| From:   | Redacted  |   |  |  |  |
|---------|---|---|--|--|--|
| Sent:   | 3/13/2014 9:39:01 AM  |   |  |  |  |
| To:     | Allene Zanger (azanger@stewardshipcouncil.org); Livingston, Randy<br>(/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=RSL3); Redacted |   |  |  |  |
|         | Redacted  | Redacted                                      |  |  |  |
|         | Redacted  | Todd Ferrara (Todd.Ferrara@resources.ca.gov); |  |  |  |
|         | dave.sutton@tpl.org (dave.sutton@tpl.org); cnota@fs.fed.us (cnota@fs.fed.us);   |   |  |  |  |
|         | Soapy Mulholland (soapy@springvillewireless.com); Redacted  |   |  |  |  |
|         | Redacted  | Burns, Truman L.                              |  |  |  |
|         | (truman.burns@cpuc.ca.gov); Paul (paul.clanon@cpuc.ca.gov) Clanon   |   |  |  |  |
|         | (paul.clanon@cpuc.ca.gov)   |   |  |  |  |
| Cc:     | Pete Bell (pete@mokeriver.com)  |   |  |  |  |
| Bcc:    |   |   |  |  |  |
| Subject | ubject: Re: BLM Transactions  |   |  |  |  |

Soapy:

This is in response to your questions about our motion yesterday on the Falls River Mills and Lake Britton PUs. You asked the basis. I stated that in my 3/11 email, and more fully in the closed session. Here is the recap, understanding that you missed the latter and could not hear my presentation during the open session.

1. In negotiating the Stipulation, the CHRC had a hope that BLM and FS would acquire fee title for certain parcels. These include the parcels subject to the motion yesterday.

2. Our collective efforts to resolve the 4(e), over many years, failed by mid-2013. The Board decided to move on, having extended the internal deadline on multiple occasions. The CHRC understands that reality. I assure you that I do, having broken a pick on this rock.

3. Per the Board's decision to move on, the Planning Committee vetted the recommendations that PG&E retain these parcels. Through Pete, CHRC participated in that vetting. I apologized yesterday for raising this issue despite the Board's programmatic decision and this specific vetting. That said, BLM's 2/13 letter was a shock, since there was otherwise some hope for a work-around with them. The CHRC considered this letter and, this week, directed Pete and me to make one last try.

4. I confirmed with Allene that a deferral until 6/25 meeting will not delay these transactions, since we do not have a candidate donee to hold the conservation easements.

5. I said to the Board yesterday that I will approach BLM and FS directly to determine whether they are open to options other than those which PG&E and other directors, including me, have rejected as inconsistent with the Stipulation. If no, the effort is dead. If yes, then we'll see where it goes; and I will obviously open the effort to any directors who wish to help. The Board expects, and Pete and I committed, to close this effort by 6/25, which is the earliest Allene expects to have candidate donees for our consideration.

RRC

From: Redacted
Sent: Tuesday, March 11, 2014 10:56 AM
To: Allene Zanger; Ric Notini; GMS2@pge.com; RSL3@pge.com; Soapy Mulholland;
dave.sutton@tpl.org; Todd Ferrara; cnota@fs.fed.us; Redacted
'Burns,
Truman L.'
Cc: Pete Bell
Subject: BLM Transactions

All:

This is a heads-up that CHRC will request that the action items for the Falls Mills and Lake Britton PU's be parked for a brief period to permit us to explore options in light of BLM's 2/24 letter. CHRC does not now support the staff recommendations, however rational and appropriate in light of our failure to resolve the 4(e) issue and BLM's withdrawal from the Council.

Soapy, I apologize for not first raising this request first with the Planning Committee. While Pete has been participating actively in those meetings, the 2/24 letter frankly was an alarm bell for the CHRC, ditto the recommendations for these specific PU's, resulting in guidance that Pete and I must address.

I am in meetings the rest of today and will be happy to discuss this tomorrow morning. RRC

## Water and Power

## Law Group PC

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