



**COUNTY OF LAKE
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March 3, 2025

Tony Gigliotti
Senior Licensing Project Manager
Power Generation
12840 Bill Clark Way
Auburn, CA 95602

**RE: County of Lake Comments on Pacific Gas & Electric Company's (PG&E's) Draft
Application for Surrender of License and Application for Non-Project Use of Project Lands**

Dear Mr. Gigliotti and PG&E Staff:

The County of Lake hereby submits the following comments to PG&E's Draft Application for Surrender of License and Application for Non-Project Use of Project Lands (hereinafter, "Draft Application"). Despite submitting its initial comments on or about December 5, 2023 and several requests to engage in good-faith substantive discussions with your representatives, the County of Lake continues to have significant concerns over the lack of demonstrated Lake County-focused consideration in this Draft Application.

We note the County of Lake received this Draft Application the afternoon of January 31, 2025, with a deadline to submit comments by March 3, 2025. This provided the parties less than twenty-one (21) business days to submit substantive comments on a 2,086 page document. We also note that despite being unwilling to accommodate extension requests from other parties, PG&E unilaterally extended its own deadline to submit this Draft Application by six (6) days. PG&E is willing to permit such extensions for its own submittals, but has not allowed reasonable time for other parties to respond.

Absent such an extension to submit comments, the County of Lake is left to deal with broad categories addressed in this Draft Application. Section 6.3 of the Draft Application references "unavoidable adverse effects" of the proposed construction and deconstruction of project facilities and post-facility removal. First, these effects result from PG&E-determined action, and many are avoidable only to the extent PG&E does not wish to make the investments needed to cover these costs, or explore alternatives.

Under Section 6.3, unavoidable adverse effects to the water, fish, soil, wildlife, and other categories are left without any proposed mitigation measures. PG&E appears content to rely on alleged long-term beneficial effects of this decommissioning plan for a few of these categories. Furthermore, PG&E fails to provide estimated short-term or long-term timelines for these unavoidable adverse effects for any of these categories.

The lack of proposed measures to resolve these unavoidable adverse effects is of significant concern for the County of Lake and its residents. An example of this is the failure to address the debris and sediment issues largely ignored under Sections 6.2.1.1 and 6.3.1.2 of the Draft Application. These sections fail to propose any measure to resolve the anticipated large portion of the 115,000 cubic yards of total dam materials and 21-35 million cubic yards of sediment may be effectively dumped in Lake County for an undetermined period.

Further, PG&E's recent Draft Application continues to very narrowly construe the area that will be affected by Decommissioning of the dam; as a result, impacts are dramatically underestimated. The rushed nature of this process and lack of due consideration for very serious concerns expressed thus far underscore a need for regulatory authorities, including FERC and the State Water Resources Control Board, to assert their oversight responsibilities, and ensure the network of potential effects to California residents and all federal taxpayers are duly considered. PG&E underestimating impacts and leaving others to pick up the pieces, potentially in the face of environmental disaster, is unacceptable.

As stated in our December 5, 2023 comments, proceeding with decommissioning presents serious risks that cannot be adequately addressed on the rapid timeline PG&E has proposed, including the following:

- The precedent of allowing a private/shareholder-owned Public Utility to fundamentally alter the character of a community without robustly consulting its residents and **ensuring** any plan **at a minimum** keeps affected property owners whole should be deeply troubling to California residents, and particularly those in rural communities – submitting a plan to FERC without such considerations would essentially be asking the regulatory body to prioritize the Utility's bottom line over the well-being and economic resiliency of these private property owners (*many of whom are PG&E ratepayers*) – the implications of this could be far-reaching;
- **600,000 Californians are reliant on water managed by the Potter Valley Project**, spanning Lake, Mendocino, Sonoma and Marin counties, and existing climate modeling suggests there **may not be water to divert in up to 8 of 10 years if decommissioning proceeds – this is a serious gamble with California's water supply**;
- Less than 10 years ago (2014), **67% of California voters voiced their support for \$2.7 billion in new spending on water storage**, in the interest of increasing California's drought resiliency, and Governor Newsom's Executive Order N-16-25 recently reinforced the need to store stormwater – yet, refurbishing Scott Dam as a statewide water supply security matter has been given shockingly minimal consideration;
- **Costs related to dam removal have consistently been minimized in FERC and other proceedings**, generating momentum and multi-faceted planning for an uncertain future – if removal of Scott Dam necessitates construction of new storage assets, how do we count those costs, and what responsibilities do PG&E and regulatory agencies bear?;
- **Two of the largest wildfire events in Lake County's history were in the Lake Pillsbury area**, and the physical barrier and immediate access to water the lake provided were crucial to suppression efforts. **What if Lake Pillsbury was not there in 2018 and 2020?** The probability of small, lightning-caused fires resulting in large-scale wildfire events is among many facets under considered in PG&E's application; and
- **The mischaracterizations and inaccuracies pertaining to the economic impacts of PG&E's proposal are demonstrative of PG&E's failure to engage on these matters.** 3.4.1.14-26 provides baseless claims that the potential loss of property tax revenue associated with the Lake Pillsbury area is at \$85,000. This does not even account for the property taxes paid by PG&E in the project area, let alone private landowners. In fact, the total loss of revenue in the area could conservatively approach or exceed 10 times this amount.

As you will appreciate, the continued lack of substantive attention to Lake County's concerns in PG&E's Draft Surrender Application, despite our attempts to engage in good faith, does little to inspire confidence the County's interests, and those of residents and property owners in the area, will receive appropriate attention. In addition to the substantive concerns described here, please find further comments and technical review in the attached document, prepared by SLR International Corporation.

Sincerely,

Chair
Lake County Board of Supervisors
COUNTY OF LAKE