

Californians Benefit as Stewardship Council Connects People to the Land

Lorena kneels down and crumbles the soil between her fingers, heart filled with happiness at the return of her ancestral homeland. As she traverses the meadows of Tásmam Koyóm, the earth speaks to her. "The plants and animals — they're our relatives. We talk to them to find out what they need." Lorena is Mountain Maidu, a people that have regained a portion of the Watershed Lands they were displaced from 150 years ago and have already begun stewardship of its conservation values.



In Shasta County, Julie walks through the soggy soil of McArthur Swamp to determine if the pasture is ready for the return of cattle. Flooded for the winter months and thick with waterfowl, the swamp supports grazing uses that are vital to the local economy - a demonstration of wildlife habitat and agriculture complementing each other.

At Bucks Lake, a high school crew digs their shovels in as they add the finishing touches to the new trail system that will attract mountain bikers and hikers to explore the woods. Outdoor recreation has been vital for mountain economies transitioning from resource extraction to more diversified uses that depend on tourism.



Rachelle and her crew check the prescribed burn at the research plots she set up for long term monitoring and testing of measures to make the forest more resilient. At the two new UC Research Forests and seven new State Demonstration Forests, the race is on to create resilient landscapes while preventing devastating fires that have plagued California for years.

"Snow angels!" squeal the excited 5th graders as they experience snow for the first time at Sky Mountain Outdoor Education Center. Teams of young scientists are learning about water cycles, the forest, and the importance of the High Sierra watershed that drains into the North Fork American River.





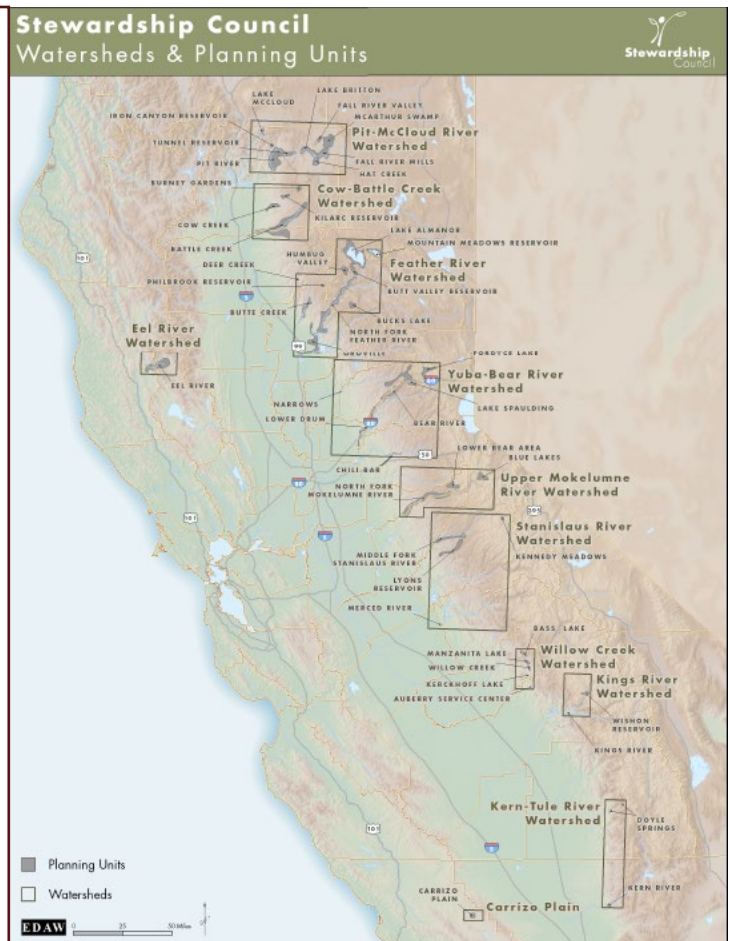
Pounding in the stakes to keep their tent secure, the Youth Ambassadors are motivated. They want to get it right on their first ever backpacking trip, hosted by Sierra Foothill Conservancy and Ethos Youth Center. As part of their leadership and service program the youth ambassadors get to witness the majesty of the High Sierra, and also develop confidence, outdoor skills and strong friendships, and prepare for careers in outdoor recreation, conservation, and stewardship.

These scenes and more are playing out across the lands the Stewardship Council helped preserve and enhance for the people of California – 140,000 acres of PG&E hydroelectric lands that could have been lost to privatization, fragmentation and development. Instead, as part of a Settlement Agreement resulting from PG&E’s 2001 bankruptcy, PG&E agreed to conserve these Watershed Lands and dedicate \$100 million in ratepayer funds to support the conservation effort, enhance the Watershed Lands for Californians, and connect California youth with the natural world. The Stewardship Council was created in 2004 to oversee this effort and was designed to represent many diverse interests.

This is a remarkable success story of how a very special project came to life through PG&E’s Land Conservation Commitment and the Stewardship Council’s work. It’s a story about the people who joined together with different interests and devoted their time and effort to preserve and enhance the many natural virtues of California for all Californians to enjoy forever.

What does 140,000 acres look like?

The Watershed Lands are primarily located in the Sierra Nevada and Cascade Mountain range watersheds and also reach into the Eel River watershed. The Watershed Lands are spread across 20 counties within 11 different watersheds and are comprised of almost 1,000 separate parcels. Combined, the area protected is larger than Lake Tahoe and could fit more than four San Franciscos, but the properties are distributed widely along major river corridors and reservoirs that feed the associated hydroelectric systems. To help implement the Land Conservation Commitment, the Stewardship Council grouped the parcels into 47 planning units.



Where it began

This great California conservation legacy was born from an unlikely source – the California electricity supply crisis of the early 2000s. A time characterized by power reserves dropping to single digit lows, rolling blackouts, idled power plants, and lawsuits was further colored when California’s largest investor-owned utility, PG&E, filed for bankruptcy. Before Spring of 2001, when the bankruptcy announcement was released, PG&E had plans to auction off some of its hydroelectric plants and surrounding Watershed Lands that it had owned for up to a century to raise much needed cash. These pristine Watershed Lands and cherished sensitive landscapes are home to areas loved and used by visitors fishing on Lake Almanor, hiking the Pacific Crest Trail, or spending time at the many campgrounds. This land also provides biologically diverse habitats for deer herds and critical species like bald eagle, beaver, and trout, while some areas are actively grazed by cattle. Half of California’s surface water passes through them, flowing in Wild and Scenic rivers, reservoirs for storing and moving water, and riverine and riparian habitats critical for diversity. Estimates in the late 1990s revealed the value of the PG&E Watershed Lands in the range of \$350 million, a value that could have been realized to help stave off the 2001 bankruptcy if these lands were sold off for extractive use and development.



When PG&E officially filed for bankruptcy in 2001, the idea of land auctions and threats of timber harvesting and development became an imminent possibility. A variety of interest groups quickly responded by forming a coalition of stakeholders and created the opportunity to protect the Watershed Lands for the public benefit. By 2003, PG&E, the coalition, and the California Public Utilities Commission reached agreement to provide protection for 140,000 acres of Watershed Lands, plus PG&E’s holdings in the Carizzo Plain in San Luis Obispo County.

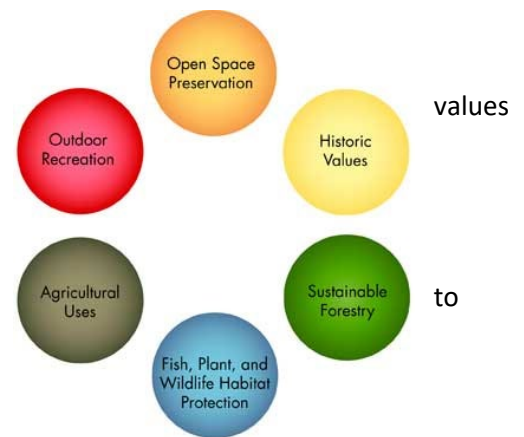
A story that began with an electricity supply crisis unwrapped an opportunity for a utility company to make an unprecedented land conservation commitment. Balancing their hydroelectric uses with conservation protections and recreation benefits for the public, a new path for California land conservation was created that remains the largest single land conservation commitment ever made by a utility.

Uniqueness of Stewardship Council

The Pacific Forest and Watershed Lands Stewardship Council (Stewardship Council) was formed in 2004 with an ambitious mission to preserve, in perpetuity, 140,000 acres of PG&E’s Watershed Lands for beneficial public values and to implement a Youth Investment Program to connect underserved youth with the outdoors. The mandate for the organization was to make recommendations for PG&E to protect and enhance the



six beneficial public values of natural habitat of fish, wildlife and plants; the preservation of open space; outdoor recreation by the general public; sustainable forestry; agricultural uses, and historic through perpetual conservation easements placed on the land. The Stewardship Council analyzed Watershed Lands appropriate for donation to new owners, and the Board of Directors made formal recommendations regarding which new owners and conservation easement or covenant holders would best steward the land, and how ensure public access is protected.



Consensus! Consensus!

Given the deep divisions and polarization in our county, this work is a celebration of diverse interests coming together to accomplish challenging work for the common good. The structure and governance of the Stewardship Council Board of Directors only made this achievement more remarkable, born out of a court ordered settlement agreement and requiring consensus for all decisions made.

Can you imagine getting consensus decisions from 17 board members representing constituencies that range from agriculture and forestry groups to Native American interests and environmental groups? Then add in a range of state agencies as well as PG&E and the California Public Utilities Commission. All required to get in the boat and row for the goal to be reached!



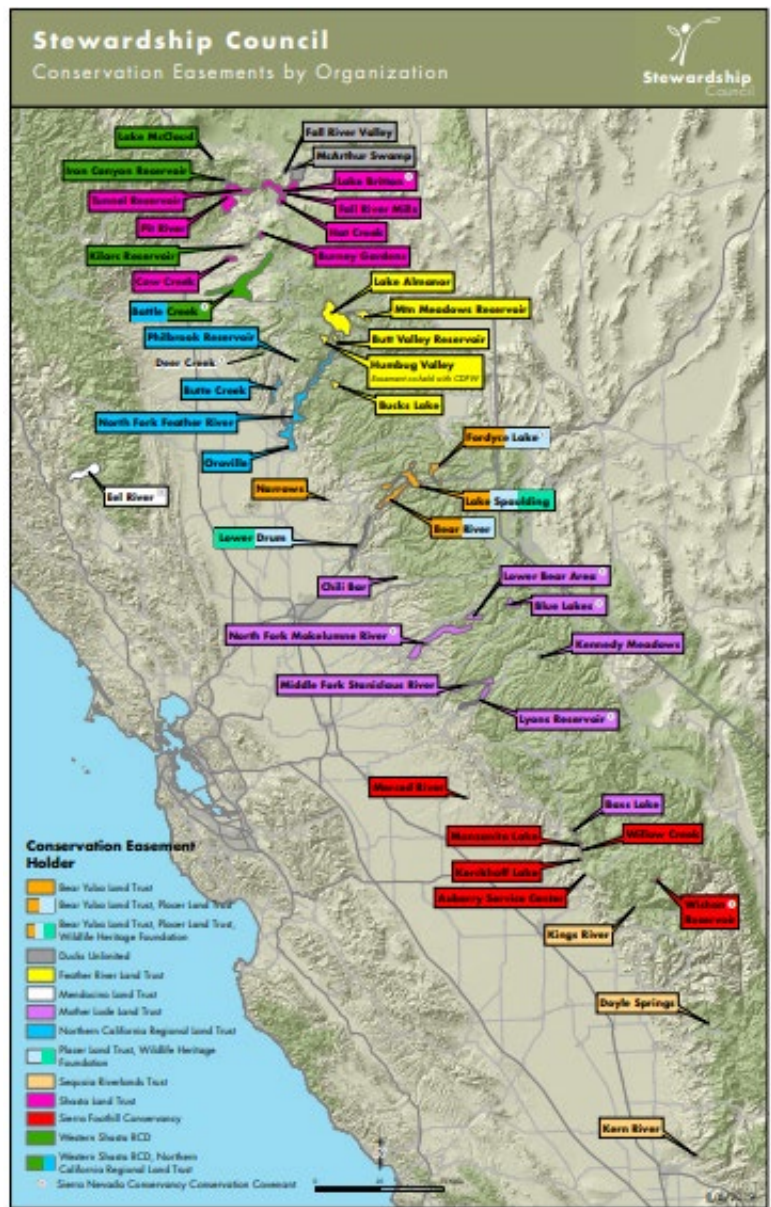
Board Field Tour at Hat Creek Carbon Bridge with Pit River Tribe members

Well this group did it! The Board of Directors took 905 formal actions by mid 2021 with consensus on items like fee title donation recommendations, funding decisions, grant awards and more. What motivated the group to find common ground and move forward? According to Art Baggett, board president, "The requirement of consensus has created decisions for these Sierra lands that will endure the test of time because diverse community voices

were heard and all agreed on the actions we approved. Board members set aside their constituency and focused on the interests of all stakeholders – from PG&E’s ratepayers to rural communities to California conservation interests - by ensuring the Watershed Lands are conserved for the public good and to invest in outdoor programs designed to serve California youth.”

The board also had to recognize and balance the requirements in the Settlement Agreement that provided PG&E with substantial rights to safeguard their operations and generate hydropower on the Watershed Lands. With membership on the consensus board, PG&E had discretion to determine what land was essential to hydroelectric generation that would remain in PG&E ownership but still be protected by conservation easements to limit use and prohibit certain activities to ensure the protection of the conservation values.

Perhaps the most challenging decisions were focused on who would receive fee title land donations; in some cases there were competing interests and visions for the land that would be donated. Public entities, tribes, agricultural and forestry interest groups, environmental organizations, youth serving organizations, and other stakeholders came together to present very thoughtful and inclusive land conservation and management proposals for the lands. The Stewardship Council funded the ongoing property tax liabilities of the new owners and in many cases provided funding for management planning and enhancement projects. The program also provided endowments to cover the estimated costs the land trusts will incur for monitoring conservation easements in perpetuity. Against the backdrop of growing divisions and partisanship in our country, the Stewardship Council stands as a model for collaborative decision making.



Lake Almanor – the final approval

After ninety five separate land transactions, involving hundreds of people and thousands of hours of work, perhaps it is significant that one of the largest and most challenging land transactions was one of the last approved by the Stewardship Council Board at the end of 2020- Lake Almanor at over 29,000 acres. Recognized as a regional recreational destination for boating, fishing, hunting, and camping, Lake Almanor fills critical demands for wildlife and habitat plus water storage and diversion for hydropower. The lake is primarily surrounded by pristine green open meadows and forest land with views of Mount Lassen,

and is part of the ancestral homeland of the Mountain Maidu with important cultural sites around and under the lake. PG&E has many demands on the management of the lake and it is the largest piece of PG&E’s hydroelectric “Stairway of Power,” and as a private corporation they view it as an asset. Now, as part of the implementation of the Stewardship Council’s work, Lake Almanor will be conserved to protect its important Beneficial Public Values. When the escrow process is finalized, the land will be protected by a perpetual conservation easement, so

whether PG&E owns the property or sells it there are guarantees for protections and public access. The property owner must continue recreational uses like boating, camping, hunting, cycling and hiking throughout the planning unit. Of course, Lake Almanor is only one of the 47 planning units spanning 11 watersheds and 20 counties conserved by the PG&E Land Conservation Commitment.



Public Benefits on Display

Empowered and Educated Communities Conduct Watershed Stewardship

There is a new level of connection between the land and communities in the vicinity of the Watershed Lands. Years of community outreach, significant investment in local land trusts for monitoring and stewardship, capacity building for land trusts and fee title donees, enhancement projects, and youth activities have all combined to help build a conservation minded community.

“The contribution this has provided to the local conservation community is immense,” Paul Vienneau, Executive Director of Shasta Land Trust (SLT) stated. “From a small land trust’s perspective, this has allowed us to increase capacity which has led to additional acres protected. In addition, we have had the opportunity to work with new partners that have strengthened our understanding of community partnerships, while also increasing our overall stewardship fund that will allow for greater organizational capacity down the road.” Stewardship Council projects are just one piece of the puzzle of properties the land trusts hope to conserve, but the large scale of the Stewardship Council projects helped build conservation capacity and momentum in these areas. Through the Stewardship Council’s efforts, local land trusts now hold significantly more conservation easements and have been endowed with \$17 million to monitor and enforce conservation easements in perpetuity.

Connecting youth to the wonder of the outdoors like the discovery of colorful beetles for the 5th graders is another major outcome of the Stewardship Council’s work. Kids who had never been out of town had wilderness experiences and learned \$30 million in funding through the Youth Investment. Leadership skills. The largest single investment went to transfer and transform an existing recreational camp in the Sierra Nevada Mountains into the Sky Mountain Outdoor Education Center, now available for thousands of public school students’ environmental education. T. James Mousalimas, San Joaquin County Superintendent of Schools, said “At the Sky Mountain Outdoor Education Center, we seek to inspire lifelong curiosity of the natural world and develop a new generation of innovative, ecologically literate community stewards and leaders.”



The MSC and partners celebrate the transfer and protection of the ancestral lands at Tasmam Kojom (Humbug Valley). Photo by Steve Schweigerdt, September 2019.

The joy Lorena felt in the Tasmam Kojom meadow is now shared by members of three Native American entities that have received over 8,000 acres of their ancestral homeland back. The Potter Valley Tribe, Pit River Tribe, and the Maidu Summit Consortium all secured land donations and will use the properties to restore their land and culture, as well as invite community members to participate in cultural education and activities. The original owners are demonstrating how they sustainably tended the forests and meadows with Traditional Ecological Knowledge, before they were removed from their land. At the Tasmam Koyóm dedication celebration Maidu Summit Consortium elder Ben Cunningham expressed the importance of the land , “This land ownership

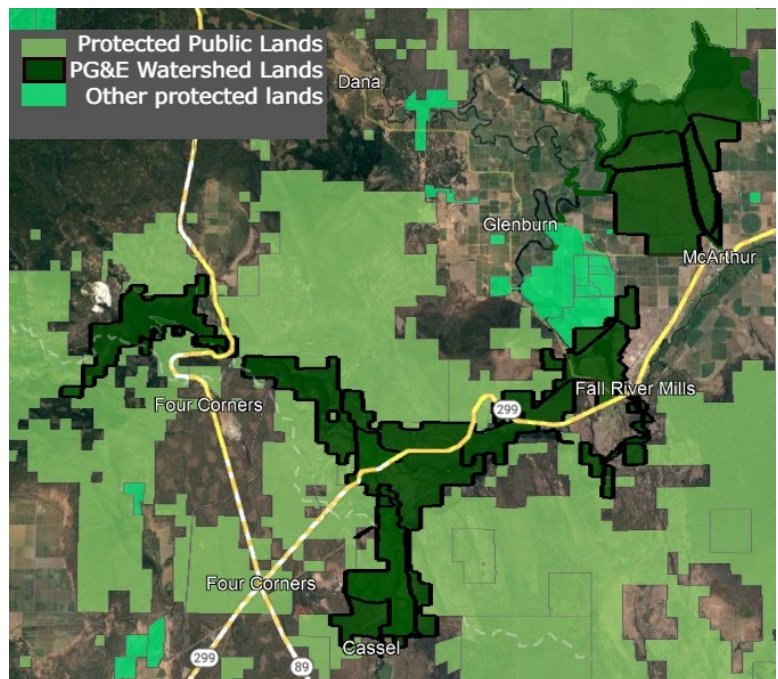
represents our time to honor our ancestors and carry our traditions forward through our children and grandchildren’s children.”

In the forests, new opportunities for research and demonstration projects are guiding statewide efforts to increase wildfire resilience and sustainable forestry practices. CAL FIRE has six new Demonstration State Forests at different elevations and latitudes that fill the gaps in California forest types they need to study. Basic and applied forest research is urgently needed to track, understand and adapt to climate change with actions that promote forest health, reduce the risk of stand-replacing wildfires, avoid or minimize adverse impacts, and take advantage of potential beneficial effects where possible. The UC Berkeley Forest donations created two new research forests where long term monitoring plots have been established and fuels are being thinned.

Rural economies received jolts of investment from the Stewardship Council through Enhancement projects and land protections that draw recreational users and increase sustainability of productive land uses. A massive investment of \$1.6 million in the agricultural area of McArthur Swamp is demonstrating how properly managed grazing can be symbiotic with wildlife habitat in the most productive waterfowl area of Shasta County. New trail systems at Bucks Lake, Fall River Lake, Hat Creek, and Manzanita Lake are attracting recreational users that help support nearby towns that have struggled since lumber mills have been shuttered. New forest owners of timberlands are focused on sustainable harvests and ensuring forests do not build up excess fuel loads. Nearby towns will continue to benefit from the continued recreational uses of the Watershed Lands that are now protected in perpetuity by conservation easements.



Finally, the land itself is now protected – and many of the properties are keystone lands that fill in gaps in the protected landscape, allowing for wildlife migration and continuous open space. Paul Vienneau at SLT speaks to one example, ‘in the area of Fall River Mills and the Hat Creek area, many of the Watershed Lands connect directly with already protected properties. This provides for conservation continuity which allows for larger habitat protection and a more significant environmental impact. The importance of connecting these puzzle pieces together cannot be understated.’ This puzzle piece contributes to the goal established at the state level to conserve 30 percent of California’s land and coastal water by 2030 to combat climate change and declines in global biodiversity. Additionally, President Biden established a national goal to conserve at least 30 percent of U.S. lands and freshwater and 30 percent of U.S. ocean areas by 2030. 140,000 acres protected with perpetual conservation easements and covenants is a big step from this single program.



It's a Wrap

Californians can be proud that our state leadership took initiative to turn PG&E's bankruptcy into an opportunity to conserve the Watershed Lands and invest in rural communities, Native American tribes and young Californians. Seventeen years later, through partnerships requiring creative problem solving, consensus and commitment, we have accomplished that vision. We have preserved 140,000 acres of natural and forested lands, filling in the mosaic of our mountain landscapes with corridors for wildlife, protected watersheds, and places to enjoy nature. We celebrate permanent public access to some of the best places for hiking, boating, fishing, camping, birdwatching and botanizing. And we celebrate the ongoing accomplishments of a startup youth organization, born from the Stewardship Council, that has led to hundreds of young Californians gaining leadership skills and appreciation for the lands of our great state. Congratulations California and the Stewardship Council for a job well done!
