

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

In Re: Application for Surrender of License and
for Non-Project Use of Project Lands (Pacific
Gas & Electric Company; Potter Valley
Hydroelectric Project No. P-77)

FERC Project No. 77-332

**COMMENTS ON SCOPING DOCUMENT 1 FOR THE POTTER VALLEY PROJECT
(PROJECT NO. P-77-332)
of
CALIFORNIA TROUT, AND TROUT UNLIMITED**

WALTER "REDGIE" COLLINS
CALIFORNIA TROUT
435 Pacific Avenue, Suite 200
San Francisco, California 94133
Tel: (415) 392-8887
rcollins@caltrout.org

MATT CLIFFORD
TROUT UNLIMITED
2550 9th Street, Suite 104
Berkeley, CA 94710
Tel: (510) 280-5392
mclifford@tu.org

INTRODUCTION

California Trout and Trout Unlimited submit these comments on the “Notice of Scoping Meetings and Request for Comments on Proposed Surrender, Decommissioning, and Non-Project Use of Project Lands” (May 22, 2026) (Scoping Notice)¹. These comments follow and are additive to our previous comments and Motion to Intervene submitted on PG&E’s Application for Surrender of License and Non-Project Use of Project Lands (December 1, 2025)².

First, we support FERC’s completion of its NEPA review expeditiously to take final action on the License Surrender and authorization for Non-Project Use of Project Lands. It has already been seven years since PG&E notified FERC of its decision not to seek relicensing, and four years since FERC ordered the company to prepare a license surrender and decommissioning plan. The Project has not generated energy since 2001 and has been operating on an annual license since 2022.

There is no time to waste. Eel River salmon and steelhead populations remain in serious decline, and each additional year of delay prolongs the impacts of the existing Project and postpones access to critical upstream habitat. FERC should move expeditiously to complete its environmental review and issue a surrender order that allows decommissioning and dam removal to proceed on the earliest feasible schedule. Any delay prolongs the burden for PG&E’s ratepayers who ultimately pay to support non-economic hydropower projects such as this one.

DESCRIPTION OF PARTIES AND BACKGROUND

California Trout, Inc. (CalTrout) is a nonprofit organization, founded in 1971, whose mission is to revitalize waters for resilient wild fish and a better California by driving innovative, science-based solutions that work for the diverse interests of fish, farms, commerce, and people. CalTrout has established a presence in both the Eel River and Russian River basins with decades of scientific and restoration experience. CalTrout operates its North Coast office near the mouth of the Eel River, and has dedicated program staff working on Eel River recovery. This includes habitat restoration, flow management, watershed planning, and monitoring efforts with state and federal agencies, Tribes, and local partners. California Trout has participated in licensing proceedings for the Potter Valley Project (PVP) since our organization’s creation.

Trout Unlimited is a national nonprofit conservation organization with more than 300,000 members and supporters. TU provides science-based solutions to protect and restore cold-water fisheries nationwide. TU’s vision is that trout and salmon will be restored throughout their native

¹ FERC Accession Number 20260522-3069

² FERC Accession Number 20251201-5486

range so that the next generation can enjoy healthy fisheries in their home waters. To accomplish this vision, TU works to protect, reconnect, and restore fish populations and their habitat, and to sustain this work by building a diverse movement of businesses, people, and communities dedicated to its mission. TU has participated in numerous hydropower licensing and decommissioning proceedings and has extensive on-the-ground restoration involvement in the Eel and Russian River watersheds. The Eel River is one of TU's highest priorities. Our members consider it one of their foremost steelhead fishing destinations, and the organization has designated it a Priority Water in its strategic plan. TU's staff and partners have invested more than \$10 million dollars in habitat restoration throughout the Eel River basin, through dozens of fisheries restoration projects.

Both organizations are signatories to the "Two-Basin Solution" agreement that gave rise to PG&E's application for Non-Project Use of Project Lands. This agreement was memorialized in the Water Diversion Agreement, signed by Sonoma County Water Agency, Mendocino County Inland Water and Power Commission, Round Valley Indian Tribes, Humboldt County, the California Department of Fish and Wildlife, our two organizations, and the Eel-Russian Project Authority, which will construct and operate the New Eel-Russian Facility ("NERF"). The agreement supports co-equal goals of restoring Eel River fisheries and maintaining a continued, reliable diversion of water to the Russian River Basin after PG&E's License Surrender.

The Two-Basin Solution supports PG&E's removal of Scott and Cape Horn Dams and restoration of a free-flowing Eel River while preserving a limited, ecologically protective diversion through NERF to support communities and water users in the Russian River Basin. The framework reflects years of collaboration to develop a durable regional solution that advances salmon recovery while addressing legitimate water-supply needs in both basins.

We strongly support the License Surrender Application and Decommissioning Plan and authorization for Non-Project Use of Project Lands. Together, these actions provide the most practical and broadly supported path to remove obsolete project infrastructure, restore access to critical salmon and steelhead habitat, improve river function, and maintain an appropriately managed interbasin diversion consistent with the long-term ecological needs of the Eel River.

FERC must give weight to the broad public interest standard associated with the increase in salmon, and steelhead that would accrue from restoring access to historical habitat³. Benefits will include a significant increase in revenues and catch for recreational and commercial fishers

³ FitzGerald, Alyssa M., David A. Boughton, Joshua Fuller, Sara N. John, Benjamin T. Martin, Lee R. Harrison, and Nathan J. Mantua. (2022) "Physical and biological constraints on the capacity for life-history expression of anadromous salmonids: an Eel River, California, case study." *Canadian Journal of Fisheries and Aquatic Sciences*. 99(999), 1-19

and economic enhancement for local and regional restaurants and tourist destinations resulting from the increased abundance of salmon and steelhead. Salmon harvest represents interstate commerce and should be protected by FERC. The American public will also benefit from significant improvements in habitats and populations of ESA-listed species⁴. Federal and state taxpayers have invested over a billion dollars in improving conditions for salmon along the West Coast. Completely removing both dams on the Eel River will protect and enhance this substantial public investment. To be clear, in a license surrender, the “comprehensive development/public interest standard under FPA §§ 4(e) and 10(a) do not apply; a “broad” public interest applies⁵.

COMMENTS ON SCOPING DOCUMENT 1

We believe that Scoping Document 1 generally describes the right approach to environmental analysis. We offer the following comments:

Proposed Action and Alternatives

3.1 We agree that the No-Action Alternative is not a reasonable alternative, for the reasons stated. The Commission cannot deny PG&E’s surrender application or compel PG&E to keep operating the Project against its wishes⁶. The Commission should give no further consideration to late-arising or speculative proposals to retain the Project. It is understandable that those who have benefited from PG&E’s operation of the Project would prefer to see the status quo continue. But there has been ample time for a viable successor to step forward, and none has. Further delay in hopes that one might emerge would impose additional costs on PG&E and its ratepayers, prolong uncertainty for communities in both basins, and delay urgently needed ecological restoration.

3.2 We support PG&E’s proposed action and authorization for non-project use of project lands for the reasons described above.

3.4 We agree that FERC’s Decommissioning policy is to not require fishways or other permanent facilities post License Surrender as the Commission will no longer have jurisdiction over the remaining facilities and associated lands and waters. Additionally, the Commission cannot force a Project owner to continue to operate facilities they wish to remove.

⁴ See S. Rep. No. 307, 93d Cong., 1st Sess. 3 (1973) (stating “[a]ll agencies, departments, and other instrumentalities of the Federal government are directed to cooperate in the implementation of the goals of this Act”).

⁵ Duke Energy Carolinas, LLC, 123 FERC ¶ 61,069 (2008).

⁶ See FPL Energy Maine Hydro, LLC (2004) 107 FERC ¶ 61,120, 61,404 (May 6, 2004), aff’d sub nom Save our Sebasticook v. FERC, 431 F.3d 379 (D.C. Cir. 2005); see also FPL Energy, 106 FERC ¶ 61,038, 61,143.

3.4.1 We agree that phased removal of Scott Dam should be eliminated as an alternative. As discussed in previous comments, CalTrout and TU view the Sediment Management Plan and the Aquatic Species Management Plan as two of the most critical implementation documents required for decommissioning. We understand these documents are currently in development.

3.4.2 We agree with elimination of retaining Scott Dam as a separate alternative as infeasible. As SD1 states, “Given the seismic stability concerns surrounding the structure, past efforts to find an operator for the project, and PG&E’s preferred alternative to remove the structure, staff dismissed this alternative as infeasible.” The Project was uneconomic even before recent information developed regarding seismic concerns and before the transformer failed. This is the reason no party stepped forward to take over the Project despite PG&E’s and FERC’s attempt to find a successor licensee, and now that time has passed.

We also note that many commenters conflate Scott Dam with the diversion facility located approximately 12 miles downstream, suggesting that Scott Dam must be retained to protect Russian River water users. That is incorrect. There is already a successor entity, created by the regional water agencies responsible for Russian River supplies, to build and operate the NERF. Those same parties evaluated whether acquiring Scott Dam should be part of that solution and determined that retaining the dam was not feasible. Given their direct operational experience, technical expertise, and local knowledge, there is no reasonable basis to assume that a less-informed third party could identify a viable path that the region’s water managers have already considered and rejected.

3.4.3 Commission staff also eliminated as a separate alternative the surrender and decommissioning of the Project without NERF. We would retain it. Whether included as a separate alternative or analyzed by some other means, it is critically important that FERC design the NEPA analysis so that the EIS can be certified, the License Surrender Order issued, and Non-Project Use authorized, even if—at that time—it is uncertain whether NERF will also proceed on schedule. As SD1 notes elsewhere, NERF will require its own set of permits to be obtained by ERPA. As emphasized above, our two groups are absolutely committed to NERF as part of the Two-Basin Solution, and we will do our level best to support permitting and financing of NERF and keeping it on schedule. However, PG&E cannot control the schedule for ERPA or its permitting agencies.

Under recently adopted rules and court precedent, NEPA reviews are now more strictly bounded to the environmental impacts of actions over which the acting federal agency has actual authority and control. Because the NERF will require new permitting, outside FERC’s jurisdiction, FERC should consider a dam removal alternative that does not require the NERF, or otherwise include

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analysis in its EIS sufficient to cover a situation in which there is uncertainty whether it gets built.

We note that this comment is fully consistent with the Two-Basin Solution from its onset. The parties have always been committed to keeping pace with decommissioning so that NERF can be constructed in sync with dam removal and the diversion can operate without interruption. But we understand that PG&E and the Commission cannot be captive to our success. Again, we are optimistic that we will be able to keep the agreement on track.

3.4.4 We agree that federal takeover can be eliminated as an option, for the reasons stated.

3.4.5 We agree that a non-power license can be eliminated as an option, for the reasons stated.

Scope of Resource Issues

We generally agree with the preliminary list of environmental issues to be addressed in the NEPA document and commend FERC staff for their efforts in summarizing the Commission's record. Below, we provide additional comments on a subset of the Scope of Resource Issues:

4.1 Cumulative Effects. We agree that the operation of NERF is a cumulative effect.

4.2.2 Water Use and Hydrology

We agree that consequences downstream of Lake Mendocino on the East Branch Russian River can be excluded from the analysis, because river flows and releases below Coyote Dam are governed by processes other than the FERC license being surrendered (i.e., water rights and biological opinions) and operate independently.

The Commission should appropriately limit its analysis of Russian River effects to areas causally connected to the proposed action, principally the East Branch Russian River, and facilities directly affected by the Project diversion. The Potter Valley Project does not control the hydrology or operation of the entire Russian River watershed, and the environmental review should not attribute broader downstream conditions or water-management decisions to the proposed surrender where those effects are governed by Lake Mendocino, Lake Sonoma, and separate water-management authorities and regulatory regimes. Section 27 of the FPA expressly prohibits the Commission from adjudicating water rights or interfering with the state laws "relating to control, appropriation, use, or distribution of water used in irrigation or for municipal

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or other uses, or any vested rights acquired therein.”⁷; As such, the Commission has no authority in the disposition of water rights, and it is an issue that must be adjudicated by the State of California.

4.2.3. Water Quality

The Commission should consider the effects of changes in non-point source pollution from motorized boat use on Lake Pillsbury on water quality from the removal of Lake Pillsbury⁸.

4.2.12 Socioeconomics

Effects studied should not extend beyond areas causally connected to the proposed action and should consider current Project operations as the baseline.

5.0 REQUEST FOR INFORMATION

We encourage the Commission to consider the growing body of information regarding Sacramento pikeminnow in the Eel River basin and ongoing efforts to suppress this invasive predator. Sacramento pikeminnow were first detected in Lake Pillsbury in 1979 and have since expanded throughout much of the basin. Research indicates that they prey on, compete with, and alter the behavior of juvenile salmonids, lamprey, and other native fishes. Their abundance is widely recognized as an important constraint on the recovery of native fish populations, particularly juvenile salmon and steelhead.

Recent suppression efforts in the South Fork Eel River have demonstrated that coordinated management can reduce pikeminnow abundance. Since 2022, suppression and monitoring efforts led by Tribes, California Trout, UC Berkeley, Stillwater Sciences, CDFW, and other partners have removed more than 6,000 pikeminnow from the South Fork and lower mainstem Eel River. In 2025 alone, approximately 40 percent of South Fork Eel River pikeminnow over 40 centimeters were removed, and the South Fork population reached its lowest observed level since monitoring began in 2018.

These efforts are now expanding. CDFW has funded development of a Basin-Wide Pikeminnow Management Plan and continued suppression and monitoring through 2027. Round Valley Indian Tribes, Robinson Rancheria, the Wiyot Tribe, California Trout, UC Berkeley, CDFW and other partners are coordinating suppression efforts across multiple subbasins. Pikeminnow management has therefore become an important basin-wide salmon recovery priority.

⁷ 16 U.S.C. § 821

⁸ See: <https://www.epa.gov/nps/nonpoint-source-marinas-and-boating#overview>

The Commission should consider this information when evaluating the effects on aquatic resources and the long-term ecological benefits of dam removal, including how Project decommissioning may affect pikeminnow distribution, abundance, and opportunities for effective basin-wide suppression. CalTrout and its partners will provide the Basin-Wide Pikeminnow Management Plan to the Commission and PG&E upon completion.

CONCLUSION

California Trout and Trout Unlimited support FERC's proposed scope of review, with the refinements described above, and urge the Commission to keep the surrender process moving without unnecessary delay. The record supports removal of Scott and Cape Horn Dams, restoration of a free-flowing Eel River, and authorization of the non-project use needed to advance the Two-Basin Solution. FERC should complete its environmental review efficiently, avoid expanding the analysis beyond effects causally connected to the proposed action, and issue a surrender order on the earliest feasible schedule.

Respectfully submitted,

DATED: July 23, 2026

By: /s/ Walter "Redgie" Collins
WALTER "REDGIE" COLLINS
CALIFORNIA TROUT

DATED: July 23, 2026

By: /s/ Matt Clifford
MATT CLIFFORD
TROUT UNLIMITED

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served, by first class mail or electronic mail, the
**COMMENTS ON SCOPING DOCUMENT 1 FOR THE POTTER VALLEY PROJECT
(PROJECT NO. P-77-332) of CALIFORNIA TROUT, AND TROUT UNLIMITED.** This
Certificate of Service is served upon each person designated on the official P-77 Service List
compiled by the Commission in the above-captioned proceeding.

Dated this 23rd day of July, 2026.



Walter "Redgie" Collins
Vice President of
Legal and Government Affairs
California Trout
435 Pacific Avenue, Suite 200
San Francisco, California 94133
(707) 217-0409
cschneider@caltrout.org

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