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December 5, 2017

DELIVERY VIA ELECTRONIC FILING

The Honorable Kimberly D. Bose Secretary, Federal Energy Regulatory Commission 888 First Street, N.E. Washington, D.C. 20426

Re: Request for Extension of Time to Respond to July 14, 2017 Additional Information Request; Application for Surrender of License for Major Project and Removal of Project Works; Project Nos. 2082-063 and 14803-001

Dear Madam Secretary:

On July 14, 2017, the Federal Energy Regulatory Commission ("FERC" or "the Commission") directed Klamath River Renewal Corporation ("KRRC") to provide additional information that the Commission deemed relevant to an informed decision on the referenced surrender application. The Commission asked that this information be filed along with the supplemental information that KRRC previously indicated it would file with the Commission on or before December 31, 2017.¹ As apparently anticipated by the Commission, much of the requested information is information that KRRC intends to provide in the body of the Definite Plan. In so responding, KRRC intends to provide the Commission with a comprehensive plan for decommissioning of the Lower Klamath Project, as well as a document that will update information contained in the U.S. Department of the Interior and the California Department of Fish and Wildlife's 2012 Klamath Facilities Removal Final Environmental Impact Statement/Environmental Impact Report (EIS/EIR).

KRRC has been diligently pursuing its commitment to complete this work by the selfimposed deadline of December 31, 2017. Much of this work has been completed, but some of this work is still in progress. For the reasons discussed below, KRRC is requesting an extension of time to not later than July 1, 2018 to submit the Definite Plan and to respond to those aspects of the July 14, 2017 Additional Information Request that

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¹ KRRC's Application for Surrender of License for Major Project and Removal of Project Work states that KRRC will submit the "Definite Plan" (superseding the Detailed Plan) as the basis for the Commission's completing environmental review by December 31, 2017.

will be fully addressed in the Definite Plan. Responses to the July 14, 2017 Additional Information Request that are not dependent upon the Definite Plan would still be filed by December 31, 2017. A plan and schedule for these responses for the Commission's consideration is proposed below.

Preparation of Definite Plan

In December of 2016, after soliciting statements of qualifications, KRRC issued a request for proposals to firms qualified to act as KRRC's Technical Representative and, among other responsibilities, assume primary responsibility for preparation of the Definite Plan. On February 8, 2017, the KRRC selected AECOM to fill this role. AECOM has significant experience with developing and implementing decommissioning plans, most recently including the San Clemente dam removal project in Monterey County, California, and the Penobscot River restoration project (removal of Veazie and Great Works hydroelectric dams and bypass around Howland dam) in Penobscot County, Maine.

When AECOM was brought on to do this work, KRRC and AECOM took a fresh look at what was needed to update and augment the "Detailed Plan" that was filed with the surrender application. This work required AECOM to promptly undertake various field studies, inspections, and technical analyses that included dam condition assessments, geotechnical investigations, hazardous materials investigations, biological resource surveys, cultural resource surveys and other studies and analysis.² This work has also required close coordination with federal and state resource agencies, tribes, and other parties in order to collect, review and assimilate information needed for the Definite Plan.

In June of 2016, to oversee this effort, KRRC hired Mark Bransom as its Executive Director. Mr. Bransom brings over 20 years of planning, engineering, and construction experience in a variety of large water infrastructure and environmental restoration projects for state and local governments, federal agencies, Native American tribes, nongovernmental organizations, and private sector clients throughout the Western United States. During this time, KRRC has also added four new Board Members and collectively, the KRRC Board continues to provide focus and commitment to the task of preparing a Definite Plan that will fully implement the Amended KHSA.

² Response to April 24, 2017 Additional Information Request, Project Nos. 2082-062 and 14803-000, June 23, 2017, FERC Accession #20170623-5103 (pp.4-12)

Other Regulatory Requirements and Issues

Over this same time period, KRRC has been pursuing additional regulatory requirements in support of its surrender application. When it filed its surrender application with FERC, KRRC also requested water quality certification under § 401 of the Clean Water Act from the states of California and Oregon. In January, the California State Water Resources Control Board ("Water Board") issued a notice of intent to prepare an Environmental Impact Report, the Water Board's public scoping period began in December, ended February 1, 2017, and a Scoping Report was issued in April of 2017. In August, the Water Board requested extensive and detailed information from KRRC in support of its application. In September of 2017, KRRC filed its response, *Klamath River Renewal Project: California Environmental Quality Act (CEQA) and California and Oregon 401 Water Quality Certifications Technical Support Document*³ and in so doing provided the information necessary to support the application and technical and field information needed to prepare an Environmental Impact Report ("EIR") consistent with the California Environmental Quality Act ("CEQA").

In furtherance of its consideration of KRRC's request for water quality certification, the Oregon Department of Environmental Quality also issued an additional information request, to which KRRC responded on September 30, 2017.

As the Commission's designated non-federal representative for carrying out informal consultation under the Endangered Species Act, the Magnuson-Stevens Fishery Conservation and Management Act, and the National Historic Preservation Act, KRRC has also been fully engaged in support of its surrender application. These activities include baseline field studies for relevant biological and cultural resources, development of necessary Biological Assessments, and informal consultations with relevant state and federal regulatory agencies to discuss required field studies and associated data, and plan for submittal of permit applications. KRRC has been actively preparing a cultural resources work plan to guide Section 106 actions through the course of the Project. In addition, the KRRC has initiated a Cultural Resources Working Group (CRWG) to provide a collaborative and interactive process for data sharing, participation, and decision-making among the applicant, tribes, and resource agency stakeholders. The CRWG meetings kicked off in September 2017, with a second meeting scheduled for December 2017.

³<u>https://www.waterboards.ca.gov/waterrights/water_issues/programs/water_quality_cert/docs/low</u> er klamath_ferc14803/20170929_krrc_tech_report.pdf

KRRC and its consultants have also been engaged, as a co-applicant, in efforts to support the *Joint Application for License Transfer and License Amendment*; Project Nos. 2082-062 and 14803-000 ("Transfer Proceeding"). This included a supplemental filing with FERC in March and responses to additional information requests in June and in December of 2017. Some of these information requests implicated matters to be addressed by the Definite Plan, and KRRC has committed to FERC to include and address these issues in the Definite Plan when it is completed.⁴ Additionally, on October 5, 2017, FERC directed KRRC to convene an Independent Board of Consultants to "review and assess all aspects of the proposed dam removal." Depending upon how soon an Independent Board of Consultants can be convened, KRRC would like to explore the possibility that the Board could review the Definite Plan (or portions thereof) before it is submitted to FERC.

On December 4, 2017 PacifiCorp and KRRC requested a technical conference in the Transfer Proceeding, noting that recent requests for additional information from FERC and third-party filings in the Transfer Proceeding implicate matters pending before the Commission in this surrender proceeding. The co-applicants expressed concerns with risks, for the Commission and the co-applicants alike, inherent in confounding and confusing the administrative record in these separate proceedings. While it is unlikely that matters to be discussed at this technical conference will involve the substance of the Definite Plan, the co-applicants would like to discuss and hopefully resolve these concerns before KRRC files the Definite Plan with FERC.

Field Studies, Inspections, And Technical Analyses

Difficulty and complexity associated with access for critical field work, and subsequent completion of necessary technical analyses have resulted in longer than anticipated timelines to finish certain aspects of the Definite Plan. For example, scheduling around ongoing PacifiCorp maintenance activities and weather related constraints have delayed geotechnical investigations and tunnel inspection activities, resulting in delays to data collection and subsequent analyses. PacifiCorp and KRRC continue, however, to work together to coordinate these activities so as to allow them to go forward while minimizing any interference with Project operations.

⁴ By way of example, FERC has asked KRRC to provide a further update of the U.S. Department of the Interior's Bureau of Reclamation's cost estimates for implementing the Definite Plan.

Request for Time Extension

KRRC has made every effort, in good faith and with reasonable diligence, to complete the Definite Plan and to fully respond to the Commission's July 14, 2017 Additional Information Request by December 31, 2017. However, due to the complexity of the issues involved, and the need to address other regulatory requirements in support of its surrender application, KRRC will not complete this work by that date. KRRC would prefer not to provide FERC with partial responses, especially in a case such as this where there are interdependencies among and between elements of the Definite Plan that need to be reviewed and understood as a whole. Moreover, the public interest is better served by providing FERC, and all interested parties, with a complete and comprehensive document for review, comment and in the case of FERC, as a basis to commence environmental review.

Some of the questions posed by FERC can, however, be answered by the December 31, 2017 due date. We therefore propose, for FERC's review, the following plan and schedule to fully respond to the Commission's July 14, 2017 Additional Information Request:

AIRs #1, 7, 8, 14, 17, 22, 23, 28, and 29,	Response Date: December 31, 2017
AIRs # 2, 3, 4, 5, 6, 9, 10, 11, 12 13, 15, 16, 18, 19 20, 21, 24, 25, 26 and 27 (Responses provided in the Definite Plan)	Response Date: Not later than July 1, 2018

As noted above, KRRC and PacifiCorp have also requested a technical conference in connection with the joint applicant's "Application for License Transfer and License Amendment; Project Nos. 2082-062 and 14803-000" in order to address, among other issues, the sequencing of the Commission's consideration of that application with KRRC's pending application in this proceeding. The July 1, 2018 outside date for filing the Definite Plan is requested to coincide with a discussion of the procedural schedule for both applications at this meeting, and in recognition of the fact that no date has yet been established by FERC for this meeting.

KRRC is fully committed to the pursuit of this surrender application as part of its overall efforts to implement the Amended KHSA. The Definite Plan is a crucial and significant step to achieving this objective. KRRC is disappointed that it will not be able to complete this task, as originally proposed, by the end of this year. However, the additional time will be used not only to provide FERC the information that has been

requested, but to provide FERC, signatories to the Amended KHSA and all interested parties a full and comprehensive plan to decommission Iron Gate Dam, Copco No. 1 Dam, Copco No. 2 Dam, and J.C. Boyle Dam, improve water quality and reestablish more than 400 miles of fisheries habit. For the forgoing reasons, KRRC respectfully requests that FERC approve the proposed plan and schedule for submission of the Definite Plan and for fully responding to FERC's July 14, 2017 Additional Information Request.

Respectfully submitted,

Markham A. Quehrn Counsel for Klamath River Renewal Corporation

cc: Service List

CERTIFICATE OF SERVICE

I hereby certify that, on this 5th day of December, 2017, I have served the foregoing

KRRC letter Request for Extension of Time to Respond to July 14, 2017 AIR upon each person

designated on the official service list compiled by the Secretary in this proceeding.

Ivy Carr

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