

## FEDERAL ENERGY REGULATORY COMMISSION

Washington, DC 20426

September 23, 2021

## OFFICE OF ENERGY PROJECTS

Project No. 77-298–California  
Potter Valley Project  
Sonoma County Water Agency  
Mendocino County Inland Water  
Agency and Power Commission  
California Trout, Inc.  
County of Humboldt, California  
Round Valley Indian Tribes

VIA Electronic Mail

Mr. Grant Davis  
General Manager  
Sonoma County Water Agency  
[Grant.Davis@scwa.ca.gov](mailto:Grant.Davis@scwa.ca.gov)

**Reference: Request for Abeyance of the Integrated Licensing Process**

Mr. Davis:

On April 6, 2017, Pacific Gas and Electric Company (PG&E) filed a Notice of Intent and Pre-Application Document (PAD) to relicense the Potter Valley Project, which is located on the Eel and East Fork Russian Rivers, in Lake and Mendocino Counties, California. On January 25, 2019, PG&E withdrew its NOI and PAD, indicating it no longer intended to relicense the project. On March 1, 2019, the Commission issued a notice soliciting interest from parties to file NOIs, PADs, and requests to complete the remaining pre-filing stages of the integrated licensing process (ILP). On June 28, 2019, the NOI Parties<sup>1</sup> filed an NOI to file an application for a new license for the project.

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<sup>1</sup> The NOI Parties are proxies for a new Regional Entity that is intended to be the license applicant for the project. The Regional Entity has not yet been formed under California law, but once formed, the Regional Entity would supplant the NOI Parties in this Integrated Licensing Process. The NOI Parties include Mendocino County Inland Water Agency and Power Commission; Sonoma County Water Agency; California Trout, Inc.; County of Humboldt, California; and the Round Valley Indian Tribes.

Project No. 77-298

- 2 -

On September 2, 2021, the NOI Parties filed a request that the Commission place in abeyance the Revised Process Plan and Schedule for the project ILP until May 31, 2022.<sup>2</sup> The NOI Parties state that the abeyance is needed to allow them time to evaluate: (1) funding, (2) how the project would best contribute to a comprehensive strategy to manage the emerging crises in fisheries and water resources management in the Eel and Russian River Basins, and (3) the feasibility of continued diversion for water supply in a license-surrender scenario. The NOI parties would provide further notice regarding their plans to relicense the project at the end of the requested abeyance period.

The current license for the project expires on April 14, 2022. While section 16.25(b)(1) of the Commission's regulations requires a potential applicant to file its license application within 18 months of its NOI, Commission staff waived and extended this timing requirement to April 14, 2022, at the request of the NOI Parties.<sup>3</sup> To avoid issuing annual licenses on a project for which no license application has yet been filed, an abeyance to the Revised Process Plan and Schedule is granted, but only until April 14, 2022, at which time the final license application must be filed. If a final license application is not filed by this due date, the Commission may require PG&E to file a schedule for filing a surrender application in accordance with section 16.25(c)(2) of the Commission's regulations.

In order to keep staff and stakeholders up to date on the NOI Parties' progress, please file a status report on forming the Regional Entity that will be filing the application and a plan for gathering the information needed to support the license application, including completing the required studies, within 60 days from the date of this letter. Please also file an additional progress report by January 31, 2022, if you have not yet formed the Regional Entity by the due date for the first 60-day progress report.

If you have any questions, please contact Quinn Emmering at (202) 502-6382, or via e-mail at [quinn.emmering@ferc.gov](mailto:quinn.emmering@ferc.gov).

Sincerely,



Vince Yearick  
Director  
Division of Hydropower Licensing

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<sup>2</sup> Commission staff issued the Revised Process Plan and Schedule for the NOI Parties' relicensing proceeding on June 3, 2020.

<sup>3</sup> On August 1, 2019, the Commission issued a public notice of the NOI Parties' intent to continue the licensing process initiated by PG&E and file a final license application by April 14, 2022.

Project No. 77-298

- 3 -

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Document Content(s)

P-77-298 Letter Responding to Request for Abeyance.pdf.....1