

158 FERC ¶ 62,156  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Pacific Gas and Electric Company

Project No. 803-087

ORDER DISALLOWING WITHDRAWAL AND SOLICITING STATEMENTS OF  
INTEREST IN PROJECT

(March 2, 2017)

1. On February 16, 2017,<sup>1</sup> Pacific Gas and Electric Company (PG&E) submitted notice that it was withdrawing its October 2, 2007 application for a new license for its 25.8-megawatt DeSabla-Centerville Hydroelectric Project No. 803. Pursuant to section 385.216 of the Commission's regulations, PG&E's withdrawal of its relicense application is disallowed, without prejudice.<sup>2</sup>
2. The DeSabla-Centerville Project is located in northern California in the Butte Creek and West Branch Feather River drainage basins. The project consists of three developments (Toadtown, DeSabla, and Centerville) and includes two storage reservoirs in the upper West Branch Feather River watershed (Round Valley and Philbrook reservoirs).
3. On October 4, 2004, PG&E filed notice of its intent to file an application for a new license for the project. PG&E filed its application on October 2, 2007. On July 24, 2009, Commission staff issued a final environmental assessment on the application. The

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<sup>1</sup> The Commission's Rules of Practice and Procedure provide that "any document received after regular business hours is considered filed on the next regular business day." 18 CFR § 385.2001(a)(2) (2016). The Commission's business hours are "each day, except Saturdays, Sundays, and Holidays, from 8:30 a.m. to 5:00 p.m." 18 C.F.R. § 375.101(c). Because PG&E filed its notice of withdrawal after 5:00 p.m. Eastern Standard Time on February 15, 2017, the notice of withdrawal is considered filed on Thursday, February 16, 2017.

<sup>2</sup> Rule 216(b) states that the withdrawal of any pleading is effective at the end of 15 days from the date of the filing of a notice of withdrawal, if no motion in opposition is filed and the decisional authority does not issue an order disallowing the withdrawal within that period. 18 CFR § 385.216(b).

California State Water Resources Control Board issued water quality certification for the project on April 8, 2015.<sup>3</sup>

4. PG&E has operated the project under an annual license since October 11, 2009, when the project license expired. The Commission has not been able to act on PG&E's license application because the National Marine Fisheries Service has not issued the biological opinion which will complete consultation under the Endangered Species Act.

5. PG&E's notice of withdrawal states that it would be contrary to the interests of its ratepayers to continue to operate the project due to declining power values and the anticipated cost of project operation associated with new license conditions. PG&E acknowledges that if the Commission does not issue a license to another entity, PG&E will file an application to surrender its current license.

6. PG&E has actively pursued relicensing, including studies and consultation, for over 13 years. Given the significant effort in both time and expense made by the company, federal and state agencies, and other stakeholders toward relicensing the project, it would not be consistent with the public interest to allow withdrawal of the license application, thereby leaving the project's status wholly uncertain, without first seeking to determine whether there is interest by any potential licensee in acquiring the project, whether through license transfer, filing of a new license application, or any other means. Accordingly, PG&E's motion to withdraw its application is disallowed, in order to give notice to the public of the opportunity to express interest in acquiring the project. This action is without prejudice to PG&E refiling the motion, should it so elect, after the conclusion of the notice period.

7. By this notice, Commission staff is soliciting statements of interest from entities who wish to acquire the DeSabra-Centerville Project. All statements of interest must be submitted to the Commission within 60 days of the issuance of this order. In determining the appropriate action to take, the Commission will consider all statements of interest and comments filed in response to this notice. Any statement of interest should indicate the extent to which the filer has discussed its interest with PG&E.

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<sup>3</sup> On May 8, 2015, PG&E filed a petition for reconsideration of its water quality certification. On September 27, 2016, the California State Water Resources Control Board, finding that portions of the petition for reconsideration had merit, modified the certification.

The Director orders:

- (A) Pacific Gas and Electric Company's Notice of Withdrawal of its Application for a new license is disallowed.
- (B) Statements of interest for acquisition of the DeSabra-Centerville Project license must be filed within 60 days of the issuance of this notice.

Terry L. Turpin  
Director  
Office of Energy Projects