



TUOLUMNE UTILITIES DISTRICT



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PG&E and TUD Announce Potential Water System Transfer

Sonora, CA —The Tuolumne Utilities District (TUD) and Pacific Gas and Electric Company (PG&E) announced today they have entered into exclusive negotiations to transfer the Phoenix Hydroelectric Project from PG&E to TUD ownership. Under the proposed agreement, TUD would acquire the Phoenix Powerhouse, the Main Tuolumne Canal, the pre- and post-1914 water rights, the Lyons Dam and Reservoir, and Strawberry Dam and the Pinecrest Reservoir.

“The need to acquire water rights and storage has been a topic of discussion in Tuolumne County for more than a century,” said TUD General Manager Edwin R. Pattison. “We view this as a once-in-a-lifetime opportunity to secure a locally controlled water system to provide reliable, cost-effective water for future generations.”

The Phoenix Project is located on the South Fork of the Stanislaus River and dates back to the Gold Rush. It generates 2.0 megawatts (MW). The project includes the Main Tuolumne Canal which was built in 1851 to support local mining and irrigation needs, and the Lyons Dam built in 1929.

Strawberry Dam was constructed in 1916, creating Pinecrest Lake. These facilities are part of PG&E’s Spring Gap-Stanislaus Project.

The Phoenix Powerhouse, first constructed in 1898, was rebuilt by PG&E in 1940. Under an existing agreement between the two parties, the Phoenix Project currently provides the majority of TUD’s water supply via the Main Tuolumne Canal.

“The Phoenix Project is no longer a cost-effective source of electric generation for PG&E’s customers, but the powerhouse, water storage, and conveyance systems are important for TUD, which is a natural owner for the project,” said Mike Schonherr, a Director of Power Generation at PG&E. TUD views the potential acquisition of the Phoenix Project and other facilities as an important opportunity to secure water rights and strengthen water supply reliability for the community and Tuolumne County.

PG&E would continue to own and operate other features of its Spring Gap-Stanislaus Project and will utilize water from Pinecrest Reservoir to generate power at its Spring Gap Powerhouse.

To inform community members and other stakeholders about this process and its impacts, TUD has launched a public education campaign, “TuoCo: Our Water, Our Future.” The first of several planned Town Hall meetings is scheduled for Thursday, April 9th, from 5:30 – 7 p.m. at the Sonora Opera Hall, at 250 South Washington Street in Sonora. Attendees will learn more about this opportunity, ask questions, and provide feedback. TUD also launched a website, www.tuocourwater.com, to keep the community informed with the history of water in Tuolumne County, updates regarding this effort, and upcoming meeting times and locations.



“We invite the community to engage and play an active role throughout this entire process,” said TUD Board of Directors President Bob Rucker.

The transfer is expected to take several years to complete as multiple decisions by numerous parties must occur as part of the acquisition process. The transfer must ultimately be approved by the Federal Energy Regulatory Commission, California Public Utilities Commission, and TUD Board of Directors.