
State Water Resources Control Board

July 23, 2026

Ms. Debbie-Anne Reese, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426
Via e-filing to FERC docket No. 77

**Potter Valley Hydroelectric Project
Federal Energy Regulatory Commission Project No. 77
Lake and Mendocino Counties
Eel River and East Branch Russian River**

COMMENTS ON SCOPING DOCUMENT 1

Dear Secretary Reese:

On May 22, 2026, the Federal Energy Regulatory Commission (FERC) issued *Scoping Document 1 for the Proposed Surrender and Decommissioning of the Potter Valley Hydroelectric Project* ([Scoping Document 1](#))¹. Scoping Document 1 requests comments and suggestions on the preliminary list of issues and alternatives to be addressed in the National Environmental Policy Act (NEPA) document for Pacific Gas and Electric Company's (PG&E) proposed decommissioning of the Potter Valley Hydroelectric Project (Project) is also referred to as FERC Project No. 77. The State Water Resources Control Board's (State Water Board or Board) comments on Scoping Document 1 are included in this letter.

Background

PG&E owns and operates the Potter Valley Hydroelectric Project, which is located on the Eel River and East Branch Russian River in Lake and Mendocino counties. The uppermost portion of the Potter Valley Hydroelectric Project includes Scott Dam and its associated storage reservoir, Lake Pillsbury. Below Scott Dam, the Eel River flows approximately 12 miles to Cape Horn Dam, which impounds Van Arsdale Reservoir. At Van Arsdale Reservoir, up to 75 cfs of the water is diverted south through a series of

¹ FERC Library Document Accession No. 20260522-3012. Available at: https://elibrary.ferc.gov/eLibrary/filelist?accession_num=20260522-3012

tunnels, conduits, and penstocks to the 9.2-megawatt Potter Valley Powerhouse². Potter Valley Powerhouse discharges into canals used by the Potter Valley Irrigation District for irrigation or the East Branch Russian River, which flows into Lake Mendocino. Water that is not diverted into the Russian River watershed flows down the Eel River northwest, approximately 150 miles from Cape Horn Dam to the Pacific Ocean.

Regulatory Authority

Section 401 of the federal Clean Water Act (CWA), 33 U.S.C. §1251 et seq., requires any applicant for a federal license or permit, which may result in any discharge to navigable waters, to obtain water quality certification (certification) from the State Water Board that the discharge will comply with the applicable provisions of sections 301, 302, 303, 306, and 307 of the CWA, and other appropriate requirements of state law. Under Section 401(a)(1), FERC may not issue a surrender order until the Board acts on the certification, except in the event of a waiver of state authority. (33. U.S.C. § 1341(a)(1).)

Under section 303 of the CWA and under the Porter-Cologne Water Quality Control Act, the North Coast Regional Water Quality Control Board, adopted, and the State Water Board and United States Environmental Protection Agency approved, the *Water Quality Control Plan for the North Coast Region* (Basin Plan)³. The Basin Plan designates the beneficial uses of waters to be protected along with the water quality objectives necessary to protect those uses. The Basin Plan identified beneficial uses in the Project area are: municipal and domestic supply; agricultural supply; industrial service supply; groundwater recharge; freshwater replenishment; navigation; hydropower generation; water contact recreation; non contact water recreation; commercial and sport fishing; warm and cold freshwater habitat; wildlife habitat; rare, threatened, or endangered species; migration of aquatic organisms; spawning, reproduction, and/or early development; and aquaculture.

The beneficial uses together with the water quality objectives that are contained in the Basin Plan, along with state and federal anti-degradation requirements, constitute California's water quality standards under section 303 of the CWA. The State Water Board must evaluate impacts of the Project on the associated waterbodies to determine whether the Project complies with all applicable water quality objectives in the Basin Plan and protects the designated beneficial uses. Certification also may address a project's effects on public trust resources. In developing a certification, the State Water Board considers the proposed action and its potential water quality impacts.

² PG&E has not generated power at the Potter Valley Powerhouse since July 2021 due to a transformer that did not meet operating standards.

³ The Basin Plan can be found at:

https://www.waterboards.ca.gov/northcoast/water_issues/programs/basin_plan/basin_plan_documents/

Last Accessed on June 15, 2026.

The State Water Board may request additional information to clarify, amplify, correct, or otherwise supplement the contents of the application (Cal. Code Regs., tit. 23, § 3836.). A complete application for a certification must include a description of any steps that have been or will be taken to avoid, minimize, or compensate for loss of or significant adverse impacts to beneficial uses of water. (Cal. Code Regs. tit. 23, § 3856, subd. (h)(6)). If the Project does not comply with one or more of the water quality objectives or criteria, then the Project applicant must describe the actions that it will take to bring the Project into compliance in order to protect and maintain the beneficial uses of the State's waters.

Compliance with the California Environmental Quality Act (CEQA) is required as part of the certification process. The CEQA process requires the evaluation of a project's potential impacts to environmental resources as well as identification of mitigation measures and alternatives to reduce project impacts. Additionally, CEQA requires public input on identified impacts and mitigation measures. On September 22, 2026, State Water Board issued a Notice of Preparation and Scoping Meetings for an Environmental Impact Report for the Potter Valley Hydroelectric Project Surrender and Decommissioning. The State Water Board sought written comments over a 42-day public comment period and held four public scoping meetings to provide information and solicit input from the public and interested parties. On May 12, 2026, State Water Board released the Scoping Report⁴ for the Project.

Ongoing Studies and Plan Development

On July 7, 2026, FERC approved PG&E's June 9, 2026 request to extend the due date to file: (1) a copy of the certification; (2) a copy of the request for certification, including proof of the date on which the certifying agency received the request; or (3) evidence of waiver of certification.⁵ FERC extended the due date for filing this information to within 60 days of FERC issuance of a notice related to the schedule for document preparation pursuant to the NEPA. State Water Board staff agree with a due date extension as the implementation of certification-related and environmental analyses to inform the decommissioning of the Project is currently ongoing. Therefore, State Water Board staff do not believe PG&E can provide a sufficiently complete certification application for the Project until results of the certification-related environmental analyses are available. In addition, results from the environmental analyses will inform the development of PG&E's management plans.

⁴ The Scoping Report is available at https://waterboards.ca.gov/waterrights/water_issues/programs/water_quality_cert/potter_valley_ferc77.html

⁵ FERC Library Document Accession No. 20260707-3013. Available at: https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20260707-3013&optimized=false

As a mandatory conditioning agency, the State Water Board exercises independent authority to issue a certification for the Project. As such, State Water Board staff cannot be pre-decisional on the outcome (e.g., requirements) of the State Water Board's certification process. To date, State Water Board staff have reviewed the following PG&E study plans to inform the surrender process and believe the results of these studies will inform the Project environmental analysis:

- Slope stability;
- Sediment transport and characterization;
- Toxicity and Bioaccumulation;
- Federal Emergency Management Agency Condition Letter of Map Revision;
- Wetland and Riparian Mapping; Phase I/II Assessments; and
- Freshwater Bivalve Mollusks.

As described in PG&E's surrender application, the information developed through the studies described above will directly inform the preparation of management plans for the decommissioning of the Potter Valley Hydroelectric Project. Until PG&E completes these plans, FERC staff should consider the surrender application incomplete and hold NEPA analysis until management plans have been developed. This approach will help avoid duplicative review if the forthcoming plans necessitate new or substantially different environmental analysis.

In addition, State Water Board staff recommend FERC staff consider the State Water Board's March 3, 2025 comments⁶ and March 24, 2025 supplemental comments⁷ on PG&E's Draft Surrender Application and Conceptual Decommissioning Plan.

If you have questions regarding this letter, please contact Wilhelmina Chon, Project Manager, by email to: wilhelmina.chon@waterboards.ca.gov or by phone call to 916-319-0745. Written correspondence or inquiries should be directed to:

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⁶ FERC Library Document Accession No. 20250304-5009. Available at: https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20250304-5009

⁷ FERC Library Document Accession No. 20250325-5017. Available at: https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20250325-5017

Sincerely,

Wilhelmina Chon

Wilhelmina Chon
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Certificate of Service

I hereby certify that I have this day filed electronically with the Federal Regulatory Commission and served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated this 23rd day of July 2026.

Wilhelmina Chon

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