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9-09-16
04:59 PM

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

In the Matter of the Application of PACIFICORP (U 90 1 E), an Oregon Company, for an Order Authorizing a Rate Increase Effective January 1, 2011, and Granting Conditional Authorization to Transfer Assets, pursuant to the Klamath Hydroelectric Settlement Agreement.

Application No. 10-03-015
(Filed March 18, 2010)

**RESPONSE OF COUNTY OF SISKIYOU, SISKIYOU COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT, AND SISKIYOU POWER AUTHORITY
TO
PETITION OF PACIFICORP (U901E) TO MODIFY DECISION 11-05-002 AND
REQUEST FOR EXPEDITED CONSIDERATION**

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Siskiyou County Flood Control and Water
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Date: September 9, 2016

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I. INTRODUCTION

Pursuant to Rule 16.4 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), the County of Siskiyou, the Siskiyou County Flood Control and Water Conservation District, and the Siskiyou Power Authority (collectively, “Siskiyou County”) respectfully request that the Commission deny PacifiCorp’s Petition to Modify Decision 11-05-002 to remove from Ordering Paragraphs 13 and 15 protections present in the original Klamath Hydroelectric Settlement Agreement (“KHSA”). This response is timely filed and served in accordance with Rule 16.4(f).

**A. THE COMMISSION SHOULD DENY PACIFICORP’S REQUEST FOR
EXPEDITED CONSIDERATION**

Expedited consideration of PacifiCorp’s petition is not appropriate as the milestones required to dispose of dams is of significant concern to rate payers, and forgoing public hearings would be harmful to public interests, while rewarding petitioner’s own delay. PacifiCorp’s petition explains that “it was not until the KHSA was amended earlier this year that modifying D.11-05-002 became necessary”. (Pet., at 2.) Siskiyou County understands that the KHSA was amended on April 6, 2016, when signed by the states of Oregon and California, PacifiCorp, the U.S. Department of the Interior, and the U.S. Department of Commerce. PacifiCorp has filed its

expedited request over four months after the event precipitating its need to seek modification of Decision 11-05-002. PacifiCorp's request for expedited consideration is not in the public's interest, nor is it reasonable, given that PacifiCorp's own delay would serve as the basis for hearings being ceded in this matter. PacifiCorp's request to forgo hearings should be denied.

B. THE COMMISSION SHOULD HOLD HEARINGS ON THIS MATTER OR DENY THE PETITION FOR MODIFICATION

PacifiCorp has requested that the Commission modify Ordering Paragraph 13 at sections (a), (c), and (d) in a manner that results in the Commission ratifying and approving Amended KHSA provisions that eliminate dam removal requirements of 1) Congressional approval, 2) an affirmative determination by the Secretary of the Interior that removal of the dams will advance restoration of the salmon fisheries of the Klamath basin, and that removal of the dams is in the public interest, and 3) that "all necessary permits and approvals" be obtained prior to removal of a main stem dam. Proposed amendments to Ordering Paragraph 15 further eliminate status reporting requirements on these milestones.

The County opposes the requested modification of Ordering Paragraphs 13 and 15, which have not been established to be in the rate payers' best interest. Further, the requirement for obtaining all necessary permits and approvals should remain in the Ordering Paragraphs, or alternately, if amended, this requirement should be made more specific, setting forth the local permits, approvals and contracts needed for "removal of the Klamath assets."

As the proposed amendments illustrate, dam removal is a speculative, moving target, and Siskiyou County urges the Commission to consider that the decisions and orders of this Commission are not required to simply reflect those terms present in the KHSA. The KHSA could be amended in a myriad different ways; however, the Commission should not, and must not, simply ratify any amended provisions to which KHSA signatories agree, much less without a hearing.

Finally, there are continuing questions about the sufficiency of funds for the proposed project and for mitigation of all associated environmental impacts, including who will be responsible for now unfunded possible costs, which the Commission should consider.¹

C. CONCLUSION

In light of the foregoing, and to enable the affected public to express related concerns about the proposed modifications, Siskiyou County urges the Commission to proceed to hold hearings on this matter, and to take public testimony in Siskiyou County² before considering action on PacifiCorp's Petition. Absent such hearings, Siskiyou County respectfully requests this Commission reject PacifiCorp's Petition to Modify Decision 11-05-002.

Respectfully submitted this 9th day of September, 2016, at Yreka, California.

By: /s/ Grace Bennett
Chair of the Siskiyou County Board of
Supervisors, the Siskiyou Power Authority
Board of Directors, and the Siskiyou County
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¹ The surcharge for this increasingly uncertain project should be reviewed as it appears to be an increasingly unreasonable and unjustified imposition on ratepayers.

² Siskiyou County, the Siskiyou County Flood Control and Water Conservation District, and the Siskiyou Power Authority have not been consulted concerning the proposed Order modifications despite the significance of these modifications to their jurisdictions.