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Two dams in Northern California could be razed under PG&E plan

By **Kurtis Alexander**, Staff Writer July 25, 2025





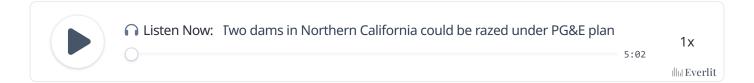






Scott Dam at Lake Pillsbury in Lake County, as photographed on Wednesday. The dam would be removed as part of PG&E's retirement of the Potter Valley Project.

Carlos Avila Gonzalez/S.F. Chronicle



Pacific Gas & Electric Co. submitted a request to federal regulators Friday to tear down an aging hydroelectric project in Mendocino and Lake counties, a <u>\$530 million demolition</u> that would include removal of two dams on the Eel River.

The Potter Valley Project, according to PG&E, is no longer financially fit for power generation. However, the project's greatest asset has become the water it provides, and the beneficiaries of that water, which include cities and towns in Sonoma and Marin counties as well as the region's celebrated grape-growing industry, have been on edge about losing supplies.

The decommissioning plan that PG&E filed with the Federal Energy Regulatory Commission calls for preserving the project's water-delivery system, which those worried about water were hoping for. Under PG&E's proposal, a new agency run by local communities would take over some of the existing project facilities and continue water shipments. The agency, though, wouldn't be able to ship as much water and would likely charge more for it.

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"We are working toward a path that allows this (water) diversion to continue at the same time (as the project's decommissioning)," Tony Gigliotti, PG&E power generation licensing project manager, recently told the Chronicle.

The fate of the power project and future water deliveries in the region is now in the hands of FERC. PG&E doesn't anticipate major problems getting federal approval for its decommissioning plan, but the FERC review is expected to take at least two years and includes public comment. The soonest project demolition might begin would be late 2028.

Some communities, notably in Lake County, have remained outright opposed to PG&E's proposal and will likely continue fighting it through the review process. One concern is the potential loss of

Lake Pillsbury, a recreation spot on the Eel River that would be drained with the removal of the project's Scott Dam.

Conversely, environmental groups, tribes and other communities on the Eel have lauded the decommissioning as a vital river restoration. The dismantling of the 138-foot-high Scott Dam and 63-foot-high Cape Horn Dam downstream would make the Eel the longest free-flowing river in California. As such, struggling salmon and other fish that haven't been able to access the upper reaches of the river because of Scott Dam would benefit from more water and more habitat, advocates say.

The Potter Valley Project is unique among hydroelectric enterprises. Its dams do not generate power but rather help hold and steer water for power production elsewhere, in this case the neighboring Russian River watershed.

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The project works by diverting Eel River flows to a powerhouse in Potter Valley, built in 1908 for electricity for the Ukiah region. The water, after being used for power production, is sent to Lake Mendocino, where it has become a boon for Russian River supplies.

Many utilities in the Russian River basin, including Sonoma Water and Mendocino County Inland Water and Power Commission, have come to depend on Eel River imports as have numerous vineyards in southern Mendocino County and Alexander Valley.

The Eel-Russian Project Authority, formed by the recipients of Eel River water, has been working on a way to continue flows between the basins. The new authority's hope is to build a fish-friendly diversion facility on the Eel to ensure water deliveries after the dams come down.

PG&E's decommissioning plan includes an application for "non-project use of project lands," which would specifically allow the Eel-Russian Project Authority to operate. "It was good to see that they had mention of that in their surrender plan," said Janet Pauli, a member of the authority's governing board. "This is one step in the process, and I'm glad we're here." Sonoma Water, which provides water to more than 600,000 people in Sonoma and Marin counties, also said it was pleased with PG&E's plan. "This was critical," said Don Seymour, the agency's deputy director of engineering. Still, the Eel-Russian Project Authority and the water agencies that rely on Eel River supplies face the challenge of having to import less water in the future under agreements made to protect the Eel. The Eel-Russian Project Authority also has to come up with financing for a new waterdelivery operation, a cost that's likely to be passed on to water users. PG&E began looking to offload the Potter Valley Project about a decade ago, but it didn't find any takers. Citing the high cost of producing power and relatively small amount generated, the utility decided in 2019 to pursue the project's retirement. No power has been produced there since a transformer malfunctioned in 2021.

Many on the Eel River have welcomed PG&E's plans, wanting to see less water taken from the river and the century-plus-old dams come out.

"The Eel River is one of California's best opportunities for wild salmon recovery, and removing Scott and Cape Horn dams is critical to that effort," said Charlie Schneider, Lost Coast Project Manager for California Trout.

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Kurtis Alexander REPORTER







Kurtis Alexander is an enterprise reporter for The San Francisco Chronicle, with a focus on natural resources and the environment. He frequently writes about water, wildfire, climate and the American West. His recent work has examined the impacts of drought, threats to public lands and wildlife, and the nation's widening rural-urban divide.

Before joining the Chronicle, Alexander worked as a freelance writer and as a staff reporter for several media organizations, including The Fresno Bee and Bay Area News Group, writing about government, politics and the environment.

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