October 3, 2011

Mr. Charles A. Rich, Chief Enforcement Unit #3 State Water Resources Control Board Division of Water Rights P.O. Box 2000 Sacramento, California 95812-2000

Re: Bly Tunnel Valve, Eagle Lake, Lassen County

Dear Mr. Rich:

The Eagle Lake watershed has been subjected to a multi-year drought resulting in low lake levels that likely contributed to a winter fish kill in the northern basin in February 2011. The Department of Fish and Game (Department) has received considerable public concern regarding impacts on fish and wildlife and the effects of Bly Tunnel on lake levels. In response we have met with Bureau of Land Management (BLM) and State Water Resources Control Board staff (Board), inspected the Bly Tunnel, and reviewed pertinent available literature. Our request, and the purpose of this letter, is to preserve public trust resources by eliminating Bly Tunnel as a possible source of exported water from the Eagle Lake Basin.

Bly Tunnel was completed in 1922 to convey water from Eagle Lake to Willow Creek. The tunnel was plugged to stop export of Eagle Lake water and preserve Eagle Lake public trust values. However, an 8 inch diameter pipe with a valve currently conveys approximately .5 to 3 cubic feet per second of water through the tunnel. The tunnel, pipe and associated valve are owned by the BLM, who is unsure of their ability to close the valve without impacting downstream water rights.

In your letter dated July 26, 2011, you indicate Bly Tunnel acts as a "horizontal well" that taps groundwater. Your letter states "percolating groundwater that has been abandoned into a surface watercourse is considered to be "foreign" in nature." You indicate that any water right holders down stream cannot demand that abandoned foreign water continue.

The Department has Public Trust responsibilities for fish and wildlife resources in the State of California (Fish and Game Code Section 1802). We believe that low lake levels have impacted Eagle Lake's ecology and the survival of Eagle Lake rainbow trout *Oncorhynchus mykiss aquilarum* (Snyder) (ELRT).

ELRT are unique in their adaptation to thrive in waters with high alkalinity, and these fish are managed for their wild trout value as well as their contribution to our state hatchery program. Approximately 2 million eggs from ELRT females are collected each year for use statewide.

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Low lake levels affect water quality by creating conditions of warmer water and increased pH during the summer and fall months and colder water during the winter and spring months. The largest effects are observed in the northern basins where Eagle Lake is shallowest. During the summer months the northern basins are nearly uninhabitable by ELRT due to high temperatures and elevated pH. During the winter, ELRT move into the northern basin. However, low lake levels and a thick ice cover may create anoxic conditions resulting in a fish kill, like that observed in 2011.

Considering the value of Eagle Lake and ELRT to the local economy and the State's hatchery programs, we request that you assert your regulatory authority and require BLM to close the valve on the pipe in Bly tunnel. We believe this action will reduce export of Eagle Lake Basin water and help preserve public trust values. We look forward to the opportunity to work with the BLM and the Board in resolving any issues that may arise while completing this action.

If you have further questions regarding this request, please contact either Senior Environmental Scientist Mike Berry at the letterhead address, telephone (530) 225-2131, e-mail mberry@dfg.ca.gov or Environmental Scientist Paul Divine at 530-254-6363 or pdivine@dfg.ca.gov.

Sincerely,

NEIL MANJI Regional Manager

cc/ec: See Page Three

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cc: Mr. Ken Collum, Field Manager
U.S. Bureau of Land Management
2950 Riverside Drive
Susanville, CA 96130

Mr. Jim Chapman, Chairman Lassen County Board of Supervisors 221 S. Roop Street, Suite 4 Susanville, CA 96130

Mr. Jerry Bird, Forest Supervisor Lassen National Forest 2550 Riverside Drive Susanville CA 96130

Mr. Chris Gallagher, General Manager Spaulding Community Service District 502-907 Mahogany Way Susanville, California 96130

ec: Messrs. Curtis Milliron, Mike Berry, Paul Divine, Richard Callas, and Brian Ehler Mss. Karen Kovacs, Sarah Monteverde Department of Fish and Game cmilliron@dfg.ca.gov, mberry@dfg.ca.gov, pdivine@dfg.ca.gov, rcallas@dfg.ca.gov, behler@dfg.ca.gov, kkovacs@dfg.ca.gov, smonteverde@dfg.ca.gov.