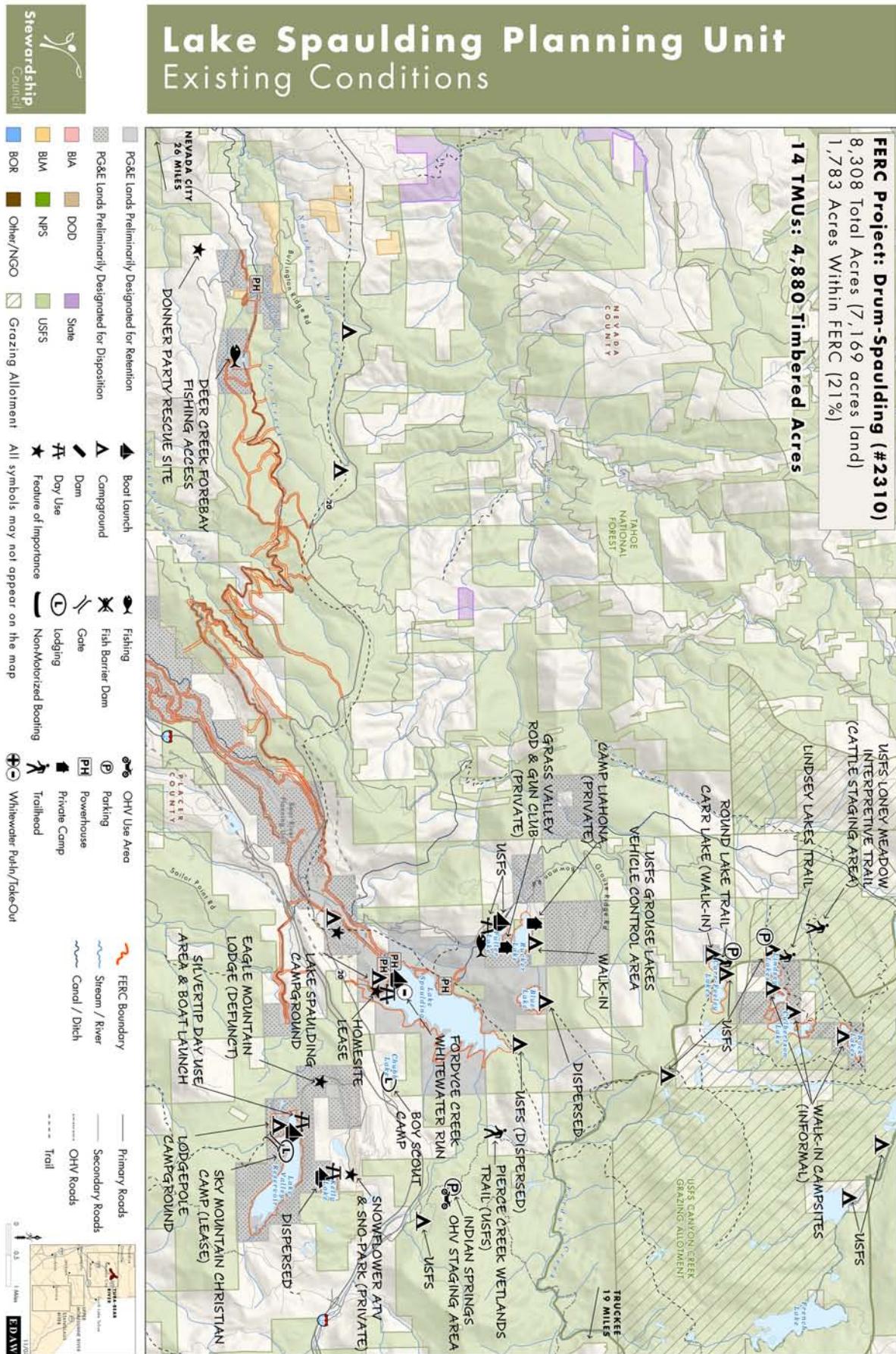


Figure YB-3

LAKE SPAULDING PLANNING UNIT

Yuba-Bear River Watershed

brook, and brown trout, as well as smallmouth bass, are among the fishery opportunities, many of which are of high quality.¹

Open Space

The open space character of the Sierra Nevada is maintained throughout the planning unit. As elevation increases, the vegetation transitions from mixed conifer hardwood forest to lodgepole pine and fir forest. Other habitat types include lakes, riparian corridors, wet meadows, fens, and patches of alder and willow. Barren mountain slopes and rock cover other portions of the Lake Spaulding Planning Unit.

Outdoor Recreation

With its diverse natural setting and abundance of scenic lakes, the Lake Spaulding Planning Unit is an ideal recreation spot. As shown in Figure YB-3, Lake Spaulding is the largest of the lakes and offers boating, camping, angling, and whitewater boating opportunities. Lake Spaulding recreation facilities include a campground with 25 forested sites, a day use area with formal boat launch, restrooms, and a large parking area. In addition, a dispersed and primitive boat-in camping area is located on the northeastern shore. For whitewater boaters, the Fordyce Creek and Spaulding Runs terminate in Lake Spaulding. There is one homesite lease located south of Lake Spaulding.

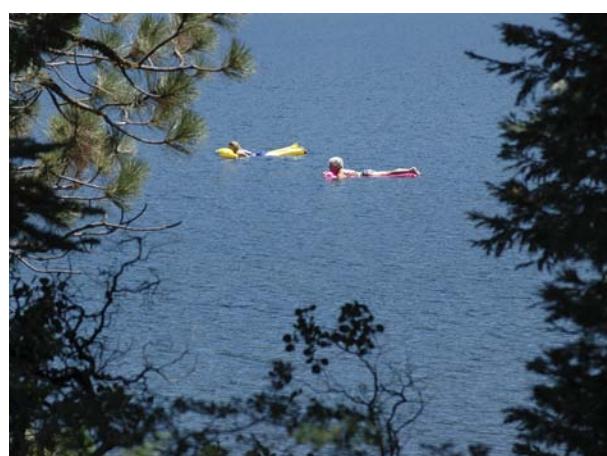
To the northwest of Lake Spaulding, Fuller Lake is a popular angling lake with a PG&E-managed day use area and boat launch on USFS lands. Fishing access is available on PG&E lands adjacent to the south side of the dam. The Grass Valley Rod and Gun Club is located on the northern shore on private lands.

Rucker Lake provides fishing, non-motorized boating, parking for a rustic trailhead, and camping at a PG&E-managed walk-in campground on USFS lands. The site is not heavily used due to a difficult access road, the walk-in nature of the campground, and the shallowness of the lake. Camp Liahona,

a Church of Jesus Christ of Latter Day Saints (LDS) camp for girls, is located on the northern shore of Rucker Lake on USFS land. To the east, Blue Lake is an attractive lake with a heavily forested shoreline. Dispersed, walk-in only campsites are available at this lake. Blue Lake is reached by an unimproved road that is only passable with a four-wheel drive vehicle. Private residences and PG&E lands are found around Blue, Rucker, and Fuller Lakes.

To the north, Carr and Feeley Lakes provide hike-in camping opportunities. Day use activities include an extensive network of non-motorized trails for such activities as hiking, mountain biking, and equestrian riding. Carr and Feeley Lakes are located within the Grouse Lakes Vehicle Control Area, which provides a variety of recreation opportunities in a remote, non-motorized setting. With many scenic lakes, the area has been proposed for Federal Wilderness designation and offers a semi-primitive experience for outdoor enthusiasts.

Further north, Lower Lindsey Lake allows car camping on the western shoreline in a USFS campground. Walk-in only sites and dispersed camping options for backpackers and anglers are found at Middle and Upper Lindsey Lakes, Culbertson Lake, and Lower and Upper Rock Lakes, as well as on the surrounding USFS lands. These lakes offer picturesque settings that are historically less crowded and more tranquil, with remote hiking and fishing opportunities.



Floating on Lake Valley Reservoir

LAKE SPAULDING PLANNING UNIT

Yuba-Bear River Watershed



Marked cedar tree at Lake Valley Reservoir

As shown in Figure YB-3, the Lake Valley Reservoir and Kelly Lake provide additional recreation opportunities. The PG&E-operated day use area at Kelly Lake to the north of Lake Valley Reservoir is accessed via a gated entrance at the private Snowflower Resort. On the northwestern shore of Lake Valley Reservoir, PG&E operates the Silvertip Day Use area; across the reservoir, the Lodgepole Campground offers 35 sites in a forested setting. The Sky Mountain Christian Camp holds a lease from PG&E along the reservoir shoreline for a recreational camp. Sky Mountain maintains a lodge with spectacular views of the reservoir and includes facilities such as cabins, gymnasium, soccer field, and shoreline swimming area.

North of Lake Valley Reservoir, the former Eagle Mountain Lodge currently remains unoccupied. This facility once served as a popular base for snow sport activities such as cross-country skiing and included a small store, outdoor camping area, sweat lodge, river access, ample parking, and a bicycle obstacle course.

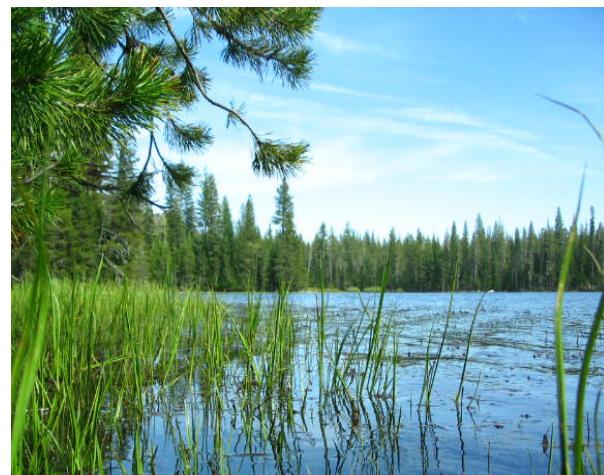
West on Highway 20, the Deer Creek Forebay Fishing Access is found along the USFS-operated Pioneer Trail, which extends from Lake Spaulding to Nevada City. The day use area is generally frequented by nearby residents and provides angling opportunities.

Forest Resources

Historic fire suppression has left the Lake Spaulding Planning Unit stocked with timber resources that have been divided into 14 Timber Management Units (TMUs), totaling 4,880 acres. Almost 85% of the TMUs are managed under a Multiple-Use management category. Multiple-Use management promotes sustained timber production, balanced with the goal of protecting and using other resources and facilities in the TMU, which may preclude timber harvesting as the primary focus.

The remaining TMU acreage is under the management categories of Sustainable Timber, Salvage, or Recreation and Sustainable Timber. Under the Sustainable Timber category, the principal activity is timber extraction with an emphasis on protecting water quality, wildlife and fisheries habitat, soils, carbon sequestration, and cultural resources. The Salvage category is not primarily managed for sustained forest production; rather, it is managed for reducing fuel loading, removing hazard trees, and improving forest aesthetics. Similarly, the Recreation and Sustainable Timber Management category emphasizes providing recreation opportunities that are compatible with timber management, while reducing fuel loading, removing hazard trees, and improving forest aesthetics.

A timber harvest of 240 acres is scheduled for 2008 on lands in the Lake Spaulding Planning Unit. Lands in the Lindsey Lakes area of the



Aquatic vegetation in Rucker Lake

LAKE SPAULDING PLANNING UNIT

Yuba-Bear River Watershed

Grouse Lakes region area are included in this harvest of about one million board feet. In 2001, the catastrophic Gap Fire destroyed the majority of mature forests on PG&E lands in the northern and western portion of Lake Valley Reservoir. Since the fire, PG&E has restocked the area with seedlings to promote revegetation.

Agricultural Uses

There are no grazing leases in the planning unit, but PG&E lands are included in the Canyon Creek allotment, which is managed by the USFS. This allotment surrounds the northern lakes in the Grouse Lakes area and supports 75-80 cattle in an area of approximately 25,000 acres. The lessee has been grazing the area for decades and uses the USFS Loney Meadow as a staging area (see Figure YB-3).

Historic Resources

Native American history and culture are present in the Lake Spaulding region. Several petroglyphs are found in the area, and the non-profit group, Friends of Sierra Rock Art, has worked in coordination with the USFS to protect these prehistoric sites from vandalism. The Maidu, Washoe, and Nisenan-Southern Maidu groups are historic inhabitants of the area. In total, 16 archeological sites have been found during studies conducted as part of the Drum-Spaulding Project, of which half are historic and half are prehistoric.

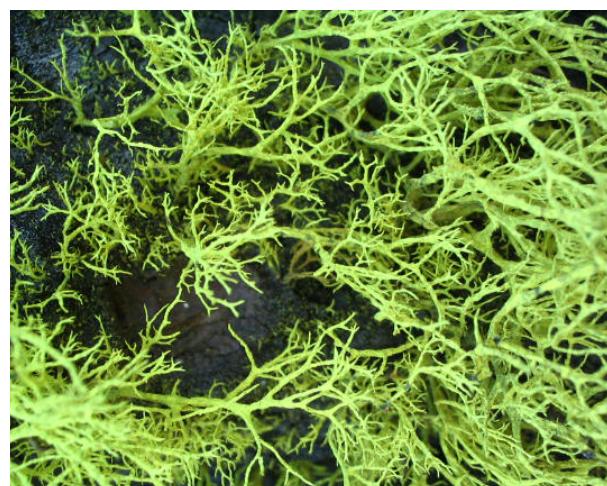
Early California history is still evident in the planning unit with the Overland Emigrant Trail that crosses the Deer Creek portion of the planning unit. Early settlers camped in various parts of this area, and the Donner Party passed through this area. Among the historic sites is an old logging railroad to the west of Lake Spaulding.



Rucker Lake

Stewardship Council Recommendations

The Stewardship Council recommends that the land and land uses at the Lake Spaulding Planning Unit be preserved and enhanced by focusing primarily on public access and recreation, sustainable forestry, as well as biological and cultural resources protection. In presenting the Recommended Concept provided here, our objective is to preserve and enhance habitat, open space, recreation, and cultural resources, while also protecting and preserving important forest resources. Last, we also recommend that an evaluation be undertaken to consider potential enhancement of grazing opportunities. All of these efforts must be conducted in close coordination with PG&E and



Lichen at Kelly Lake

LAKE SPAULDING PLANNING UNIT

Yuba-Bear River Watershed

the upcoming FERC relicensing efforts for the area.

Objective: Preserve and enhance biological and cultural resources, enhance public access, recreation opportunities, and sustainable forestry management, and evaluate the potential for enhanced grazing opportunities.

As shown on Table YB-2, the Stewardship Council has identified a number of preservation and/or enhancement measures that may contribute to the conservation management program for the Lake Spaulding Planning Unit. Additional detail and background regarding these potential measures can be found in the Supporting Analysis for Recommendations, provided under separate cover. These measures are intended to be illustrative in nature, not prescriptive, and will be amended, deleted, or augmented over time in coordination with future land owners and managers to best meet the objective for this planning unit.

Fish, Plant, and Wildlife Habitat

Objective: Preserve and enhance habitat in order to protect special biological resources.



Day use area at Fuller Lake

The Lake Spaulding Planning Unit offers a variety of habitat for both plants and wildlife. In order to preserve and enhance the habitat and resources found here, the Stewardship Council recommends that baseline studies and plans be developed to gain a clear understanding of the resources (particularly outside the relicensing study area where little information is currently available or will be provided by relicensing studies). These studies will likely be followed by management plans to ensure implementation of preservation and enhancement measures for specific resources. Management of the property to preserve and enhance habitat will also include addressing noxious weeds. The Stewardship Council encourages close coordination with the USFS and other resource-focused organizations working in the region, and that all planning be considered in conjunction with fuels, forest, and recreation management plans, as well as any future FERC license required plans.

Open Space

Objective: Preserve open space in order to protect natural and cultural resources, the wilderness character of the region, and continued low-intensity recreation experiences.

The Lake Spaulding Planning Unit is located in a scenic and remote landscape. This concept would preserve open space by limiting the construction of human-made features to low impact recreation improvements, as well as through permanent conservation easements. Conservation easements would describe all prohibited uses to maintain open space values, including the level of uses allowed and the requirement to maintain scenic qualities.

Outdoor Recreation

Objective: Enhance recreational facilities in order to provide additional public access, and enhance recreation opportunities and management.

LAKE SPAULDING PLANNING UNIT

Yuba-Bear River Watershed

Recreation opportunities in this remote and scenic setting include camping, fishing, hiking, cross-country skiing, OHV use, and boating. Located near the Tahoe National Forest and the Grouse Lakes region, this planning unit and surrounding region have a variety and abundance of recreation opportunities. As shown in Figure YB-4, the Stewardship Council looks to enhance these opportunities by recommending additional trail opportunities and recreation experience enhancements. We recommend enhancements focused on developing a recreation management plan, expanding available trail networks and signage, coordinating with the USFS on trail integration, expanding fishing access with ADA accessible facilities, and investigating the potential to reopen a public lodge at the former Eagle Mountain Camp. We recommend these enhancements be considered in close cooperation with PG&E as well as upcoming FERC relicensing efforts and related recreation planning.

Sustainable Forestry

Objective: Develop and implement forestry practices in order to contribute to and promote a sustainable forest, preserve and enhance habitat, as well as to ensure appropriate fuel load and fire management.

The Lake Spaulding Planning Unit is heavily forested and managed to balance natural resources protection with forest health, public safety, and timber harvesting (when appropriate). The recent catastrophic fire and scheduled timber harvest underscore the complexity of managing this valuable and important resource. The Stewardship Council recommends that future care and management of the property include developing a long-term vision for forest management in the area which addresses silvicultural practices, holistic watershed management, fuels management, and fire management and response. The fire management and response, fuels, and forest management plans should be developed in conjunction with



Boating on Lake Spaulding

the noxious weed and wildlife and habitat management plans, as well as future FERC license required plans. We expect that all of these plans would be developed in coordination with management and practices of the USFS and Placer and Nevada Counties, as appropriate.

Agricultural Uses

Objective: Identify potential grazing opportunities in order to enhance agricultural resources and related economic benefits.

While there are no active grazing leases in the Lake Spaulding Planning Unit, the Stewardship Council looks to enhance agricultural opportunities and associated important economic uses as part of the long-term management of the Lake Spaulding Planning Unit. This would be achieved by evaluating the potential for grazing opportunities in coordination with the adjacent USFS Canyon Creek allotment. To support this effort, we anticipate that a baseline conditions report will be required to describe current agricultural, physical, and overall biological conditions of the area. From this, specific determinations can be made to identify and manage grazing practices in balance with other uses and values of the property.

LAKE SPAULDING PLANNING UNIT

Yuba-Bear River Watershed

Preservation of Historic Values

Objective: Identify and manage cultural resources in order to ensure their protection, as well as to support opportunities for public education.

Native Americans and early California pioneers were once inhabitants of the area, and various cultural resources have been found within the Lake Spaulding Planning Unit. The Stewardship Council aims to support an increased understanding of cultural resources and ensure they are appropriately protected. To meet this objective, we recommend that cultural resource studies be conducted to understand the resources found throughout the Lake Spaulding Planning Unit (particularly outside the relicensing study area where less information is available or will be provided by relicensing studies). The Stewardship Council recommends that appropriate management plans be developed and implemented, and that opportunities to support public education regarding cultural resources be considered. Throughout this effort, the Stewardship Council recommends close coordination with Native American entities, as well as PG&E and upcoming FERC relicensing efforts. When developing a plan that affects religious or sacred places, special effort will be undertaken to consult with spiritual religious leaders of the tribes.

Endnote

¹ In addition, DFG augments native lake populations by stocking trout when the lake is not already dominated by bullhead catfish.



Lake Spaulding Planning Unit

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

Bureau of Land Management
California Department of Forestry and Fire Protection
Eagle Mountain Conservancy
Nevada County Land Trust
Placer County Water Agency
Placer Land Trust
San Joaquin County Office of Education
United States Forest Service – Tahoe National Forest
University of California

SUMMARY OF KEY PUBLIC OUTREACH ACTIVITIES AND PUBLIC COMMENTS ASSOCIATED WITH THE LAKE SPAULDING 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, three entities submitted comments concerning the Lake Spaulding 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:

- Support Native American efforts to restore and protect cultural resources and to maintain confidentiality of site locations
- Ensure that fee title recipients in the region collaborate closely to ensure protection of the Yuba Bear watershed lands
- Donate lands to the Tsi-Akim Maidu Tribe to preserve cultural practices associated with the land
- Support for lands available for donation to be transferred to the US Forest Service to support the consolidation of in-holding within the Tahoe National Forest
- Limit timber harvesting to dead or dying trees and ensure forest management complements adjacent US Forest Service lands
- Future management should emphasize maintaining and enhancing open space, scenic, and recreational values
- Preserve glacial ponds and interpret these sites for the public
- Restrict vehicle access to preserve scenic values and enhance non-motorized recreational uses

PUBLIC INFORMATION MEETING FOR THE LAKE SPAULDING PLANNING UNIT

A public information meeting was hosted by the Stewardship Council on April 14, 2011 at the Auburn Parks and Recreation District Community Center in Auburn, California. The meeting concerned the following six planning units: Bear River, Chili Bar, Fordyce Lake, Lake Spaulding, Lower Drum, and Narrows. A total of 58 people attended and participated in the meeting, representing a wide variety of interests, including local and federal governments, community organizations, and community members. The meeting was advertised via an e-mail sent to contacts in our 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 purpose of this meeting was 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 eight planning units. During the meeting, participants were invited to ask questions and provide comments on the eight planning units. Stations were set up with maps, other pertinent information, and easels with blank paper. Below is a summary of comments related to the Lake Spaulding planning unit and Yuba-Bear watershed area that were recorded on the easels and provided on comment cards.

Lake Spaulding Planning Unit

- Protect existing roadless areas and restrict vehicle use on lands surrounding Upper and Lower Rock Lakes, Culbertson Lake, and Lindsey Lakes (Parcels 803 – 807)
- Support transfer of lands to an entity that would restrict vehicle traffic to present levels
- Continue to allow public use of existing roads
- Protect lake water quality from road salt runoff
- Maintain public access for recreation (hiking, fishing, and camping)
- Support for lands available for donation to be transferred to the US Forest Service
- Rely on existing laws to protect sensitive wildlife and archaeological resources
- Continue to limit motorized access on restricted roads near Lindsey Lakes and Culbertson Lake to protect wildlife habitat and migration

General Comments Concerning the Yuba-Bear Watershed Area

- Mineral resources should be included as a beneficial public value
- Lands available for donation should be transferred to an entity that will preserve and enhance public access
- Provide adequate time for the public to review and provide comments on the land stewardship proposals, proposed donee recommendations, and conservation easements
- Understand that all of the parcels have a history of land use and are no longer pristine
- Provide parcel-specific goals to promote public understanding and comment

ADDITIONAL CORRESPONDENCE SUBMITTED

The Stewardship Council also received other public comments and letters from individuals and organizations regarding the future management of the Lake Spaulding planning unit, as summarized below:

- Support for lands to be transferred to the Bear Yuba Land Trust (formerly known as Nevada County Land Trust) to create the Bear Yuba Forest Interpretive Center
- Preserve wildlife habitat, recreation, and open space values
- Limit timber sales to protect watershed lands
- Explore opportunities for disabled youth to access the watershed lands