

PUBLIC UTILITIES COMMISSION

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August 16, 2019

Chairman Neil Chatterjee and Commissioners
Federal Energy Regulatory Commission
888 First St NE
Washington, DC 20426

Subject: Joint Application for Approval of License Amendment and License Transfer; Lower Klamath Project P-14803

Dear Commissioners:

We write this letter in support of Klamath River Renewal Corporation's ("KRRC") transfer application for the Klamath Hydroelectric Project from PacifiCorp, the present license-holder, to KRRC.

California, along with the other states, has dedicated significant time and resources to this long-term project over the last decade. KRRC's Amended Settlement Agreement ("KHS") was approved by the California Public Utilities Commission ("CPUC") in 2017 in Decision ("D.") 17-11-019. The CPUC has found that this project is in the interests of PacifiCorp customers. The CPUC recently granted a two-year extension of the funding agreement. Consistent with the steps California has taken to advance this project, we support approval of KRRC's hydroelectric transfer application to allow the project to go forward.

In March 2018, the Federal Energy Regulatory Commission ("FERC") approved the application to amend the license for the existing Klamath Project to create the new Lower Klamath Project. The FERC separated the amendment application from the application to transfer the Lower Klamath Project to the Renewal Corporation, which was deferred until now.

As the FERC noted in its Order Amending License and Deferring Consideration of Transfer Application, the FERC has held that a transfer may be approved on a showing that the transferee is qualified to hold the license and operate the project, and that a transfer is in the public interest. The FERC noted that transferring a project to a newly formed entity for the purpose of decommissioning and dam removal raises unique public interest concerns, specifically whether the transferee will have the legal, technical, and

financial capacity to safely remove project facilities and adequately restore project lands. KRRC's license transfer application now before you presents the FERC the opportunity to perform that evaluation.

Now that the KRRC has submitted the transfer application, we would like to express our continued support of the project and encourage the FERC to review the application as expeditiously as possible. The CPUC does not have a formal role in reviewing or approving the transfer application. However, our staff review indicates that the application appears consistent with the capabilities that the dam removal entity must possess as listed in Section 7.1.2 of the Klamath Hydroelectric Settlement Agreement. We are impressed by the completeness of the transfer application and hope that FERC will complete its review as soon as possible.

Thank you for your consideration of this letter.

Sincerely,

MICHAEL PICKER

President

LIANE M. RANDOLPH

MARTHA GUZMAN ACEVES

CLIFFORD RECHTSCHAFFEN

GENEVIEVE SHIROMA

Commissioners