

Potter Valley Hydroelectric Project (FERC Project No. 77)

Final Draft License Surrender Application Public Presentation

THE PRESENTATION WILL BEGIN AT 10:05

February 6, 2025
10:00-11:30





Introductions

PG&E Team

Tony Gigliotti, Senior Licensing Project Manager

Janet Walther, Director, Hydro Licensing & Compliance

Kim Ognisty, Senior Counsel, Law Utility Strategy & Operations

Katie Ross-Smith, Stantec

ERPA Representatives

David Manning, Sonoma Water, Environ. Resources Division Mgr.

Janet Pauli, Mendocino Inland Water and Power Commission

Facilitator: Diane Barr, Camas LLC



Today's Presentation Format- TOWN HALL STYLE

The unmute, chat, and hand raise functions are turned off for today's presentation.

If time allows at the end, PG&E will answer questions about:

- FERC Regulatory Surrender Process
- Organization of the Surrender Application
- Opportunities to participate going forward

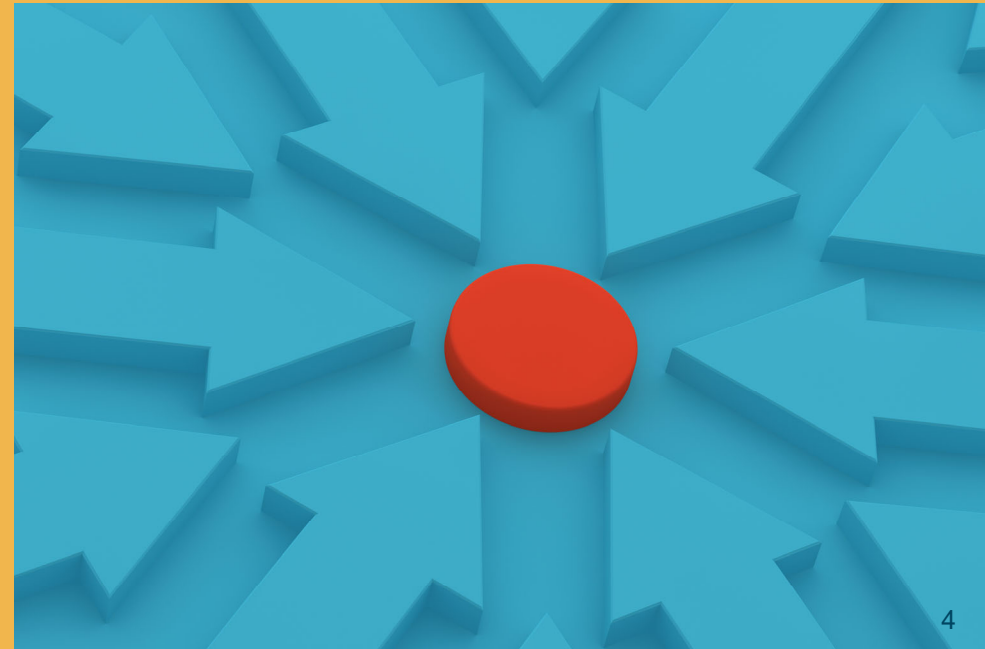
Directions for submitting comments on the Final Draft License Surrender Application will be covered in the presentation.



Meeting Purpose

To share information about Potter Valley Project (FERC # 77)
Final Draft Surrender Application and Decommissioning Plan

- **Regulatory process**
- **Document organization**
- **Opportunities to participate**





Agenda

TOPIC	Presenter
Agenda Review and Safety Moment	<i>Diane Barr/Facilitator</i>
Meeting Overview	<i>Diane Barr/Facilitator</i>
Project Background	<i>Tony Gigliotti/PG&E</i>
FERC Surrender Process	<i>Tony Gigliotti/PG&E</i>
Project Description(s) <ul style="list-style-type: none">• Potter Valley Project Decommissioning• New Eel-Russian Facility	<i>Tony Gigliotti/PG&E</i> <i>David Manning/Sonoma Co. Water</i>
Draft License Surrender Application Review	<i>Tony Gigliotti/PG&E</i>
Timeline and Next Steps	<i>Tony Gigliotti/PG&E</i>
Final Questions and Closing	<i>Diane Barr/Facilitator</i> <i>Tony Gigliotti/PG&E</i>

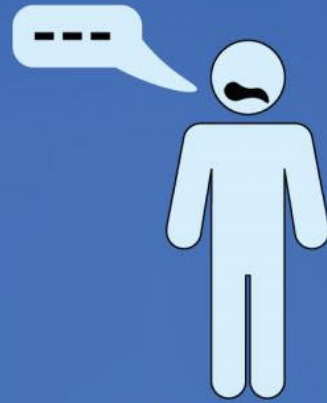
Warning Signs of Hypothermia



Confusion



Shivering



Difficulty
Speaking



Sleepiness



Stiff
Muscles



weather.gov/cold





Meeting Overview: Application Release on 1/31/25

Final Draft Application Access:

- Document Link:

<https://www.pottervalleysurrenderproceeding.com>

- PASSWORD: **PV_Surrender**

30-day Public Comment Period (through 3/3/25)

Email comments to: PVInquiryPGE@pge.com

Mail: Tony Gigliotti
Senior Licensing Project Manager
Power Generation
P.O. Box 28209
Oakland, CA 94604



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Use your camera to
access the LINK.



Application Access and Comments

PG&E Pacific Gas and Electric Company
Potter Valley Project (FERC Project No. 77)
Surrender Application and Decommissioning Plan
Stakeholder Website

Home Documents

Welcome

This website is intended to be an information resource for federal, state, and local agencies; non-governmental organizations; and individual members of the public who may be interested in the surrender and decommissioning of Pacific Gas and Electric Company's (PG&E's) Potter Valley Project (FERC Project No. 77). The website provides documents and material that are specifically related to the surrender and decommissioning proceeding, including documents, information, and contact information for resource agencies and other interested parties. The website will be updated as new information is received.

Please note that the documents page is password protected. The password can be obtained by contacting Tony Gigliotti at Tony.Gigliotti@pge.com.

Potter Valley Project Overview

The Potter Valley Project (Project) is located in northern California, in the Upper Eel River and Russian River watersheds, in Lake and Mendocino counties. The main storage reservoir for the Project, Lake Pillsbury, is formed behind Scott Dam, which is located on the Eel River. Water captured and stored in Lake Pillsbury is released into the Eel River and then captured again in Van Arsdale Reservoir, an approximately 65-acre reservoir formed behind Cape Horn Dam. Water captured in Van Arsdale Reservoir is diverted and conveyed to the Potter Valley Powerhouse, which is located just north of a predominately agricultural area known as the Potter Valley. After generating power, water is discharged via canal into the East Branch Russian River, or into irrigation canals, used by the Potter Valley Irrigation District (PVID) to provide irrigation water to farmers in the Potter Valley. The water discharged to the East Branch Russian River is captured in Lake Mendocino, which is administered by the U.S. Army Corps of Engineers for flood protection, but also stores water used by the Sonoma County Water Agency (SWCA).

Surrender Process Overview

In 2019, PG&E determined that it would be contrary to the best interests of its electric ratepayers to continue relicensing the Project and filed a Notice of Withdrawal of the Notice of Intent (NOI) and Pre-Application Document (PAD) for the Project, both previously filed on April 6, 2017. In response to PG&E's Notice of Withdrawal, on March 1, 2019, the Federal Energy Regulatory Commission (FERC) issued a Notice Soliciting Applications

Process Schedule

Distribution of Final Surrender Application and Decommissioning Plan	Jan 31, 2025
Deadline for Comments	Mar 3, 2025
Consultation with Resource Agencies and Tribes	Mar - Jun 2025
Filing and Distribution Final Surrender Application and Decommissioning Plan with FERC	Jul 29, 2025
Consultation with Resource Agencies and Tribes on Plan and Measures	After Filing

Links

- [PG&E Company Website](#)
- [FERC eLibrary](#)
- [Link to Thursday, Feb 6, 2025 Meeting](#)

STEP 3: Enter in the Password

Guest Area

Please enter the password below.

PV_Surrender

Go



Application Access and Comments

 **Pacific Gas and Electric Company**
Potter Valley Project (FERC Project No. 77)
Surrender Application and Decommissioning Plan
Stakeholder Website

Home Documents

Files & Folders

Search 'Files & Folders'...

<input type="checkbox"/>	Item name ↑	Last updated	↕
<input type="checkbox"/>	 Draft Application for Surrender of License and Application for Non-Project Use of Project Lands 2 items	Feb 3, 2025	⋮
<input type="checkbox"/>	 Initial Draft Surrender Application and Conceptual Decommissioning Plan 1 item	Nov 17, 2023	⋮
<input type="checkbox"/>	 Initial Draft Surrender Application Stakeholder Comments 55 items	Jan 25, 2024	⋮

STEP 4: Select the document



Meeting Overview: Today we will...

- Provide an overview of the Potter Valley Hydroelectric Project history... ***the path to here.***
- Summarize FERC's License Surrender Process
 - Share upcoming milestone dates and opportunities for future engagement
- Describe Final Draft License Surrender Application components
 - Provide guidance for understanding the document
 - Explain why the FERC package includes two applications:
 - ***Surrender Application and Conceptual Decommissioning Plan***
 - ***Non-Project Use of Project Lands Application (water diversion)***



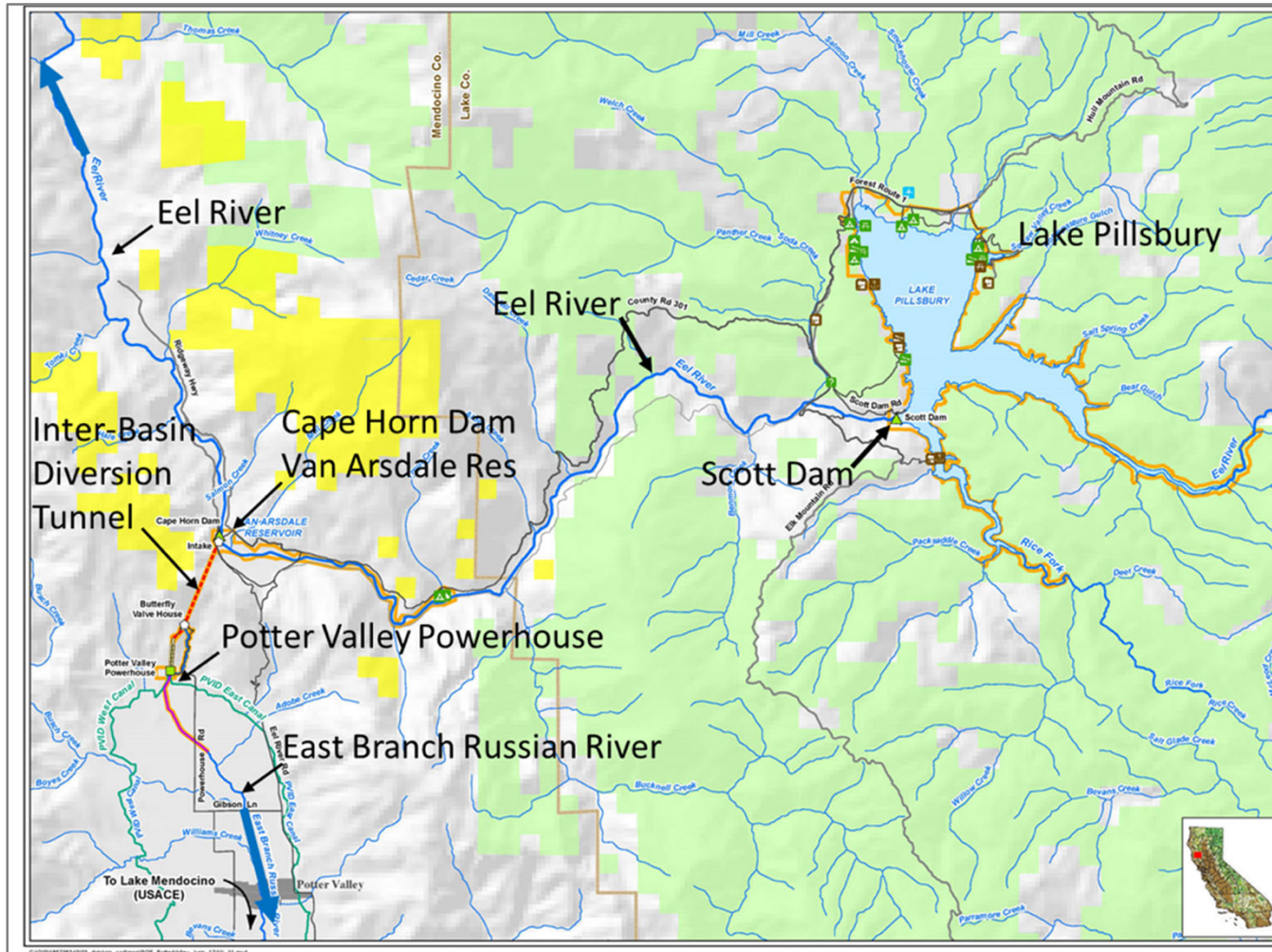
Project Background

The pathway to here





Project Background-Location





Project Background

- **Prior to 2019:** PG&E was working to find a potential new owner of the project and in the process of relicensing
- **January 2019:** Due to not finding a new owner and the project being uneconomical for our customers PG&E informed FERC we would stop the licensing process
- **March 2019-April 2022:** FERC sought potential new licensees through the orphan process
- **May 2022:** FERC requested PG&E submit a Plan and Schedule for the Surrender and Decommissioning Plan
- **June 2022:** PG&E provides an initial Plan and Schedule to FERC; FERC found this schedule acceptable July 2022



Project Background

- **Late 2023:** Two-Basin Partners provided a proposal to PG&E for new diversion facility located at Cape Horn Dam.
- **November 2023:** PG&E released the Initial Draft Surrender Application and Conceptual Decommissioning Plan for public comment.
- **Fall of 2024:** PG&E and the Two-Basin Partners identified a regulatory pathway allowing for construction of a diversion during decommissioning of Cape Horn Dam to minimize construction impacts to the Eel and Russian River Basins.

TWO-BASIN PARTNERS





Project Background

What is Non-Project Use of Project Lands?

- FERC requires a licensee (PG&E) to apply for approval for occupancy of the project lands and waters that is not related to hydroelectric power production
- The application is called: Non-Project Use of Project Lands
- FERC establishes with their approval that the “non-project use” does not impair or impede the project purpose.
- Examples of non-project use: commercial boat marina, non-project recreational facilities, and public water intakes



Project Background: FERC Schedule

PG&E will file with FERC by July 29, 2025:

- Final Surrender Application and Decommissioning Plan
- Non-Project Use of Project Lands (NPUPL) Application



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FERC Surrender Process

What are the elements necessary for FERC to issue a Surrender Order?





Surrender Process (vs Licensing)

Surrender includes:

- Studies are limited to construction related impacts. Scope is focused on short term facility removal.
- Engineering focused with FERC Division of Dam Safety and State Division of Safety of Dams taking primary lead roles.
- Permitting: ESA, Section 106, and 401 certification address construction related impacts.
- No Federal Power Act Mandatory Conditions authority under 4e or 10j.
- FERC cannot deny a surrender because they cannot require an entity to continue to own and operate a project.



FERC Surrender Process and Deliverables

Surrender Application & Decomm Plan

ESA, NHPA S106, CWA 401, USACE

FERC NEPA

FERC Surrender Order

Dam Safety Approvals

FERC Issuance of License Termination




-Exhibit E
-Proposed Measures

01




Federal Permits

02




Evaluating Decomm and NPUPL

03




Details all Conditions for Decomm, Restoration

04



FERC Regional Office/ State Div. DS


05



All Surrender Cond. have been met & permits

06

Other Permits



Applicable State/ Local Permits

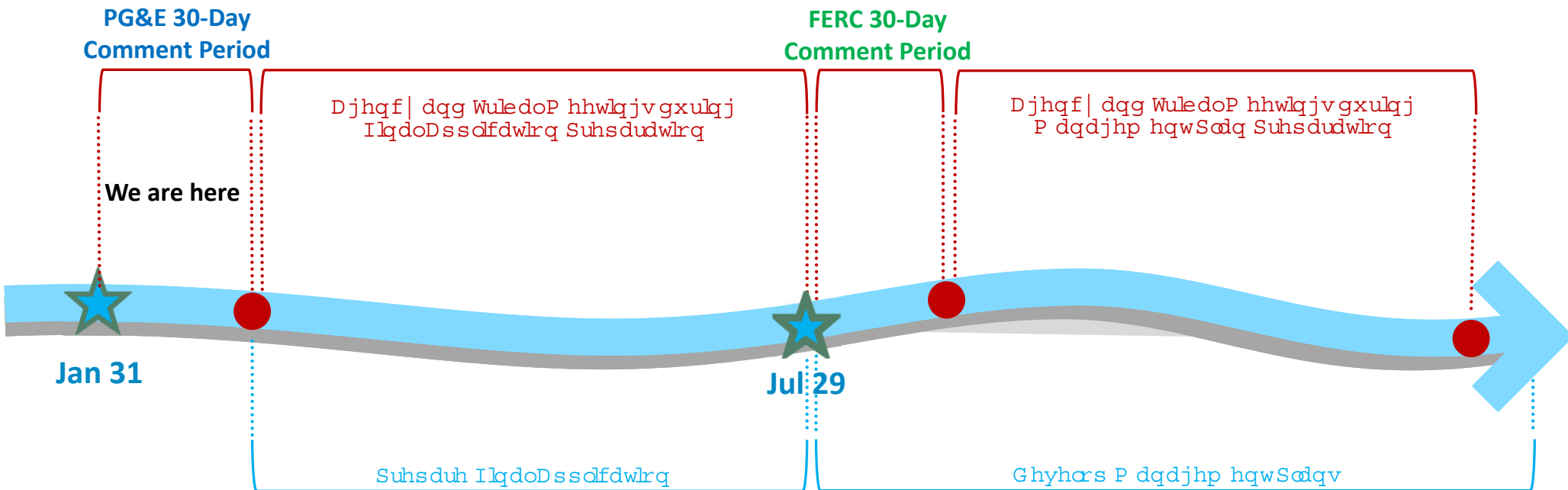


Construction and Restoration





2025 Project Timeline: Participation



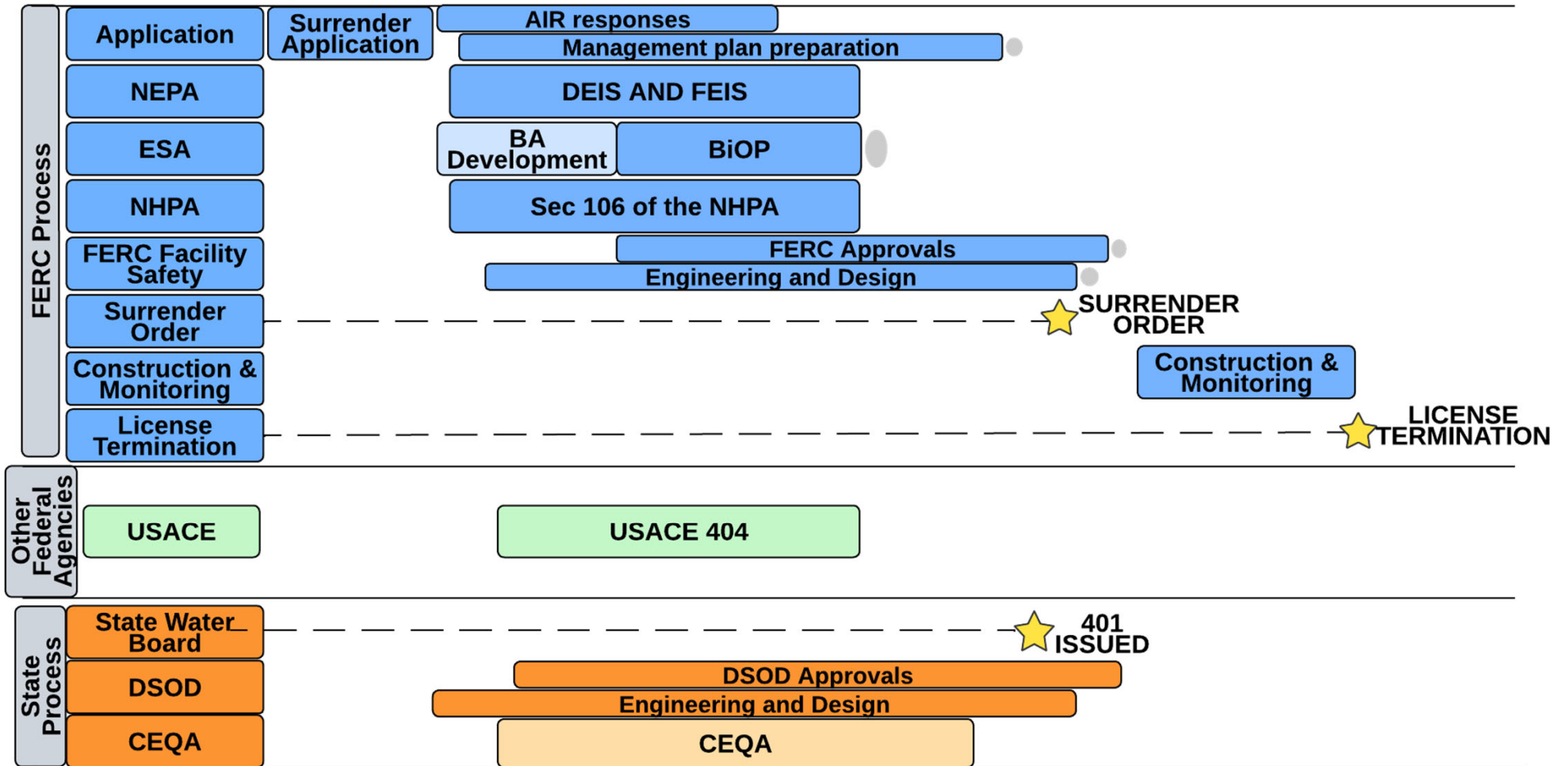
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PG&E's Application and Management Plan Preparation

5359



Project Timeline: Through License Termination



Graphic not to Scale

PG&E Project Description:

- Potter Valley Project Decommissioning





Project Decommissioning Actions

Preparation and Construction

- Preparation for construction: Access upgrades, dam readiness, construction work camp, coffer dam and flow bypass construction at Cape Horn Dam
- Scott Dam removal
- Cape Horn Dam removal
- Removal of Project recreational facilities
- Modification or abandoning in place of underground Project facilities
- Leaving in place Project facility access roads on private lands
- Removal or leaving in place the remaining Project support facilities and features
- Implementation of Construction PM&E Measures and Plans



Project Decommissioning Actions

Post Dam and Facility Removal

- Implementation of restoration and monitoring plans
 - Restoration of Eel River and tributaries in former Lake Pillsbury and Van Arsdale reservoir beds.
 - Revegetation of former reservoir areas.
 - Tributaries impacted by sediment transport
 - Restoration of recreational facilities sites
 - Water quality monitoring
 - Flood prone area monitoring (bridges and other structures)
 - Public safety measures

This is not a complete list.

Additional commitments will also be included through permitting.

Eel-Russian Project Authority Project Description:

- New Eel-Russian Facility

More information can be found here: <https://eelrussianauthority.org>





Eel-Russian Project Authority (ERPA)

The Eel-Russian Project Authority (ERPA) is a joint powers authority formed between the County of Sonoma, Sonoma County Water Agency (Sonoma Water), and the Mendocino County Inland Water and Power Commission.

ERPA's goal is to construct and operate the New Eel-Russian Facility (NERF) at the current location of the Cape Horn Dam facility, to maintain seasonal diversion into the Russian River basin.



RVIT is member of the ERPA Board



New Eel-Russian Facility (NERF)



- “Non-Project Use of Project Lands” in FERC Application
 - Requires FERC approval for use of land
- ERPA will be responsible for construction and operation of NERF
- ERPA will be responsible for obtaining their construction and operations permits
- NERF location is at current diversion (Van Arsdale Reservoir)
- Construction to be coordinated with PG&E’s removal of Cape Horn Dam



New Eel-Russian Facility (NERF) Proposed Action

- Removal/repositioning of sediment to provide construction access
- Construction of the new pump station and ancillary facilities
- Construction of conduit between pump station and the tunnel inlet
- Construction of the concrete retaining wall
- Placement of fill behind the concrete retaining wall
- Installation of an energy dissipation valve and associated instrumentation at the Potter Valley Powerhouse



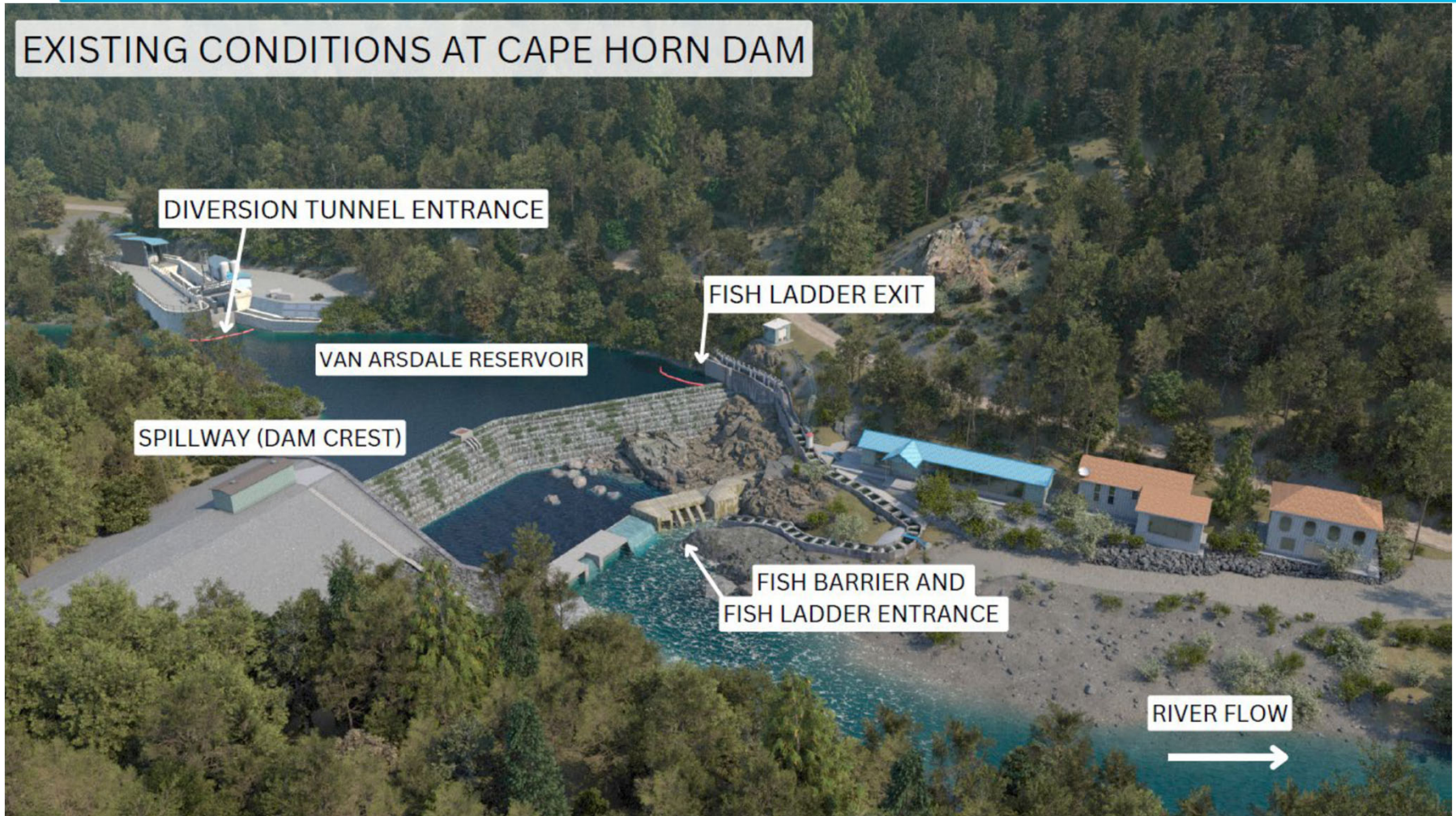
New Eel-Russian Facility (NERF) Proposed Action (cont)

- Construction activities for NERF facilities (i.e., pump station, ancillary facilities and concrete retaining wall and fill) will be completed when the construction area is dewatered for decommissioning of Cape Horn Dam and facilities.
 - Potential effects from installation of cofferdams, dewatering of the construction area, and removal of the coffer dams following construction are not analyzed in NPUPL Application.
- Transfer of facilities and lands occurs after PG&E completes removal of Cape Horn Dam and the coffer dams are removed.



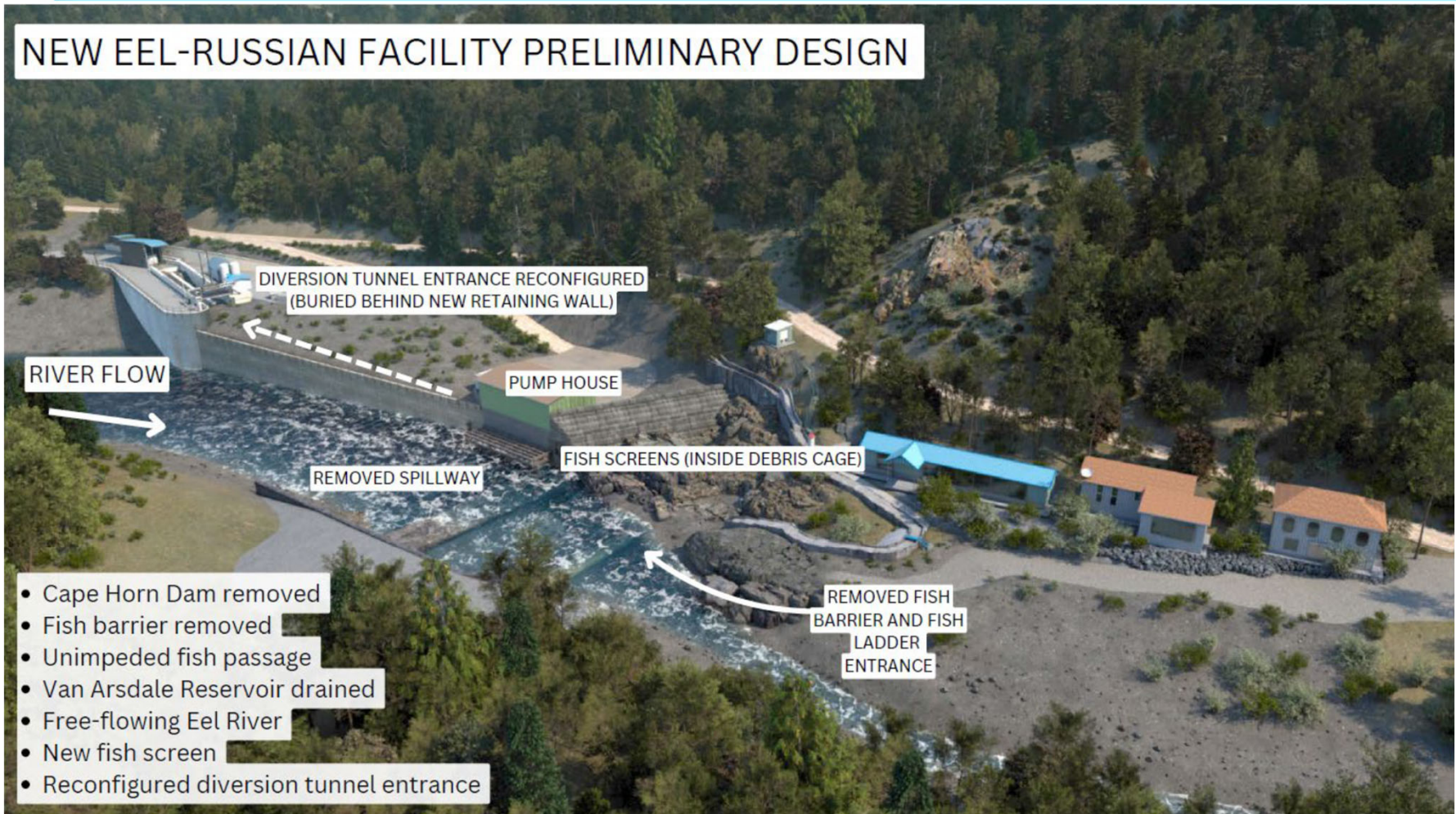
Existing Facilities at Cape Horn Dam

EXISTING CONDITIONS AT CAPE HORN DAM



New Eel-Russian Facility Rendering (Preliminary Design)

NEW EEL-RUSSIAN FACILITY PRELIMINARY DESIGN





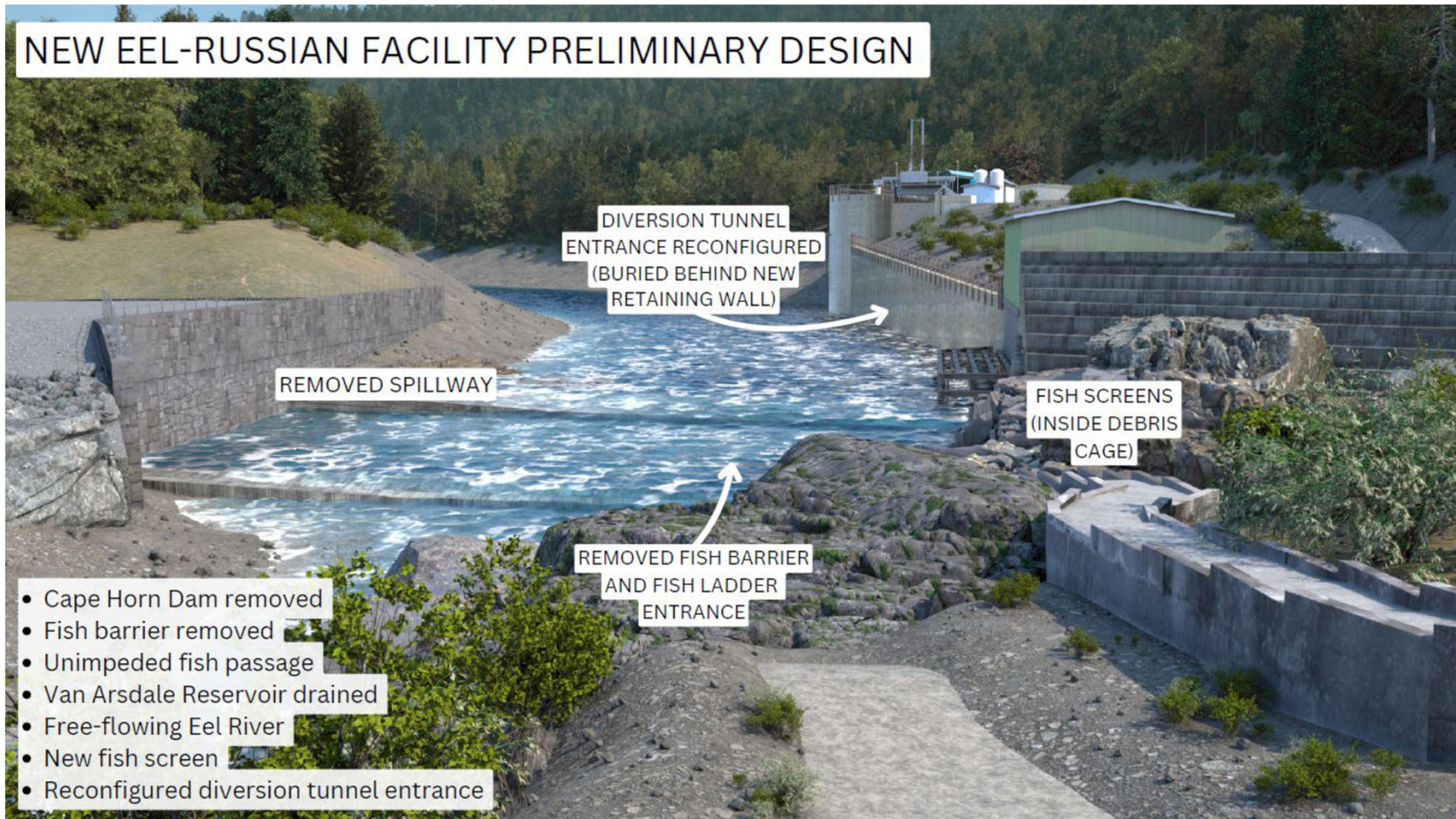
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New Eel-Russian Facility Rendering (Preliminary Design)



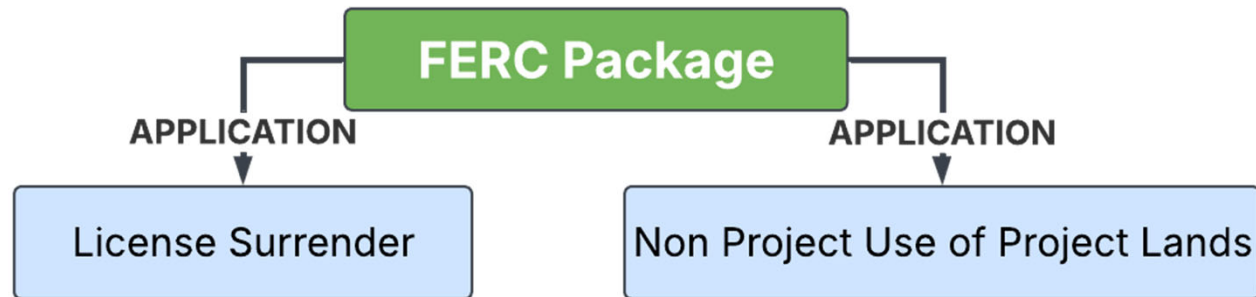
FERC Application

Final Public Surrender and Decommissioning Plan
Non-Project Use of Project Lands





Document Organization and Content



FERC Package Content for both Applications

Volume I

- 1.0 Introduction
- 2.0 Purpose
- 3.0 Regulatory
- 4.0 Consultation
- 5.0 Proposed Action/Alternatives
- 6.0 Recommendations

Volume II

- Exhibit E-Environmental Report
- 1.0 Introduction
- 2.0 Proposed Action/Alternatives
 - Surrender
 - Non-Project Use of Project Lands
 - Environmental Measures
- 3.0 Environmental Analysis



Application Contents – Volume I

Contents of Surrender Application and Non-Project Use of Project Lands Application:

Section 1: Introduction, provides Project background, history and the contents of this submittal to FERC

Section 2: Purpose of the Action, describes the purpose and need for the Surrender Application and for PG&E's request for approval to grant ERPA permission to use Project lands and waters within the Project boundary for the construction of the NERF

Section 3: Regulatory Framework for the Surrender Application and Application of the Non-Project Use of Project Lands, provides a summary of regulations that are relevant to the Project

Section 4: Consultation, provides a description of PG&E's consultation with stakeholders regarding decommissioning of Project facilities and surrender of the license

Section 5: Proposed Action and Alternatives, provides an overview of the No-Action Alternative, PG&E's proposed decommissioning plan and restoration plan, and development of ERPA's NERF facility

Section 6: Conclusions and Recommendations, provides the recommended alternative, unavoidable adverse impacts, recommendations of fish and wildlife agencies, and consistency with comprehensive plans



Application Contents – Volume II (Exhibit E)

Surrender Application and Non-Project Use of Project Lands Application:

Section 1: Introduction, presents the environmental analysis approach for Exhibit E and provides an overview of the Project location

Section 2: Proposed Action and Alternatives, describes the No-Action Alternatives and PG&E's proposal for the license surrender and non-Project use of Project lands.

Section 3: Environmental Analysis, includes the general description of the river basin, the affected environment for environmental and cultural resources, and the environmental effects of the Proposed Action under the license surrender and of the non-Project use of Project lands.

Each Proposed Action has their own separate impact analysis



PG&E's Effects Analysis

The **Effects Analyses** are organized into two primary phases within each resource area:

- **Phase 1: Construction Effects**
 - Dam Removal
 - Recreation Facility/ Ancillary Facility/Feature Removal
- **Phase 2: Post-Facility Removal Effects**
 - Phase 2a: Initial Condition and Preliminary Restoration
 - Phase 2b: Resulting Condition and Restoration



PG&E's Effects Analysis

Phase 1: Construction Effects

- Temporary effects that may occur during construction
- Includes Analysis of Effects from:
 - Site Preparation
 - Site Access Improvements
 - Diversion, Dewatering, and Drawdown
 - Decommissioning Diversions
 - Removal of Dams



PG&E's Effects Analysis

Phase 2: Post-Facility Removal Effects

- Physical changes that occur following removals of the dams and recreation facilities/ancillary facilities that have the potential to affect environmental and cultural resources.
- Includes Analysis of Effects from:
 - Sediment Release and Water Quality
 - Changes from Reservoir to River
 - Resulting Hydrology
 - Restoration Activities



Phase 2a: Initial Condition and Preliminary Restoration

- Analysis of initial temporary physical conditions that will occur immediately following dam and ancillary/recreation facility removal until water quality and sediment transport return to natural conditions.
 - Initial physical conditions, such as pulse hydrology, initial release of stored water and hydrology, sediment load/deposition after initial sediment release, sediment deposition downstream from the dams, continued degraded water quality and sediment deposition, and ground disturbance during initial restoration activities.



PG&E's Effects Analysis

- **Phase 2b: Resulting Condition and Restoration**
 - *Physical conditions* after water quality and sediment transport return to natural conditions, including unimpaired hydrology, water quality, and sediment processes.



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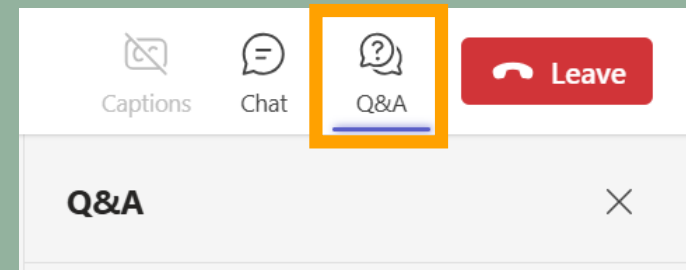


Q&A Session

Q&A for this presentation has been enabled.

PG&E will field questions about:

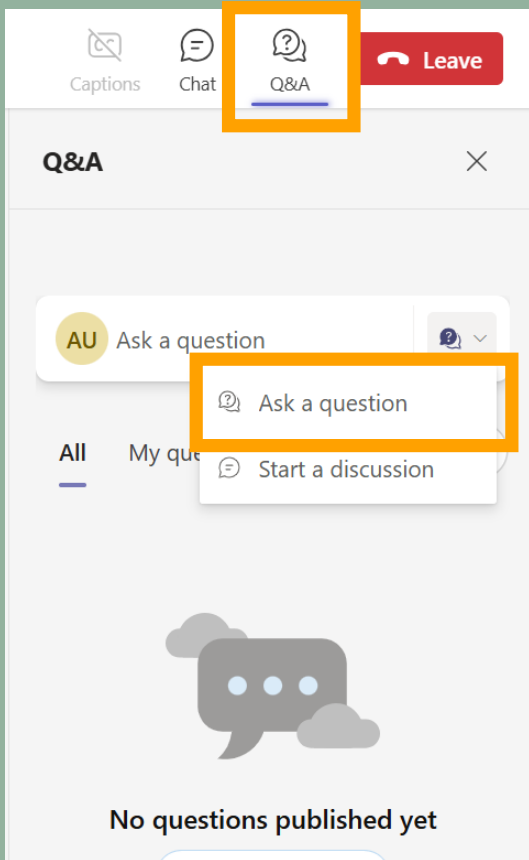
- FERC Regulatory Surrender Process
- Organization of the Surrender Application
- General questions on the information presented
- Opportunities to participate



Questions on other topics will not receive a response



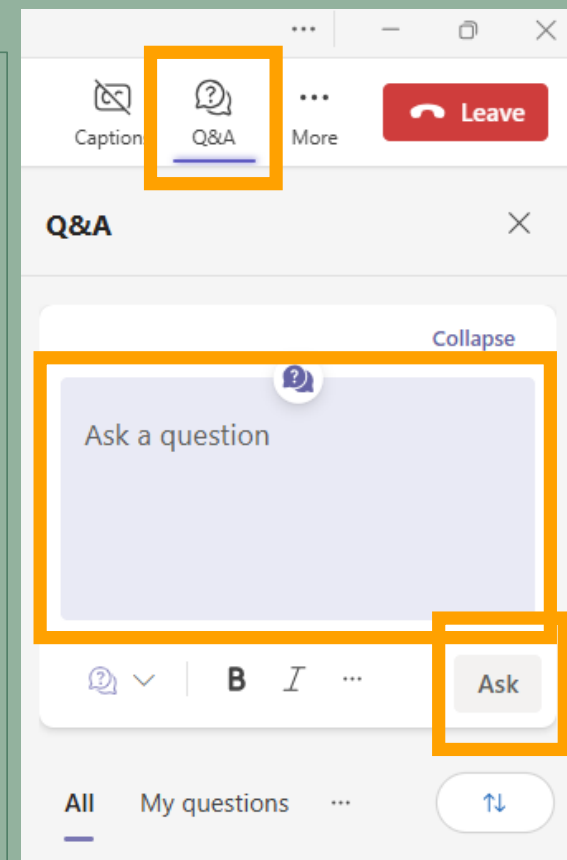
How to Submit Q&A



To submit a question, click “Q&A” at the top, select “Ask a question”, and type your question in the box.

When you are ready to submit your question to PG&E, click “Ask”.

“Start a Discussion” is not functioning



To assist the moderators, please refrain from submitting general comments.

Potter Valley Hydroelectric Project (FERC Project No. 77)

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