

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Pacific Gas and Electric Company)	Project Nos.	77, 96, 137,
)		175, 233, 606,
Pacific Generation LLC)		619, 803, 1061,
)		1121, 1354, 1962,
)		1988, 2105, 2106,
)		2107, 2130, 2310,
)		2661, 2687, 2735 & 14531

**JOINT APPLICATION FOR APPROVAL OF
TRANSFER OF LICENSES**

Pursuant to section 8 of the Federal Power Act (FPA)¹ and Part 9 of the regulations of the Federal Energy Regulatory Commission (FERC or Commission),² Pacific Gas and Electric Company (PG&E) and Pacific Generation LLC (Pacific Generation) hereby file this Joint Application for Approval of Transfer of Licenses (Application), which seeks Commission approval to transfer the following licenses from PG&E to Pacific Generation:

Potter Valley Hydroelectric Project, FERC Project No. 77
Kerckhoff Hydroelectric Project, FERC Project No. 96
Mokelumne River Hydroelectric Project, FERC Project No. 137
Balch Hydroelectric Project, FERC Project No. 175
Pit 3, 4, at 5 Hydroelectric Project, FERC Project No. 233
Kilarc-Cow Creek Hydroelectric Project, FERC Project No. 606
Bucks Creek Hydroelectric Project, FERC Project No. 619 (partial transfer)³
DeSabra-Centerville Hydroelectric Project, FERC Project No. 803

¹ 16 U.S.C. § 801.

² 18 C.F.R. § 9.1 *et seq.*

³ PG&E is co-licensee with the City of Santa Clara, California (Santa Clara), of the Bucks Creek Hydroelectric Project. *See Pac. Gas & Elec. Co.*, 179 FERC ¶ 61,202, *on reh'g*, 180 FERC ¶ 61,177 (2022). Accordingly, this Application seeks a partial transfer of the license for the Bucks Creek Hydroelectric Project from PG&E and Santa Clara, as co-licensees, to Pacific Generation and Santa Clara, as co-licensees.

Phoenix Hydroelectric Project, FERC Project No. 1061
Battle Creek Hydroelectric Project, FERC Project No. 1121
Crane Valley Hydroelectric Project, FERC Project No. 1354
Rock Creek-Cresta Hydroelectric Project, FERC Project No. 1962
Haas-Kings River Hydroelectric Project, FERC Project No. 1988
Upper North Fork Feather River Hydroelectric Project, FERC Project No. 2105
McCloud-Pit Hydroelectric Project, FERC Project No. 2106
Poe Hydroelectric Project, FERC Project No. 2107
Spring Gap-Stanislaus Hydroelectric Project, FERC Project No. 2130
Upper Drum-Spaulding Hydroelectric Project, FERC Project No. 2310
Hat Creek Hydroelectric Project, FERC Project No. 2661
Pit 1 Hydroelectric Project, FERC Project No. 2687
Helms Pumped Storage Project, FERC Project No. 2735
Lower Drum-Spaulding Hydroelectric Project, FERC Project No. 14531

The license transfers applied for in this Application are part of a broader corporate reorganization being undertaken to facilitate raising equity for PG&E's utility needs.

Under this reorganization, Pacific Generation will assume ownership of substantially all of PG&E's non-nuclear generation assets, including the hydropower projects identified in this Application.⁴ PG&E has designed this corporate restructuring to ensure that transferee Pacific Generation is well qualified to hold the licenses for these projects. In particular, PG&E—a well-financed, experienced owner and operator of one of the largest hydroelectric fleets in the United States—will remain the majority and controlling owner of Pacific Generation. Moreover, PG&E employees, many of whom have decades of experience operating and maintaining the projects, will continue to operate and maintain the assets, as well as dispatch and schedule the generation output as part of an integrated resource portfolio—just as they do today.

⁴ Two FERC-licensed hydroelectric projects owned by PG&E are not included in this Application because the facilities are in the process of being conveyed to third parties: (1) Tule River Hydroelectric Project, FERC Project No. 1333; and (2) Deer Creek Hydroelectric Project, FERC Project No. 14530, which includes facilities licensed as part of the Drum-Spaulding Hydroelectric Project. On November 18, 2021, the Commission issued an order approving the transfer of the Deer Creek facilities to Nevada Irrigation District. *Pac. Gas & Elec. Co.*, 177 FERC ¶ 61,111 (2021).

For these reasons, the license transfers sought herein are in the public interest and should be approved.

I. BACKGROUND

A. Description of Licenses Proposed for Transfer to Pacific Generation

1. Potter Valley Hydroelectric Project, FERC Project No. 77

The Potter Valley Hydroelectric Project is a 9.4-megawatt (MW) project located on the Eel River and the East Branch Russian River in Mendocino and Lake Counties, California.⁵ The project's facilities are located on private land and federal land administered by the U.S. Department of Agriculture, Forest Service (USFS), located within the Mendocino National Forest.⁶ The project's principal facilities include two reservoirs, two dams, and a tunnel and penstock conveying water to the project's powerhouse located in the headwaters of the East Branch of the Russian River Basin.⁷

In 1983, the Commission issued a new license for the continued operation and maintenance of the project, with a license term expiring on April 14, 2022.⁸ On January 25, 2019, PG&E notified the Commission that it did not intend to relicense the project.⁹ On July 8, 2022, in response to Commission staff's direction,¹⁰ PG&E filed a plan and schedule for filing an application to surrender the project license.¹¹ As required by FPA

⁵ *Pac. Gas & Elec. Co.*, 25 FERC ¶ 61,010, at p. 61,053 (1983).

⁶ *Id.* at p. 61,059.

⁷ *Id.*

⁸ *Id.*; *Pac. Gas & Elec. Co.*, 106 FERC ¶ 61,065, at P 2 n.1 (2004).

⁹ Notice of Withdrawal of Notice of Intent to File License Application and Pre-Application Document, Project No. 77-000 (filed Jan. 25, 2019).

¹⁰ Letter from Shana Wiseman, FERC, to Jan Nimick, PG&E, Project No. 77-000 (issued May 11, 2022).

¹¹ Letter from Janet Walther, PG&E, to Kimberly D. Bose, FERC, Project No. 77-164 (filed July 8, 2022).

section 15(a)(1), on April 21, 2022, the Commission issued an annual license to PG&E for the continued operation and maintenance of the project “until such time as the Commission orders disposition of the project.”¹²

2. Kerckhoff Hydroelectric Project, FERC Project No. 96

The Kerckhoff Hydroelectric Project is a 162.72 MW project¹³ located on the San Joaquin River in Fresno and Madera Counties, California, and consists of two developments: Kerckhoff No. 1 and Kerckhoff No. 2.¹⁴ The project’s facilities are located on private land that is primarily owned by PG&E, and on public land under the jurisdiction of the U.S. Department of Agriculture, Forest Service (USFS), and the U.S. Department of the Interior, Bureau of Land Management (BLM) within the Sierra National Forest.¹⁵ The principal facilities of the Kerckhoff No. 1 project include a reservoir, dam, tunnel, two penstocks, two transformer banks, and a powerhouse. The principal features of the Kerckhoff No. 2 project include a concrete intake structure, tunnel, surge shaft and penstock, and an underground powerhouse.

The Kerckhoff No. 1 Powerhouse and associated facilities were constructed in 1910 and first licensed by the Federal Power Commission (FPC), the predecessor agency to FERC, in 1922.¹⁶ The license was transferred to PG&E in 1930, and PG&E constructed the Kerckhoff No. 2 Powerhouse and associated facilities in 1983.¹⁷ FERC

¹² Notice of Authorization for Continued Project Operation, at P 2, Project No. 77-298 (issued Apr. 21, 2022).

¹³ *Pac. Gas & Elec. Co.*, 143 FERC ¶ 62,034 (2013) (amending authorized capacity to 162,720 kW).

¹⁴ *Pac. Gas & Elec. Co.*, 9 FERC ¶ 61,139, at p. 61,276 (1979).

¹⁵ See PG&E’s Pre-Application Document, at p. 1-1, Project No. 96-045 (filed Nov. 16, 2017) (hereinafter referred to as the Kerckhoff PAD).

¹⁶ *Pac. Gas & Elec. Co.*, 9 FERC ¶ 61,139, at p. 61,276 (1979).

¹⁷ See Kerckhoff PAD, at p. 4–7.

issued the current license for the project on November 8, 1979, with a license term expiring on November 30, 2022.¹⁸ PG&E filed a Final License Application for a new license on November 24, 2020, which included a proposal to remove the Kerckhoff No. 1 powerhouse from the license.¹⁹

3. Mokelumne River Hydroelectric Project, FERC Project No. 137

The Mokelumne River Hydroelectric Project is a 206 MW project located on the Mokelumne River, North Fork River, and Bear River, and tributaries of the North Fork in Alpine, Amador, and Calaveras Counties, California, in the Sierra Nevada Mountain range.²⁰ Parts of the project are located on federal lands administered by the USFS within the Stanislaus and Eldorado National Forests and on other federal lands administered by BLM.²¹ The project's principal facilities include seven storage reservoirs, four powerhouses, and numerous diversions and conduits.²²

The FPC issued an original license for the project on November 24, 1925.²³ Following expiration of the original license in 1975, the project operated under annual licenses until FERC issued a new license on October 11, 2001.²⁴ The current license will expire on September 30, 2031.²⁵

¹⁸ *Pac. Gas & Elec. Co.*, 9 FERC ¶ 61,139, at p. 61,278.

¹⁹ *See* Final License Application for Relicense, PG&E, Project No. 96-048 (filed Nov. 24, 2020).

²⁰ *Pac. Gas & Elec. Co.*, 97 FERC ¶ 61,031, at p. 61,087 (2001).

²¹ *Id.*

²² *Id.* at p. 61,102.

²³ Sixth Ann. Rpt. of the Federal Power Comm'n, at p. 238 (1926).

²⁴ *Pac. Gas & Elec. Co.*, 97 FERC ¶ 61,031.

²⁵ *Id.* at p. 61,101.

4. Balch Hydroelectric Project, FERC Project No. 175

The Balch Hydroelectric Project is a 130.5 MW project located on the North Fork Kings River in Fresno County, California, and occupies lands administered by the USFS within the Sierra and Sequoia National Forests.²⁶ The project's principal facilities include one diversion dam, two reservoirs, a tunnel, two penstocks, two powerhouses containing three generating units, a switchyard, and transmission facilities.²⁷

The original license for the Balch Project was issued on July 28, 1922 and expired on July 27, 1972.²⁸ PG&E received a new license for the project on April 18, 1980.²⁹ On April 19, 2021, PG&E filed with the Commission a Notice of Intent to relicense the project.³⁰ PG&E is currently engaged in the license application pre-filing process to prepare and submit a new application for the project no later than April 30, 2024.

5. Pit 3, 4, and 5 Hydroelectric Project, FERC Project No. 233

The Pit 3, 4, and 5 Hydroelectric Project is a 312.33 MW project located on the Pit River in Shasta County, California, and occupies lands administered by the USFS within the Shasta National Forest.³¹ The project's principal facilities consist of three developments, with a total of four dams, four reservoirs, and three powerhouses.³²

The FPC issued original licenses to Mount Shasta Power Corporation for the Pit

²⁶ *Pac. Gas & Elec. Co.*, 11 FERC ¶ 62,040, at p. 63,069 (1980).

²⁷ *Id.* at p. 63,069.

²⁸ *Id.*; Third Ann. Rpt. of the F.P.C. 260 (1922).

²⁹ *Pac. Gas & Elec. Co.*, 11 FERC ¶ 62,040 (1980).

³⁰ Request to Use the Traditional Licensing Process, PG&E, Project No. 175-029 (filed Apr. 19, 2021).

³¹ *Pac. Gas & Elec. Co.*, 120 FERC ¶ 62,001, at p. 64,001 (2007).

³² *Id.* at p. 64,002.

Nos. 3 and 4 developments on October 23, 1923, and August 3, 1926, respectively.³³ The licenses were transferred to PG&E and consolidated into a single license with the Pit No. 5 development.³⁴ That license expired in 1973, and the project operated under annual licenses until a new license was issued to PG&E on February 26, 1981, with an expiration date of October 31, 2003.³⁵ PG&E again operated under an annual license until July 2, 2007, when FERC issued a new license for the project.³⁶ The current license will expire on June 30, 2043.³⁷

6. Kilarc-Cow Creek Hydroelectric Project, FERC Project No. 606

The Kilarc-Cow Creek Hydroelectric Project is a 5 MW project located on South Cow Creek and Old Cow Creek in Shasta County, California, and consists of two developments, Kilarc and Cow Creek.³⁸ The Kilarc development diverts water from North and South Canyon Creeks and Old Cow Creek, and the Cow Creek development diverts water from Mill Creek and South Cow Creek.³⁹ The Kilarc development consists of multiple canals, dams, and the Kilarc Powerhouse.⁴⁰ The Cow Creek development also consists of multiple canals and dams, as well as the Cow Creek Powerhouse.⁴¹

The original, minor part license for the project expired in 1977 and FERC issued a

³³ *Pac. Gas & Elec. Co.*, 14 FERC ¶ 61,179, at p. 61,323 (1981).

³⁴ *Id.*

³⁵ *Id.*

³⁶ *Pac. Gas & Elec. Co.*, 120 FERC ¶ 62,001 (2007).

³⁷ *Id.* at p. 64,819.

³⁸ *Pac. Gas & Elec. Co.*, 14 FERC ¶ 62,112, at p. 63,155 (1980).

³⁹ *Id.* at p. 63,156.

⁴⁰ *Id.*

⁴¹ *Id.*

new license for the project in 1980.⁴² The new license expired on March 27, 2007, and PG&E filed a license surrender application on March 12, 2009.⁴³ As of the date of this Application, the surrender application remains pending before the Commission and PG&E continues to operate the project under an annual license.

7. Bucks Creek Hydroelectric Project, FERC Project No. 619

The Bucks Creek Hydroelectric Project is an 84.8 MW project licensed to PG&E and the City of Santa Clara, California, (City) as co-licensees.⁴⁴ The project is located on Bucks Creek, Grizzly Creek, and Milk Ranch Creek, and their tributaries in Plumas County, California.⁴⁵ The project consists of two developments, Bucks Creek and Grizzly,⁴⁶ and the project's principal facilities and features include four dams, two powerhouses, two power tunnels, and several recreation sites.⁴⁷ The project occupies private lands and federal land administered by the USFS within the Plumas National Forest.⁴⁸

The FPC issued a new license for the project to PG&E on December 19, 1974, with an expiration date of October 31, 2004.⁴⁹ On April 29, 1988, the Commission issued an order amending the license to authorize the construction of a new powerhouse as part of the Grizzly development, and extending the license term to December 31,

⁴² *Id.*

⁴³ License Surrender Application, PG&E, Project No. 606-027 (filed Mar. 12, 2009).

⁴⁴ *Pac. Gas & Elec. Co.*, 179 FERC ¶ 61,202 (2022).

⁴⁵ *Id.* at P 1.

⁴⁶ *Id.* at P 10.

⁴⁷ *Id.*

⁴⁸ *Id.* at P 1.

⁴⁹ *Pac. Gas & Elec. Co.*, 52 F.P.C. 1898, 1898 (1974).

2018.⁵⁰ On July 10, 1990, the license was amended again to add the City as a co-licensee.⁵¹ The Commission issued a new 50-year license for the project on June 16, 2022.⁵²

8. DeSabra-Centerville Hydroelectric Project, FERC Project No. 803

The DeSabra-Centerville Project has an installed capacity of 26.65 MW and is located on the West Branch Feather River and Butte Creek tributaries in Butte County, California.⁵³ The project occupies private lands and federal lands administered by the USFS within the Lassen National Forest, as well as additional federal lands under the administration of BLM.⁵⁴ The project includes three developments, Toadtown, DeSabra, and Centerville, and two storage reservoirs in the upper West Branch Feather River watershed.⁵⁵

On June 12, 1980, the Commission issued PG&E a license for the project, which expired on October 11, 2009.⁵⁶ On March 2, 2017, the Commission issued an order disallowing PG&E's withdrawal of an application for a new license,⁵⁷ and on June 16, 2017, Commission staff approved PG&E's draft plan and proposed schedule for the sale and transfer of the project.⁵⁸ On August 16, 2022, PG&E informed the Commission that

⁵⁰ *Pac. Gas & Elec. Co.*, 43 FERC ¶ 62,136 (1988).

⁵¹ *Pac. Gas & Elec. Co.*, 52 FERC ¶ 61,019 (1990).

⁵² *Pac. Gas & Elec. Co.*, 179 FERC ¶ 61,202 (2022).

⁵³ *Pac. Gas & Elec. Co.*, 58 FERC ¶ 62,093, at p. 63,204 (1992).

⁵⁴ *Id.*

⁵⁵ *Pac. Gas & Elec. Co.*, 158 FERC ¶ 62,156, at P 2 (2017).

⁵⁶ *Pac. Gas & Elec. Co.*, 58 FERC, at p. 62,093.

⁵⁷ *Pac. Gas & Elec. Co.*, 158 FERC ¶ 62,156 (2017).

⁵⁸ Letter from Vince Yearick, FERC, to Annette Faraglia, PG&E, Project No. 803-087 (issued June 16, 2017).

the pending sale transaction had been terminated and PG&E requested the Commission move forward with the relicensing process.⁵⁹ PG&E is operating the project under an annual license.⁶⁰

9. Phoenix Hydroelectric Project, FERC Project No. 1061

The Phoenix Hydroelectric Project is located on the South Fork of the Stanislaus River in Tuolumne County, California, and occupies federal lands administered by the USFS within the Stanislaus National Forest.⁶¹ The project's principal facilities include Lyons Reservoir and Dam, Phoenix Powerhouse with a capacity of 1.8 MW, and appurtenant facilities.⁶² FERC issued a new license for the project in 1992, which expired on August 31, 2022.⁶³ On August 24, 2020, PG&E filed a Final Application for a New License for the project, which remains pending before the Commission.⁶⁴ PG&E operates the project under an annual license.⁶⁵

10. Battle Creek Hydroelectric Project, FERC Project No. 1121

The Battle Creek Hydroelectric Project has an installed capacity of 36.1 MW and is located on the mainstem, North Fork, and South Fork Battle Creek in Shasta and Tehama Counties, California.⁶⁶ The project occupies private lands and federal land administered by the USFS within the Lassen National Forest, as well as federal land

⁵⁹ Letter from Zora Richardson, PG&E, to Kimberly D. Bose, FERC, Project No. 803-087 (filed Aug. 16, 2022).

⁶⁰ Notice of Authorization for Continued Project Operation, Project No. 803-087 (issued Oct. 28, 2009).

⁶¹ *Pac. Gas & Elec. Co.*, 60 FERC ¶ 62,256, *order on reh'g*, 69 FERC ¶ 61,070 (1994).

⁶² *Id.* at p. 61,304.

⁶³ *Id.*

⁶⁴ Final Application for New License, Project No. 1061-103 (filed Aug. 24, 2020).

⁶⁵ Notice of Authorization for Continued Project Operation, Project No. 1061-000 (issued Sep. 28, 2022).

⁶⁶ *Pac. Gas & Elec. Co.*, 165 FERC ¶ 62,151 (2018).

administered by BLM. The project's principal facilities include five developments, two storage reservoirs, three forebays, and five diversions on North Fork Battle Creek; three diversions on South Fork Battle Creek; numerous tributary and spring diversions; and a network of approximately 20 canals, ditches, flumes, tunnels, and pipelines.⁶⁷

The FPC issued a license for the project on August 13, 1976, and the license term will expire on July 31, 2026.⁶⁸ On October 23, 2020, PG&E filed a notice of intent (NOI) not to file an application for a new license.⁶⁹ On February 16, 2021, Commission staff issued a notice soliciting NOIs and pre-application documents from other potential license applicants for the project, but received no response.⁷⁰ FERC staff issued a letter on October 3, 2022, directing PG&E to file a plan and schedule for license surrender within 60 days of the date of that letter.⁷¹

11. Crane Valley Hydroelectric Project, FERC Project No. 1354

The Crane Valley Hydroelectric Project is a 28.7 MW project located on Willow Creek, North Fork Willow Creek, South Fork Willow Creek, Chilkoote Creek, and Chiquito Creek in Madera County, California.⁷² The project occupies private lands and federal land administered by the USFS within the Sierra National Forest. Principal project facilities consist of five developments, which include five powerhouses, two storage reservoirs, four smaller impoundments, and a network of tunnels and conduits.⁷³

⁶⁷ *Pac. Gas & Elec. Co.*, 131 FERC ¶ 62,166 (2010)

⁶⁸ *Pac. Gas & Elec. Co.*, 56 F.P.C. 994 (1976).

⁶⁹ Letter from Shana Wiseman, FERC, to Jan Nimick, PG&E, Project No. 1121-000 (issued Oct. 3, 2022).

⁷⁰ *Id.*

⁷¹ *Id.*

⁷² *Pac. Gas & Elec. Co.*, 104 FERC ¶ 62,198 (2003).

⁷³ *Id.* at PP 1, 9.

The Commission issued PG&E a license for the project on September 16, 2003, with an expiration date of August 31, 2043.⁷⁴

12. Rock Creek-Cresta Hydroelectric Project, FERC Project No. 1962

The Rock Creek-Cresta Hydroelectric Project is a 195.70 MW project located on the North Fork Feather River and its tributaries in Plumas and Butte Counties, California, and includes private lands and federal land administered by the USFS within the Plumas National Forest.⁷⁵ The project includes the Rock Creek and Cresta developments, and the principal project facilities include reservoirs, dams, a tunnel, penstocks, and powerhouses.⁷⁶

The original license for the project was issued in 1947.⁷⁷ In 2001, the Commission issued a new license for the project, with an expiration date of September 30, 2034.⁷⁸

13. Haas-Kings River Hydroelectric Project, FERC Project No. 1988

The Haas-Kings River Project is located on the North Fork Kings River in Fresno County, California, and occupies federal lands managed by USFS and the U.S. Army Corps of Engineers.⁷⁹ The project's principal facilities consist of two developments, Kings River and Haas, which are operated in conjunction with the Balch Powerhouse

⁷⁴ *Id.* at P 92.

⁷⁵ *Pac. Gas & Elec. Co.*, 97 FERC ¶ 61,084, at p. 61,403 (2001).

⁷⁶ *Id.* at p. 61,404–05.

⁷⁷ *Pac. Gas & Elec. Co.*, 6 F.P.C. 729 (1947).

⁷⁸ *Pac. Gas & Elec. Co.*, 97 FERC ¶ 61,084 (2001).

⁷⁹ *Pac. Gas & Elec. Co.*, 94 FERC ¶ 62,188, at p. 64,354 (2001).

(FERC Project No. 175), which is located between the two developments.⁸⁰ The project has an authorized capacity of 193 MW.⁸¹ FERC staff issued a new 40-year license for the project on March 6, 2001.⁸²

14. Upper North Fork Feather River Hydroelectric Project, FERC Project No. 2105

The Upper North Fork Feather River Hydroelectric Project is a 342.6 MW project located on the North Fork Feather River and on Butt Creek, in Plumas County, California, and on lands administered by the USFS and located within the Plumas and Lassen National Forests.⁸³ The principal project facilities consist of five developments: Butt Valley, Caribou No. 1, Caribou No. 2, Belden, and Oak Flat.⁸⁴

The FPC issued a license for the project on January 24, 1955, with an expiration date of October 31, 2004.⁸⁵ On October 23, 2002, PG&E filed an Application for a New License for the project, which remains pending before the Commission.⁸⁶ PG&E operates the project pursuant to an annual license.⁸⁷

15. McCloud-Pit Hydroelectric Project, FERC Project No. 2106

The McCloud-Pit Hydroelectric Project is a 368 MW project located on the McCloud River and Pit River in Shasta County, California, and consists of three

⁸⁰ *Id.* at p. 64,355.

⁸¹ *Id.* at p. 64,354.

⁸² *Id.* at p. 64,360.

⁸³ *Pac. Gas & Elec. Co.*, 14 F.P.C. 518, 518 (1955).

⁸⁴ PG&E's Response to Additional Information Request at 4, Project No. 2105-089 (filed Apr. 26, 2021).

⁸⁵ *Pac. Gas & Elec. Co.*, 14 F.P.C. 518, at Ord. Para. (A) (1955).

⁸⁶ Application for a New License, PG&E, Project No. 2105-89 (filed Oct. 23, 2002).

⁸⁷ Notice of Authorization for Continued Project Operation, Project No. 2105-000 (issued Nov. 16, 2004).

developments: James B. Black, Pit 6, and Pit 7.⁸⁸ The principal project facilities include two storage reservoirs, two regulating reservoirs, one afterbay, two tunnels, three powerhouses, and associated equipment and transmission facilities.⁸⁹ Of the 1,651.4 acres of federal land occupied by the project, 1,621.9 acres are managed by the Shasta-Trinity National Forest, and 29.5 acres are managed by the BLM.⁹⁰

On August 18, 1961, the FPC issued an original license to PG&E for the project.⁹¹ That license expired on July 31, 2011, and PG&E has since operated the project under annual licenses.⁹² PG&E filed an application to relicense the project on July 16, 2009,⁹³ which remains pending before the Commission.

16. Poe Hydroelectric Project, FERC Project No. 2107

The Poe Hydroelectric Project has an installed capacity of 142.83 MW and is located on the North Fork Feather River, just upstream of Lake Oroville, near the Town of Pulga, in Butte County, California.⁹⁴ The project's principal facilities include the Poe Reservoir and Dam, the Big Bend Reservoir and Dam, and associated powerhouses.⁹⁵ The project occupies private lands and federal lands administered by the USFS within Plumas National Forest.⁹⁶

⁸⁸ Letter from David Moller, PG&E, to Kimberly D. Bose, FERC, Project No. 2106-059 (filed July 16, 2009).

⁸⁹ *Id.*

⁹⁰ Application for a New License, Project No. 2106-059, at p. IS-3 (filed July 16, 2009).

⁹¹ *Pac. Gas & Elec. Co.*, 26 F.P.C. 399 (1961).

⁹² Notice of Authorization for Continued Project Operation, Project No. 2106-000 (issued Aug. 4, 2011).

⁹³ Application for a New License, Project No. 2106-059 (filed July 16, 2009).

⁹⁴ *Pac. Gas & Elec. Co.*, 165 FERC ¶ 62,172, at P 1 (2018).

⁹⁵ *Id.* at P 8.

⁹⁶ *Id.* at P 1.

The FPC issued an original license for the project in 1954, and in 2018, the Commission issued a new license for the project, with a term expiring on November 30, 2068.⁹⁷

17. Spring Gap-Stanislaus Hydroelectric Project, FERC Project No. 2130

The Spring Gap-Stanislaus Hydroelectric Project has an installed capacity of 98 MW and is located on the Middle and South Fork Stanislaus River in Calaveras and Tuolumne Counties, California, and which occupies federal lands administered by the USFS within the Stanislaus National Forest.⁹⁸ The project includes four developments: Relief Reservoir, Pinecrest Lake, Spring Gap Powerhouse, and Stanislaus Powerhouse.⁹⁹

The FPC issued the original license for the project on February 21, 1955, with a license term expiring on December 31, 2004.¹⁰⁰ In 2009, the Commission issued a new license for the project, with a term expiring on December 31, 2046.¹⁰¹

18. Upper Drum-Spaulding Hydroelectric Project, FERC Project No. 2310, and Lower Drum-Spaulding Hydroelectric Project, FERC Project No. 14531

The Drum-Spaulding Hydroelectric Project is a 175.7 MW project located on the Yuba River and Bear River in Nevada and Placer Counties, California.¹⁰² The project consists of nine developments: Spaulding No. 3, Spaulding Nos. 1 and 2, Alta, Drum

⁹⁷ *Pac. Gas & Elec. Co.*, 165 FERC ¶ 62,172 (2018).

⁹⁸ *Pac. Gas & Elec. Co.*, 127 FERC ¶ 62,070, at P 1 (2009).

⁹⁹ *Id.* at P 16.

¹⁰⁰ *Pac. Gas & Elec. Co.*, 14 F.P.C. 556 (1955).

¹⁰¹ *Pac. Gas & Elec. Co.*, 127 FERC ¶ 62,070 (2009).

¹⁰² *Pac. Gas & Elec. Co.*, 177 FERC ¶ 61,111, at P 3 (2021).

Nos. 1 and 2, Dutch Flat No. 1, Halsey, Wise, Wise No. 2, and Newcastle.¹⁰³ The principal project facilities include numerous reservoirs, water conduits, and powerhouses.¹⁰⁴ The project occupies private lands and federal land administered by the USFS within the Tahoe National Forest, as well as federal land administered by BLM and the U.S. Bureau of Reclamation.¹⁰⁵

On June 24, 1963, the FPC issued a license to PG&E for the project, with a license term expiring on April 30, 2013.¹⁰⁶ PG&E filed an application for a new license on April 12, 2011,¹⁰⁷ which remains pending before the Commission. The project currently operates under an annual license.¹⁰⁸

Pursuant to requests by PG&E to separate the Drum-Spaulding project facilities into three separate proposed licenses, the Commission assigned separate project numbers to the three projects, as follows: Upper Drum-Spaulding Hydroelectric Project No. 2310; Lower Drum-Spaulding Hydroelectric Project No. 14531; and Deer Creek Hydroelectric Project No. 14530.¹⁰⁹ The Upper Drum project (Project No. 2310) consists of the following developments: Spaulding No. 3, Spaulding No. 1 and No. 2, Alta, Drum No. 1 and No. 2, and Dutch Flat No. 1. The Lower Drum project (Project No. 14531) consists

¹⁰³ *Id.* at P 4. The Deer Creek development is currently part of the Drum-Spaulding project. FERC has approved the transfer of the Deer Creek development to Nevada Irrigation District and the transaction remains pending. As a result, PG&E is not proposing to transfer the Deer Creek development to Pacific Generation in this Application.

¹⁰⁴ *Id.*

¹⁰⁵ *Id.*

¹⁰⁶ *Pac. Gas & Elec. Co.*, 29 F.P.C. 1265 (1963).

¹⁰⁷ Final License Application, Project No. 2310-193 (filed Apr. 12, 2011).

¹⁰⁸ Notice of Authorization for Continued Project Operation, Project No. 2310-000 (issued May 13, 2013).

¹⁰⁹ *Pac. Gas & Elec. Co.*, 177 FERC ¶ 61,111 (2021). The Commission's order also moved certain transmission facilities to PG&E's Rollins Transmission Line Project, FERC Project No. 2784, which is not proposed to be transferred to Pacific Generation.

of the following developments: Halsey, Wise, Wise No. 2, and Newcastle. The Deer Creek project (Project No. 14530) consists of the Deer Creek development, as modified by the Commission's November 18, 2021, order described below.

On November 18, 2021, the Commission approved a partial transfer of the Deer Creek project (Project No. 14530) to Nevada Irrigation District.¹¹⁰ While the transaction involving the Deer Creek facilities has not been consummated, PG&E is not proposing to include the Deer Creek facilities (Project No. 14530) in this transfer Application. PG&E requests that the facilities associated only with the proposed Upper Drum (Project No. 2310) and Lower Drum (Project No. 14531) projects be transferred to Pacific Generation as part of this Application.

19. Hat Creek Hydroelectric Project, FERC Project No. 2661

The Hat Creek Project is a 20 MW project located on Hat Creek in Shasta County, California.¹¹¹ The project occupies private lands and federal lands administered by the USFS within the Shasta National Forest, and consists of two developments: Hat Creek No. 1 and Hat Creek No. 2.¹¹² The Hat Creek No. 1 principal facilities include Cassel Pond, a dam, canal, and forebay, and a powerhouse.¹¹³ The Hat Creek No. 2 principal facilities include Crystal Lake, Baum Lake, a dam, flume intake structure, overflow spillway, a penstock, and a powerhouse.¹¹⁴

The FPC issued an original license for the project on October 29, 1975, and the

¹¹⁰ *Id.*

¹¹¹ *Pac. Gas & Elec. Co.*, 101 FERC ¶ 61,165, at P 1 (2002).

¹¹² *Id.*

¹¹³ *Id.* at P 7.

¹¹⁴ *Id.* at P 8.

license term expired on September 30, 2000.¹¹⁵ FERC issued a new license for the project on November 4, 2002, and this license will expire on October 31, 2032.¹¹⁶

20. Pit 1 Hydroelectric Project, FERC Project No. 2687

The Pit No. 1 Hydroelectric Project is a 69.3 MW project on the Fall River and Pit River, near the towns of Fall River Mills and McArthur in Shasta County, California.¹¹⁷

The project does not occupy any federal lands.¹¹⁸ Principal project facilities include a dam, forebay, tunnels, water conveyance structures, and a powerhouse.¹¹⁹

The FPC issued an original license for the project in 1970.¹²⁰ The Commission issued a new license for the project on March 19, 2003, with a term expiring on February 28, 2043.¹²¹

21. Helms Pumped Storage Project, FERC Project No. 2735

The Helms Pumped Storage Project is a 1,053 MW project located on Helms Creek and the North Fork Kings River in Fresno County, California.¹²² The project uses the Courtright and Wishon Reservoirs as its upper and lower reservoirs, respectively, and includes the underground Helms Powerhouse, a tunnel, and penstock connecting the tunnel to the powerhouse.¹²³ The project is located on federal land within Sierra National

¹¹⁵ *Pac. Gas & Elec. Co.*, 54 F.P.C. 1750 (1975).

¹¹⁶ *Pac. Gas & Elec. Co.*, 101 FERC ¶ 61,165.

¹¹⁷ *Pac. Gas & Elec. Co.*, 102 FERC ¶ 61,309, at P 1 (2003).

¹¹⁸ *Id.*

¹¹⁹ *Id.* at P 17.

¹²⁰ *Pac. Gas & Elec. Co.*, 44 F.P.C. 1365 (1970). On rehearing, the license term was extended to December 31, 1995. *Pac. Gas & Elec. Co.*, 45 F.P.C. 28 (1971).

¹²¹ *Pac. Gas & Elec. Co.*, 102 FERC ¶ 61,309, at P 81 (2003).

¹²² *Pac. Gas & Elec. Co.*, 55 F.P.C. 2,237 (1976).

¹²³ *Id.* at p. 2,238.

Forest.¹²⁴

The FPC issued an original license for the project on May 18, 1976, which will expire on April 30, 2026.¹²⁵ On April 19, 2021, PG&E filed with the Commission a Notice of Intent to relicense the project.¹²⁶ PG&E is currently engaged in the license application pre-filing process to prepare and submit a new application for the project no later than April 30, 2024.

B. Description of Pacific Generation

Pacific Generation was formed on September 26, 2022, as a Delaware limited liability company. Currently, Pacific Generation is a member-managed limited liability company managed by PG&E. PG&E currently owns, and has owned since Pacific Generation's formation, 100% of the equity interests of Pacific Generation.

On September 28, 2022, PG&E and Pacific Generation (collectively, Applicants) filed an application with the California Public Utilities Commission (CPUC), seeking approval for PG&E to transfer certain non-nuclear generation assets to Pacific Generation (the Transaction), for a certificate of public convenience and necessity for Pacific Generation to operate as a public utility, for authorization for Pacific Generation to file tariffs and to issue debt, and for other related determinations (CPUC Application).¹²⁷ Similarly, on December 12, 2022, PG&E filed an application with the Commission for approval of the Transaction under section 203 of the FPA (the FERC 203 Application).

¹²⁴ *Id.* at p. 2,237.

¹²⁵ *Id.*

¹²⁶ Notice of Intent to File License Application, Project No. 2735-100 (filed June 17, 2021).

¹²⁷ Application of Pacific Gas and Electric Company (U 39 E) and Pacific Generation LLC for Approval to Transfer Certain Generation Assets, for a Certificate of Public Convenience and Necessity, for Authorization to File Tariffs and to Issue Debt, and for Related Determinations, Application No. 22-09-018 (filed Sept. 28, 2022).

Similar to this Application before the Commission, the underlying purpose of the CPUC Application is to allow PG&E to transfer substantially all of its non-nuclear generation assets to Pacific Generation, which will facilitate a sale of up to 49.9% of the equity interests in Pacific Generation to one or more third-party investors.

As explained more fully in the CPUC Application, the proposed transaction represents the best path for PG&E to raise equity capital while balancing a variety of objectives, including: (1) meeting PG&E's near-term capital needs to improve the safety and reliability of its system and to help achieve California's decarbonization and electrification goals; (2) supporting the overall deleveraging plans of PG&E and PG&E Corporation, consistent with the CPUC's decision approving PG&E's Plan of Reorganization; (3) avoiding the dilutive effect of an issuance of PG&E Corporation common stock and its associated negative impact on the Fire Victim Trust; and (4) retaining the economic and operational benefits of PG&E's generation assets for customers while continuing to provide safe, reliable, and affordable service.

Upon approval of the CPUC Application and following the Commission's approval of this Application and the FERC 203 Application, PG&E will transfer to Pacific Generation all of its rights, titles, and interests in the above-captioned Projects, which amounts to approximately 3,848 MW of installed capacity. Although not part of this Application, nearly all of PG&E's other non-nuclear generation assets, including assets that are currently in PG&E's generation rate base and those that are recorded as construction work in progress, will be transferred to Pacific Generation, including natural gas generation plants and solar generation assets, as well as the Elkhorn battery energy storage system. The combined generation capacity of these assets is approximately 5.6

gigawatts. The 2023 weighted average forecasted rate base of the generation assets to be transferred to Pacific Generation is approximately \$3.5 billion, which represents approximately 7 percent of PG&E's total rate base.

Also following approval of the CPUC Application, Pacific Generation will become a CPUC-regulated cost-of-service public utility. PG&E anticipates selling minority equity interests of Pacific Generation to minority investor(s), and Pacific Generation will issue debt in compliance with its CPUC-authorized capital structure.

Finally, under various agreements between PG&E and Pacific Generation, PG&E personnel will continue to operate and maintain Pacific Generation's assets, and PG&E will continue to schedule and dispatch output from generation facilities owned by Pacific Generation as part of an integrated resource portfolio using the same least-cost dispatch approach utilized at present to serve the same franchised electric service territory. Under these agreements, PG&E personnel will continue to construct, operate, maintain, repair, and support Pacific Generation's hydropower assets and operations in substantially the same manner as they do today.

II. REQUEST FOR TRANSFER OF LICENSES

PG&E and Pacific Generation (collectively, Applicants) jointly and severally apply, pursuant to sections 4.32, 9.1 to 9.3, and 131.20 of the Commission's regulations,¹²⁸ for written approval by the Commission to transfer the above-captioned licenses. In accordance with the form set forth in section 131.20 of the Commission's regulations,¹²⁹ and in support of this Application, Applicants state, verify, and subscribe

¹²⁸ 18 C.F.R. §§ 4.32, 9.1–9.3, 131.20.

¹²⁹ *Id.* § 131.20.

as follows:¹³⁰

1. PG&E (Transferor), licensee of the:
 - Potter Valley Hydroelectric Project No. 77;
 - Kerckhoff Hydroelectric Project No. 96;
 - Mokelumne River Hydroelectric Project No. 137;
 - Balch Hydroelectric Project No. 175;
 - Pit 3, 4, at 5 Hydroelectric Project No. 233;
 - Kilarc-Cow Creek Hydroelectric Project No. 606;
 - Bucks Creek Hydroelectric Project No. 619 (co-licensee);¹³¹
 - DeSabra-Centerville Hydroelectric Project No. 803;
 - Phoenix Hydroelectric Project No. 1061;
 - Battle Creek Hydroelectric Project No. 1121;
 - Crane Valley Hydroelectric Project No. 1354;
 - Rock Creek-Cresta Hydroelectric Project No. 1962;
 - Haas-Kings River Hydroelectric Project No. 1988;
 - Upper North Fork Feather River Hydroelectric Project No. 2105;
 - McCloud-Pit Hydroelectric Project No. 2106;
 - Poe Hydroelectric Project No. 2107;
 - Spring Gap-Stanislaus Hydroelectric Project No. 2130;
 - Upper Drum-Spaulding Hydroelectric Project No. 2310;
 - Hat Creek Hydroelectric Project No. 2661;
 - Pit 1 Hydroelectric Project No. 2687;
 - Helms Pumped Storage Project No. 2735; and
 - Lower Drum-Spaulding Hydroelectric Project No. 14531
2. Pacific Generation (Transferee).
3. Applicants hereby jointly and severally apply for the written approval by the Commission of the transfer of the aforesaid licenses from the Transferor to the Transferee and request that the instruments of such approval by the Commission be made effective as of the date of conveyance of the projects' properties.
4. Applicants also jointly and severally request that the Commission, upon the effective date of the transfer of the licenses to Transferee:
 - (1) substitute Pacific Generation for PG&E as the applicant for new license for the Kerckhoff Hydroelectric Project No. 96, DeSabra-Centerville Hydroelectric Project No. 803, Phoenix Hydroelectric Project No. 1061, Upper North Fork Feather River Hydroelectric Project No. 2105, McCloud-Pit Hydroelectric Project No. 2106, Upper Drum-Spaulding Hydroelectric Project No. 2310, and Lower Drum-Spaulding

¹³⁰ Attachment E contains the Subscription and Verification.

¹³¹ See *supra* note 3.

Hydroelectric Project No. 14531 and deem Pacific Generation as the entity submitting all application-related materials filed by PG&E; (2) substitute Pacific Generation for PG&E as the applicant for surrender of license for the Kilarc-Cow Creek Hydroelectric Project No. 606 and deem Pacific Generation as the entity submitting all application-related materials filed by PG&E; (3) deem Pacific Generation as the entity submitting the Notices of Intent and related pre-application materials filed by PG&E for the Balch Hydroelectric Project No. 175 and Helms Pumped Storage Project No. 2735; and (4) deem Pacific Generation as the entity submitting the Notices of Intent not to license and related pre-surrender application materials filed by PG&E for the Potter Valley Hydroelectric Project No. 77 and Battle Creek Hydroelectric Project No. 1121.

5. In support thereof, Transferor and Transferee show the Commission as follows:

A. The said Transferee is a limited liability company, organized under the laws of the State of Delaware. The Transferee submits certified copies of the following exhibits, included herein at Attachments A–D, as evidence of its compliance with all applicable State laws as required by section 9(a)(2) of the FPA.¹³²

Attachment	Description
A	Pacific Generation Certificate of Formation
B	Pacific Generation Limited Liability Company Agreement
C	Pacific Generation Certificate of Good Standing in Delaware
D	Pacific Generation Certificate of Authority to do Business in California

B. The Transferee will submit certified copies of all instruments of conveyance whereby title to the Projects’ properties is conveyed to it, upon the completion of such conveyance, if and when the Commission shall have given its approval to the proposed transfers.

C. Pursuant to 18 C.F.R. § 9.3(b), the Transferee has 60 days from the order approving transfer to submit its acknowledgement of acceptance of the licenses and the appropriate conveyance documents to the Commission. As described herein, regulatory authorizations, including this Application, are being filed well in advance of the anticipated closing of the proposed transactions. Therefore, it is unlikely that the transactions will close within 60 days of the Commission’s approval of this Application. Accordingly, Applicants request Commission approval for

¹³² 16 U.S.C. § 802(a)(2).

Transferee to have six months, rather than 60 days, to submit the acceptance sheets and conveyance documents.

D. If and when the Commission shall have given its approval to the proposed transfers, and upon completion of conveyance of the projects' properties to the Transferee, the Transferor will deliver to the Transferee and the Transferee will accept and permanently retain all license instruments and all maps, plans, specifications, contracts, reports of engineers, accounts, books, records, and all other papers and documents relating to each project and to all additions thereto and betterments thereof.

E. Transferor certifies that it has fully complied with the terms and conditions of each license, and that it has fully satisfied and discharged all of its liabilities and obligations thereunder to the date hereof, and obliges itself to pay all annual charges accrued under each license to the date of transfer.

F. Contingent upon the final written approval by the Commission of the transfer of the licenses, the Transferee accepts all the terms and conditions of each said license and agrees to be bound thereby to the same extent as though it were the original licensee thereunder.

6. The name, title, and post office address of the person or persons to whom correspondence in regard to this Application shall be addressed are as follows:

For Transferor:

Kimberly Ognisty, Chief Counsel
Law Department
Pacific Gas and Electric Company
Oakland General Office
300 Lakeside Avenue
Oakland, CA 94612
Telephone: (510) 227-7060
kimberly.ognisty@pge.com

Charles R. Sensiba
Elizabeth J. McCormick
Troutman Pepper Hamilton Sanders,
LLP
401 9th St. NW, Suite 1000
Washington, D.C. 20004
Telephone (CS): (202) 274-2850
Telephone (EM): (202) 274-2993
charles.sensiba@troutman.com
elizabeth.mccormick@troutman.com

For Transferee:

Kimberly Ognisty, Chief Counsel
Law Department
Pacific Gas and Electric Company
Oakland General Office
300 Lakeside Avenue
Oakland, CA 94612
Telephone: (510) 227-7060
kimberly.ognisty@pge.com

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Telephone (EM): (202) 274-2993
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elizabeth.mccormick@troutman.com

III. PUBLIC INTEREST CONSIDERATIONS

FPA section 8 provides that “[n]o voluntary transfer of any license, or of the rights thereunder granted, shall be made without the written approval of the commission”¹³³ Although section 8 “does not articulate a standard for approving a transfer application,”¹³⁴ the Commission has held that a license transfer application “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.”¹³⁵ The Commission’s regulations require transfer applications to “set forth in appropriate detail the qualifications of the transferee to hold such license and to operate the property under the license,”¹³⁶ and establish that Commission approval of license transfer “is contingent upon . . . a showing that such transfer is in the public interest.”¹³⁷

In determining the public interest and the transferee’s qualifications, the

¹³³ 16 U.S.C. § 801.

¹³⁴ *PacifiCorp*, 172 FERC ¶ 61,062, at P 66 (2020) (citing *Potosi Generating Station, Inc.*, 100 FERC ¶ 61,115 (2002)).

¹³⁵ *Id.* (citing 18 C.F.R. § 9.3; *Kootenai Tribes Energy Keepers, Inc.*, 153 FERC ¶ 61,217 (2015); *Gallia Hydro Partners*, 110 FERC ¶ 61,237 (2005); *Wisconsin v. FERC*, 104 F.3d 462 (D.C. Cir. 1997)).

¹³⁶ 18 C.F.R. § 9.2.

¹³⁷ *Id.* § 9.3(a).

Commission evaluates “the transferee’s legal, technical, and financial qualifications to hold the license and operate and maintain the project.”¹³⁸ With respect to this Application, Pacific Generation is legally, technically, and financially qualified to hold the license for the Project.

With regard to financial qualifications, Pacific Generation was established as a subsidiary of PG&E, for purposes of owning substantially all of PG&E’s non-nuclear power generation assets. PG&E will be the majority owner of Pacific Generation. Following the Transaction, PG&E plans to sell a minority stake in the company (up to 49.9%) to third-party investors, for purposes of providing an efficient source of equity financing to help PG&E fund wildfire risk mitigation, clean energy investments, and other capital investments in support of continued safe and reliable electric service. Because Pacific Generation would be regulated by the CPUC as a regulated cost-of-service public utility with the same franchised electric service territory as PG&E, Pacific Generation will have a rate base financed with long-term debt and equity in accordance with a capital structure regulated by the CPUC. Applicants’ pending application to the CPUC requests approval for issuance of \$2.1 billion on long-term debt for Pacific Generation’s initial capitalization, and up to \$350 million in additional long-term debt to fund anticipated capital expenditures in 2024-2026.

In terms of legal and technical qualifications, Pacific Generation would be authorized to engage in the business of developing, generating, and storing power, and to engage in any other business necessary to carry out the purposes of the projects’

¹³⁸ *Pac. Gas & Elec. Co.*, 177 FERC ¶ 61,111, at P 17 (2021); *see also PacifiCorp*, 162 FERC ¶ 61,236, at P 77 (2018) (“[W]e will defer our determinations on the [transferee’s] legal and technical capacity to accept transfer of the license . . . to our review of the transfer application.”).

licenses.¹³⁹ Moreover, the same technical, scientific, and legal professionals at PG&E will continue to support the same FERC-licensed projects that they do today—without disruption. PG&E has decades of experience operating and maintaining all facets of these projects, from dam and public safety through the Commission’s Division of Dam Safety and Inspections and California Division of Safety of Dams, to license implementation and compliance through the Commission’s Division of Hydropower Administration and Compliance. PG&E’s experience and designated contacts in these matters will not change as a result of the proposed license transfers. For the 8 projects that are currently in relicensing before the Commission,¹⁴⁰ and the 3 projects that are in the license surrender processes,¹⁴¹ the same PG&E personnel that are engaged with Commission staff, federal and state resource agencies, Native American tribes, and stakeholders will be unchanged. In sum, the transfer of these licenses from PG&E to Pacific Generation will not involve any changes or interruption in experience, capabilities, institutional knowledge, or day-to-day operations at any of these projects, ensuring a seamless transition in this proposed change in corporate structure.

IV. CONCLUSION

WHEREFORE, for the reasons described above, Applicants submit that this

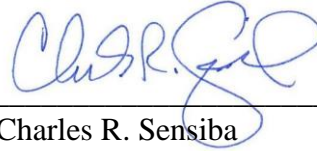
¹³⁹ See Appendices A through D.

¹⁴⁰ The projects currently in relicensing consist of the Kerckhoff Hydroelectric Project, FERC Project No. 96; Balch Hydroelectric Project, FERC Project No. 175; DeSabla-Centerville Hydroelectric Project, FERC Project No. 803; Phoenix Hydroelectric Project, FERC Project No. 1061; Upper North Fork Feather River Hydroelectric Project, FERC Project No. 2105; McCloud-Pit Hydroelectric Project, FERC Project No. 2106; Upper Drum-Spaulding Hydroelectric Project, FERC Project No. 2310; Helms Pumped Storage Project, FERC Project No. 2735; and Lower Drum-Spaulding Hydroelectric Project, FERC Project No. 14531.

¹⁴¹ The projects subject to surrender proceedings consist of the Potter Valley Hydroelectric Project, FERC Project No. 77; Kilarc-Cow Creek Hydroelectric Project, FERC Project No. 606; and Battle Creek Hydroelectric Project, FERC Project No. 1121.

Application is in the public interest and request the Commission to approve it. In order to provide certainty to potential minority investors, Applicants request approval of this Application by **June 1, 2023**. In accordance with Commission regulations, Applicants subscribe and verify that the facts alleged to in this Application are factually true to the best of their knowledge as provided in Attachment E.¹⁴²

Respectfully submitted,



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Oakland General Office
300 Lakeside Avenue
Oakland, CA 94612
Telephone: (510) 227-7060
Kimberly.Ognisty@pge.com

*Counsel for Pacific Gas and Electric Company
and Pacific Generation LLC*

DATED: December 13, 2022

¹⁴² 18 C.F.R. §§ 4.32, 9.1.

Attachment A

Pacific Generation LLC Certificate of Formation

Delaware

Page 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "PACIFIC GENERATION LLC", FILED IN THIS OFFICE ON THE TWENTY-SIXTH DAY OF SEPTEMBER, A.D. 2022, AT 8:04 O`CLOCK A.M.




Jeffrey W. Bullock, Secretary of State

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SR# 20223613295

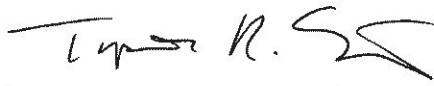
Authentication: 204475424
Date: 09-26-22

You may verify this certificate online at corp.delaware.gov/authver.shtml

CERTIFICATE OF FORMATION
OF
PACIFIC GENERATION LLC

1. The name of the limited liability company is Pacific Generation LLC.
2. The address of its registered office in the State of Delaware is 251 Little Falls Drive, Wilmington, Delaware 19808.
3. The name and address of its registered agent is Corporation Service Company, 251 Little Falls Drive, Wilmington, Delaware 19808.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation this 26th day of September, 2022.

By: 
Name: Tyson Smith
Title: Authorized Person

Attachment B

Pacific Generation LLC Limited Liability Company Agreement

LIMITED LIABILITY COMPANY AGREEMENT
OF
PACIFIC GENERATION LLC

This Limited Liability Company Agreement (as may be amended, modified, supplemented or restated from time to time, this “Agreement”) of **PACIFIC GENERATION LLC**, a Delaware limited liability company (the “Company”), is adopted by Pacific Gas and Electric Company, a California corporation (in its capacity as the sole member of the Company, the “PG&E Member”), effective as of September 26, 2022 (the “Formation Date”).

1. Formation. The Company was formed as a limited liability company under and pursuant to the provisions of the Delaware Limited Liability Company Act, 6 Del. Code § 18-101 *et seq.*, as amended (together with any successor to such statute, the “Act”). The rights, duties and liabilities of the Members (as defined herein) shall be as provided in the Act, except as otherwise provided herein. In the event of any inconsistency between any term or condition contained in this Agreement and any non-mandatory provision of the Act, the terms and conditions contained in this Agreement shall govern. The PG&E Member hereby approves and ratifies the formation of the Company, including the execution and delivery of the certificate of formation of the Company (as amended, modified, supplemented or restated from time to time, the “Certificate of Formation”) and the filing thereof with the office of the Secretary of State of the State of Delaware.

2. Name. The name of the Company is “**Pacific Generation LLC**”. The Company may conduct business under this name or any other name approved by the PG&E Member.

3. Purpose. The Company is formed for the object and purpose of, and the nature of the business to be conducted and promoted by the Company is, engaging in (a) any and all lawful acts and activities for which a limited liability company may be formed under the Act, and (b) any and all activities necessary, advisable, convenient or incidental to the foregoing.

4. Registered Agent and Office. The location of the registered office of the Company shall be 251 Little Falls Drive, Wilmington, Delaware 19808. The Company’s registered agent at such address shall be Corporation Service Company.

5. Principal Office. The principal office of the Company shall be located at such place as the PG&E Member may determine. The location of the Company’s principal office may be changed at will by the PG&E Member. In addition, the Company may maintain offices and places of business at such other place or places within or outside the State of Delaware as the PG&E Member determines to be necessary, appropriate, advisable or convenient.

6. Term. The term of the Company shall be perpetual, unless sooner terminated and wound up in accordance with the Act.

7. Corporate Separateness. To ensure corporate separateness between the PG&E Member and the Company, the Company, together with its officers, shall take or refrain

from taking, as the case may be, and cause the subsidiaries of the Company (if any) to take or refrain from taking, as the case may be, the following actions (in each case, to the extent consistent with applicable law and regulation):

- (a) at all times hold itself out as a separate entity from the PG&E Member and conduct business in its own name;
- (b) correct any known material misunderstanding regarding its identity as an entity separate from the PG&E Member;
- (c) maintain one or more bank accounts separate from the PG&E Member;
- (d) not commingle the funds of the Company with funds of the PG&E Member or any other persons related to the PG&E Member (other than subsidiaries of the Company);
- (e) maintain separate books, accounts and financial statements from the PG&E Member reflecting its separate assets and liabilities;
- (f) maintain an adequate capitalization at all times;
- (g) observe appropriate organizational procedures and formalities;
- (h) not enter into any guaranty of, or otherwise become intentionally liable for, or pledge or encumber its assets to secure, the liability, debts or obligations of the PG&E Member (except for any indemnification obligations set forth in agreements with the PG&E Member related to a contribution of assets to the Company);
- (i) pay or bear the cost of its own liabilities, expenses and losses only from its own assets, including compensating all advisors and other agents from its own funds for services provided to it by such advisors and other agents (except for any indemnification obligations set forth in agreements with the PG&E Member related to a contribution of assets to the Company);
- (j) take the actions necessary to ensure the existence of the Company's stand-alone credit and debt ratings, as applicable;
- (k) prevent the Company from lending money to or borrowing money from the PG&E Member or any persons related to the PG&E Member (other than subsidiaries of the Company);
- (l) prevent the Company from being a borrower under a common credit facility with the PG&E Member or any persons related to the PG&E Member (other than subsidiaries of the Company);
- (m) cause its representatives to hold themselves out to third parties as being the representatives of the Company or such Company subsidiary, and refrain from holding themselves out as representatives of the PG&E Member, except where the PG&E Member is acting as the Company's or such Company subsidiary's agent for the limited purposes of the Company's initial organizational matters, including making submissions to, and otherwise interacting with, the

CPUC, FERC and other regulatory agencies and in connection with the any contribution of assets to, or assumption of liabilities by, the Company (or such Company subsidiary) and the capitalization of the Company (or such Company subsidiary); and

(n) pay or bear the cost of the preparation of its financial statements, and have such financial statements audited by an independent certified public accounting firm.

8. Capital Structure. The capital structure of the Company shall consist of one class of common units (the “Common Units”), which shall collectively represent all of the limited liability company interests in the Company. All Common Units shall be identical with each other in every respect.

9. Members. The PG&E Member shall be the sole member of the Company until such time as one or more additional members is or are admitted to the Company (such additional members of the Company, together with the PG&E Member, the “Members”). Members may be admitted to the Company only upon the approval of the PG&E Member.

10. Register of Members. Ownership of Common Units may be represented by certificates, but ownership in the Company shall be exclusively evidenced and determined by entry in the register of Members of the Company, which register is conclusive as to the equity ownership in the Company (the “Register of Members”). A copy of the Register of Members setting forth the name, address, number of Common Units owned by each Member and the percentage of issued and outstanding Common Units held by such Member as of the date hereof is attached as Schedule A hereto, and the Company shall amend the Register of Members from time to time as necessary to reflect accurately additional capital contributions to the Company and any direct or indirect sale, exchange, transfer, lease, license, foreclosure or other disposal or similar transaction with respect to Common Units, whether voluntary, involuntary or by operation of law, whether or not for value undertaken in compliance with this Agreement.

11. Tax Treatment. Notwithstanding anything herein to the contrary, unless otherwise determined by the PG&E Member, for U.S. federal income tax purposes (as well as for any analogous state or local tax purposes) the Company shall be (a) a disregarded entity if there is a single Member, and (b) a partnership if there is more than one Member. The Company and each Member shall take any and all necessary actions to ensure the Company is treated in a manner consistent with the preceding sentence.

12. Management of the Company.

(a) Except as otherwise expressly provided in this Agreement, all powers to control and manage the business and affairs of the Company shall be exclusively vested in the PG&E Member, and the PG&E Member may exercise all powers of the Company and do all such lawful acts as are permitted by the Act and in so doing shall have the right and authority to take all actions which the PG&E Member determines necessary, advisable, convenient or incidental for the management and conduct of the Company’s business.

(b) The PG&E Member may appoint one or more officers of the Company and retain and terminate employees, agents and consultants of the Company and delegate such duties to any such officers, employees, agents and consultants as the PG&E Member deems appropriate,

including the power, acting individually or jointly, to represent and bind the Company in all matters, in accordance with the scope of their respective duties. Any officer of the Company may be removed at any time by the PG&E Member for any reason or no reason at all. Each officer of the Company shall serve as such until the earliest of (i) his or her removal by the PG&E Member, (ii) his or her resignation as an officer, or (iii) his or her death.

(c) In furtherance of Section 12(b), David Thomason is hereby appointed as the Vice President of the Company, and shall be responsible for the general and active management of the Company.

13. Limited Liability. Except as otherwise provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and neither the PG&E Member nor any other person shall be obligated for any such debt, obligation or liability of the Company by reason of being a Member.

14. Indemnification. Subject to the limitations and conditions set forth in this Section 14, each person who was or is made a party (or is threatened to be made a party) to, or is involved in any threatened, pending or completed action, suit or proceeding, whether a civil, criminal, administrative, arbitrative or investigative proceeding (hereinafter, a "Proceeding"), or any appeal in such a Proceeding or any inquiry or investigation that could lead to such a Proceeding, by reason of the fact that he, she, or it, or a person of whom he, she, or it is the legal representative, is or was serving as a manager, officer, or similar functionary of the Company or is or was serving at the request of the Company as a manager, officer, or similar functionary of another person (each, an "Indemnified Person"), shall be indemnified by the Company to the fullest extent permitted by law (including, without limitation, indemnification against negligence, gross negligence and breach of duty) against judgments, penalties (including excise and similar taxes and punitive damages), fines, settlements and reasonable expenses (including, without limitation, attorneys' fees) actually incurred by such Indemnified Person in connection with such Proceeding, if the Indemnified Person acted in good faith and in a manner such Indemnified Person reasonably believed to be in, or not opposed to, the best interests of the Company, and with respect to any criminal Proceeding, had no reasonable cause to believe such Indemnified Person's conduct was unlawful. The indemnities hereunder shall survive termination of the Company. Each Indemnified Person shall have a claim against the property and assets of the Company for payment of any indemnity amounts from time to time due hereunder, which amounts shall be paid or properly reserved for prior to the making of distributions by the Company to the Members. Indemnification under this Section 14 shall continue as to an Indemnified Person who has ceased to serve in the capacity which initially entitled such Indemnified Person to indemnity hereunder. The rights granted pursuant to this Section 14 shall be deemed contract rights, and no amendment, modification, or repeal of this Agreement shall have the effect of limiting or denying any such rights with respect to actions taken or Proceedings arising prior to any such amendment, modification or repeal.

15. Amendment. This Agreement may be modified or amended at any time by a writing signed by the PG&E Member.

16. Dissolution. The Company shall dissolve, and its affairs shall be wound up upon the first to occur of the following: (a) the determination of the PG&E Member to dissolve the Company; (b) any time there are no Members unless the Company is continued in accordance with the Act; or (c) the entry of a decree of judicial dissolution under Section 18-802 of the Act. The bankruptcy (within the meaning of the Act) of any Member shall not cause any of the Members to cease to be Members of the Company and, upon the occurrence of such a bankruptcy, the Company shall continue without dissolution. In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including, without limitation, the sale of the assets of the Company in an orderly manner), and the assets of the Company shall be applied in the manner, and in the order of priority, set forth in Section 18-804 of the Act.

17. Governing Law. This Agreement, including, without limitation, its existence, validity, construction and operating effect, shall be governed by and construed in accordance with the laws of the State of Delaware without regard to otherwise governing principles of conflicts of law.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the PG&E Member, being the sole member of the Company, has executed this Agreement as of the Formation Date.

**PACIFIC GAS AND ELECTRIC
COMPANY**

By: David Thomason
Name: David Thomason
Title: Vice President, Chief Financial
Officer and Controller

SCHEDULE A

REGISTER OF MEMBERS AS OF SEPTEMBER 26, 2022

Name & Address	Number of Common Units	Company Percentage Interest
Pacific Gas and Electric Company 300 Lakeside Drive Oakland, CA 94612 Attention: David Thomason Email: David.Thomason@pge.com	100,000,000	100%

Attachment C

Pacific Generation LLC Certificate of Good Standing in Delaware

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "PACIFIC GENERATION LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-SIXTH DAY OF SEPTEMBER, A.D. 2022.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN ASSESSED TO DATE.




Jeffrey W. Bullock, Secretary of State

7044945 8300

SR# 20223613417

You may verify this certificate online at corp.delaware.gov/authver.shtml

Authentication: 204475438

Date: 09-26-22

Attachment D

Pacific Generation LLC Certificate of Authority to do Business in California



Secretary of State Certificate of Status

I, SHIRLEY N. WEBER, PH.D., California Secretary of State, hereby certify:

Entity Name: PACIFIC GENERATION LLC
Entity No.: 202252614263
Registration Date: 09/26/2022
Entity Type: Limited Liability Company - Out of State
Formed In: DELAWARE
Status: Active

The above referenced entity is active on the Secretary of State's records and is qualified to transact intrastate business in California.

This certificate relates to the status of the entity on the Secretary of State's records as of the date of this certificate and does not reflect documents that are pending review or other events that may impact status.

No information is available from this office regarding the financial condition, status of licenses, if any, business activities or practices of the entity.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of September 26, 2022.

SHIRLEY N. WEBER, PH.D.
Secretary of State

Certificate No.: 047714231

To verify the issuance of this Certificate, use the Certificate No. above with the Secretary of State Certification Verification Search available at bizfileOnline.sos.ca.gov.

Attachment E

Subscriptions and Verifications

Subscription and Verification

This Joint Application for Approval of Transfer of Licenses (Application) is executed in the:

STATE OF: California
COUNTY OF: San Mateo

By: Stephanie Maggard
Vice President
Pacific Generation LLC
300 Lakeside Drive
Oakland, CA 94612

Stephanie Maggard, being duly sworn, deposes and says that the contents of this Application are true to the best of her knowledge or belief. The undersigned applicant has signed this application this 12th day of December, 2022.

By:


Stephanie Maggard
Vice President

Subscribed and sworn to before me, a Notary Public of the State of California this _____ day of _____, 2022.

[Notary Seal]

See Attached

Notary Public No. _____

My Commission expires: _____

CALIFORNIA JURAT WITH AFFIANT STATEMENT

GOVERNMENT CODE § 8202

- See Attached Document (Notary to cross out lines 1-7 below)
- See Statement Below (Lines 1-7 to be completed only by document signer[s], *not* Notary)

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____

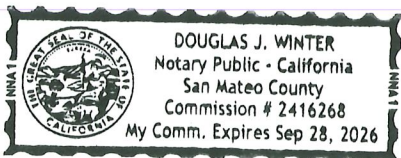
Signature of Document Signer No. 1

Signature of Document Signer No. 2 (if any)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
 County of San Mateo

Subscribed and sworn to (or affirmed) before me
 on this 12 day of December, 2022, by
 (1) Stephanie Maggard
 (and (2) _____),
Name(s) of Signer(s)



proved to me on the basis of satisfactory evidence
 to be the person(s) who appeared before me.

Signature _____
Signature of Notary Public

Seal
 Place Notary Seal Above

-----**OPTIONAL**-----

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Subscription and Verification

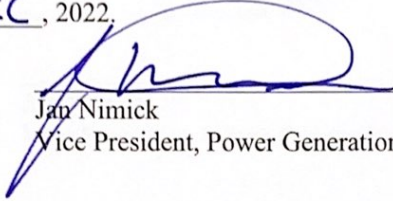
Subscription and Verification

This Joint Application for Approval of Transfer of Licenses (Application) is executed in the:

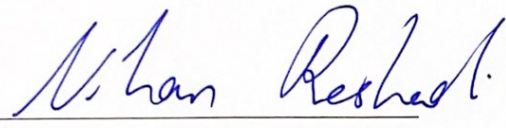
STATE OF: California
COUNTY OF: CONTRA COSTA

By: Jan Nimick
Vice President, Power Generation
Pacific Gas and Electric Company
12840 Bill Clark Way
Auburn, CA 95602

Jan Nimick, being duly sworn, deposes and says that the contents of this Application are true to the best of his knowledge or belief. The undersigned applicant has signed this application this 12 day of DEC, 2022.

By: 
Jan Nimick
Vice President, Power Generation

Subscribed and sworn to before me, a Notary Public of the State of California this 12th day of Dec, 2022.



Notary Public No. 2373534

My Commission expires: Sep 3rd, 2025.

