From: Jacobson, Erik B (RegRel Sent: 1/31/2014 5:32:40 PM

To: Randolph, Edward F. (edward.randolph@cpuc.ca.gov)

Cc:

Subject: RE: Lake Pillsbury

New development: We received the green light from FERC and have reversed course to reduce the flows back to 25 cfs.

From: Jacobson, Erik B (RegRel) Sent: Friday, January 31, 2014 4:12 PM

To: 'Randolph, Edward F.' Subject: Lake Pillsbury

Ed,

I wanted to give you a heads up about a drought related issue since you have expressed an interest in this topic. Due to the drought, we have been operating our Potter Valley Powerhouse under a temporary variance from FERC that allowed us to reduce stream flows from 100 to 25 cfs. That variance expired today and we have thus far been unable to get an extension from FERC. As a result, we were required to increase stream flows to 100 cfs at 3pm today. At the higher flow rate, Lake Pillsbury will be drained in 40 days. Hopefully, FERC will act on our request for an extension soon and we will be able to once again reduce flows to conserve water. I understand most of the community and local agencies support the reduced flow rate under today's drought conditions.

You may see some press on this issue.

Please call me if you would like to discuss further.

Best Regards,

Erik

415-310-7617