



# COUNTY OF HUMBOLDT

For the meeting of: 7/30/2019

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File #: 19-1141

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**To:** Board of Supervisors

**From:** Public Works

**Agenda Section:** Consent

**SUBJECT:**

Letter to the Federal Energy Regulatory Commission in Support of the Klamath River Renewal Corporation's Information Submittal Regarding Klamath River Dam Removal

**RECOMMENDATION(S):**

That the Board of Supervisors:

1. Approve, and authorize the Chair of the Board to sign, the attached letter to the Federal Energy Regulatory Commission supporting the Klamath River Renewal Corporation's licensing efforts for removal of the Klamath River dams; and
2. Direct the Clerk of the Board to return one (1) fully executed original copy of the attached letter to Public Works - Environmental Services for formal submittal to the Federal Energy Regulatory Commission.

**SOURCE OF FUNDING:**

General Fund (1100-251 - Water Management) in the Humboldt County Public Works budget

**DISCUSSION:**

On May 31, 2016, the Board of Supervisors approved becoming a signatory party to the Amended Klamath Hydroelectric Settlement Agreement ("Amended KHSA"). Humboldt County was a signatory to the original KHSA in 2010 and was actively involved in the multi-year negotiations leading up to the agreement. The Amended KHSA provides a framework for removal of the four lowermost dams on the Klamath River (see map in Attachment 1) including the creation of a new, non-profit dam removal entity called the Klamath River Renewal Corporation ("KRRC") to implement the work. In July 2016, KRRC and the current dam owner, PacifiCorp, jointly filed an application to the Federal Energy Regulatory Commission ("FERC") to transfer the dam facilities from PacifiCorp to KRRC. Concurrent with this filing, KRRC submitted an application to FERC to surrender the license in order to allow decommissioning and removal of the dam facilities. In June 2018, KRRC filed with FERC a Definite Plan providing comprehensive analysis and detail on KRRC's plan for decommissioning and removal activities.

Following KRRC's submittal of the Definite Plan in June 2018, FERC directed KRRC to convene an

independent Board of Consultants to review all aspects of the dam removal process. On July 29, 2019, KRRC will file a submittal to FERC documenting KRRC's response to the Board of Consultants' recommendations and providing further detail on KRRC's plans to manage the costs, uncertainties, and risks associated with the project. KRRC commissioned a third party to prepare a revised cost estimate and developed a financial management strategy to effectively demonstrate that KRRC is in a strong position to fully implement the project within the committed funds of \$450 million. KRRC's July 29, 2019, submittal also presents KRRC's multi-faceted risk management strategy which includes provisions for insurance, indemnification, bonding, liability assignment, and contingency planning.

The attached letter (Attachment 2) expresses the Board of Supervisors' continued support for implementing the Amended KHSA; summarizes the benefits of dam removal for Humboldt County; and requests that FERC initiate its administrative and environmental review processes as soon as possible.

FINANCIAL IMPACT:

There are no costs associated with submitting the attached letter. As a result, approval of the attached letter will not impact the Humboldt County General Fund.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by creating opportunities for improved safety and health and advancing local interests in natural resource discussions.

OTHER AGENCY INVOLVEMENT:

Many federal, state, local, and tribal governments.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Board discretion.

ATTACHMENTS:

1. Project Vicinity Map - Klamath River Renewal Corporation
2. Letter to the Federal Energy Regulatory Commission

PREVIOUS ACTION/REFERRAL:

Board Order No.: G-1  
Meeting of: May 31, 2016  
File No.: N/A