

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, DC 20426  
May 31, 2007

OFFICE OF ENERGY PROJECTS

Project No.606-024 – California  
Kilarc-Cow Creek Hydroelectric Project  
Pacific Gas and Electric Company

Richard D. Ely  
Davis Hydro, LLC.  
27264 Meadowbrook Drive  
Davis, CA 95618

**RE: Denial of request to become an applicant for a license.**

Dear Mr. Ely:

We have reviewed your April 27, 2007 request that we accept and hold your notice of intent (NOI) to become an applicant for a license for the Kilarc-Cow Creek hydroelectric project until the Commission has made its determination on the current license surrender proceeding.

On March 12, 2002, the Pacific Gas and Electric Company (PG&E) filed an NOI with the Commission to seek a new license for the existing Kilarc-Cow Creek Hydroelectric Project (Project). The original license was due to expire on March 27, 2007. Following consultations with stakeholders, in March 2005, PG&E chose not to file an application for a new license, based on its determination that decommissioning was a viable and cost-effective alternative to relicensing.

In situations where an applicant has filed a notice of intent to file an application but does not, our regulations require that we provide an opportunity for other entities to apply for the license of the newly orphaned project. On April 7, 2005, the Commission solicited applications from potential applicants other than the existing licensee, pursuant to 18 CFR § 16.25. On June 27, 2005, Synergics Energy Services filed its NOI to file a license application for the Project. Regulations require that the prospective new applicant file a license application within 18 months of its NOI filing date. However, we did not receive an application from Synergics within that 18 month timeframe. Instead, Synergics requested an extension of time. On January 8, 2007, we denied Synergics' request based upon information in the record indicating that Synergics had not made sufficient progress to justify an extension of time.

Because no entity filed a timely application, PG&E is now required to prepare and file a license surrender application by March 26, 2009, in compliance with our regulations that provide for the disposition of project facilities (18 CFR § 16.25(c)). Until the Commission makes a decision on PG&E's surrender proposal, it is premature to accept an NOI for this project.

Therefore, we cannot accept and hold your NOI to become an applicant for a license for the Kilarc-Cow Creek hydroelectric project. Once the Commission issues a final order on PG&E's surrender application, entities are free to file notices of intent for proposed projects at this site under part 5 of the Commission's regulations.

If you have any questions regarding the foregoing, please contact Matt Buhyoff at (202) 502-6824 or at [matt.buhyoff@ferc.gov](mailto:matt.buhyoff@ferc.gov).

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Mark Robinson', with a long horizontal flourish extending to the right.

J. Mark Robinson  
Director  
Office of Energy Projects

cc: Public Files  
Service List  
Mailing List

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