

ORIGINAL

Whitmore, CA
14 June 2006

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OFFICE OF THE
SECRETARY
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FEDERAL ENERGY
REGULATORY COMMISSION

Magalie R. Salas
Secretary
Federal Energy Regulation Commission
888 First Street, NE
Washington, DC 20426

Subject: Kilarc-Cow Creek Hydroelectric Project (FERC # 606)-022

Dear Secretary Salas:

I am taking the liberty of writing to you concerning the status and potential future of the Kilarc project. As a resident of Whitmore and a representative of the "Save Kilarc" movement, I would like as much information as I can get on the future of Kilarc (being aware that your licensing includes the Cow Creek Power Station also).


I have been attending all the local meetings of the Pacific Forest and Watershed Lands Stewardship Council that has been chartered to ensure optimum public use of the property acquired by the State of California in settlement of the Pacific Gas and Electric bankruptcy in 2001. Council cooperation is good and they are accepting inputs during their Board and Community meetings. However, it seems that although the Power Stations belong to PG&E (who have opted not to renew their License), it does not fall under the purview of the Stewardship Council. This area is controlled by FERC, totally independent of the PG&E loss of property.

The future of this area appears to be in limbo. Synergics has input an Initial Information Package to FERC to initiate the process of obtaining a license to operate the Power Stations. They held the initially required meetings, but no progress has been noted beyond that. In talking to the PG&E representative on the Stewardship Council Board, no offer has been forthcoming from Synergics – the only organization that has expressed an interest. This may be a financial stalemate. PG&E wants to recover the value of the Stations as well as the cost of the incomplete environmental studies on which they have a proprietary hold.

PG&E indicated they have prepared a preliminary decommissioning plan, but will continue to operate the facilities on a yearly basis until FERC directs decommissioning. This leaves a number of questions of interest. First, under whose umbrella does the cost for the yearly continuing operation fall? Who is responsible for the cost of decommissioning, if it is not forestalled? Is the continuing operation influenced by the need for nonpolluting, renewable power, global warming, as well as the historic value (103 years of operation), recreational use and wild life habitat of the property?

It may be redundant, but I am attaching copies of the value of the Kilarc facility to the environment and the communities. Also included is the petition you should have received from Synergics complete with signatures obtained up to the time requested.

Any information on the potential for retaining the power stations would be greatly appreciated. The community is working to preserve the power and recreational benefits presently in use. We have the support of our Congressman Wally Herger and the Shasta County Historical Society.

Thank You

Thomas G. Dye
30655 Whitmore Rd
Whitmore, CA 96096

Cc: Emily Carter, Project Coordinator
FERC PJ-14.4, Room 62-30

Takeshi Yamashita
FERC
901 Market St.
San Francisco, CA 94103

Arthur Hagood, VP
Synergics Centre
191 Main Street
Annapolis, Maryland 21401

Randy Livingston
303 Vintage Park Drive, Suite 150
Foster City, CA 94404

REASONS FOR KILARC RETENTION

- 1. Kilarc has been in operation for 103 years as an asset to the area (constructed initially for power for local mines).**
- 2. Kilarc is historical as a Power Station and associated Reservoir.**
- 3. It provides recreational access to outdoor activities for all ages.**
- 4. Specifically advantages for families, seniors, and particularly the handicapped.**
- 5. Has had no recognizable impact on migrating fish varying cycles since inception.**
- 6. Substituting stream fishing is an unsafe alternative for most users.**
- 7. The loss of power production in the current potential for energy shortage is not rationale.**
- 8. Small renewable energy sources are 31% of PG&E's renewable power generation.**
- 9. Removing a clean, pollution free, energy source is counter- productive to reducing global warming.**
- 10. An expenditure of \$5 million by PG&E, before lease renewal will be considered, is not rationale.**
- 11. Retaining the recreational capacity and cost currently borne by PG&E is not cost effective.**
- 12. Loss of the reservoir in spring and summer will impact ducklings, bald eagles, osprey, and other wild life.**
- 13. The removal of facilities for disabled individuals is contrary to the Federal Americans with Disabilities Act.**
- 14. The reservoir has proved valuable for fighting wild fires and training California Dept. of Forestry personnel.**
- 15. PG&E maintains the road utilized by the CDF, loggers and outdoor lovers.**
- 16. The Power Station has operated continuously and profitably with minimum maintenance.**

PETITION
TO
GOVERNOR OF CALIFORNIA
ARNOLD SCHWARZENEGGER
FOR RETENTION OF KILARC

WHEREAS, Kilarc Power Station and Reservoir in Whitmore, Shasta County, provides clean Pollution free energy to the power grid and

WHEREAS, The Reservoir provides recreational facilities for all ages and

WHEREAS, The complex has not effected fish spawning For 102 years and

WHEREAS, The facility is part of the history of Shasta County and its mining heritage and

WHEREAS, The loss of the Reservoir will impact wild life and

WHEREAS, Use includes training and water for the California Department of Forestry wild fire control and

WHEREAS, Cost and maintenance is provided by PG&E and customer power usage and

WHEREAS, Disabled will be denied a valuable outdoor recreational facility and

WHEREAS, Alternative stream fishing in mountainous areas is unsafe for most Kilarc users and

WHEREAS, The loss of energy production will impact available energy to combat shortages and

WHEREAS, The existing environment established for for over 100 years would be adversely affected and

WHEREAS, The facility has operated profitably and continually since its inception, therefore

BE IT RESOLVED, that the Governor use his power to preserve this Historic, renewable, pollution free source of power, the the recreational integrity, use for wild fire protection, and overall availability to the citizens of California.

Coordinated by T. G. Dye 30655 Whitmore Rd
Whitmore, Ca 96096

SIGNED

DATE