

March 12, 2009

Via Electronic Submittal (E-File)

The Honorable Kimberly D. Bose, Secretary
THE FEDERAL ENERGY REGULATORY COMMISSION
888 First Street, N.E., Docket Room
Washington, D.C. 20426-001

**Re: Kilarc-Cow Creek Hydroelectric Project, FERC No. 606
License Surrender Application**

Dear Secretary Bose:

Pursuant to 18 CFR Part 6, Pacific Gas and Electric Company (PG&E), as owner and operator of the Kilarc-Cow Creek Hydroelectric Project, FERC No. 606 (Project), files with the Federal Energy Regulatory Commission (FERC) the attached License Surrender Application (LSA). The LSA includes:

- **Volume 1:** Initial Statement, Executive Summary, Exhibits A, B, C, D, E, G¹
- **Volume 2:** Appendices A through I, including Appendix A the Proposed Decommissioning Plan
- **Volume 3:** Appendices J through L
- **Volume 4:** Appendices M through O²

Project Background:

The existing 5 megawatt (MW) Project is located on South Cow Creek and Old Cow Creek in Shasta County, California, and consists of two developments (Kilarc and Cow Creek developments). Project features collectively include 2 forebays and associated dams; 5 diversion dams; 20 canal sections, flumes, and tunnels, together with associated spillways; 1 siphon; 2 penstocks; 2 powerhouses with associated tailraces, switchyards and equipment; and transmission facilities. PG&E proposes to surrender its license to operate the Project and to decommission Project facilities.

¹ PG&E did not include Exhibit F because it is not relevant to an application to surrender a license.

² Per 18 C.F.R. s. 16.7(d)(2)(v)(B), confidential cultural information has been removed from the Cultural Report in Appendix M of the LSA. The full Cultural Report will be filed with FERC as required by the Section 106 consultation.

Section 106 Consultation:

On April 23, 2008, PG&E requested that FERC designate PG&E as the non-federal representative for the purpose of Section 106 consultation with the California State Historic Preservation Office pertaining to the mitigation of the effects of Project decommissioning on historic resources. Pursuant to 36 CFR § 800.2(c)(4), FERC granted the request (undated letter from Mr. Robert Fletcher (FERC) to Ms. Stacy Evans (PG&E) received June 16, 2008).

Endangered Species Act Consultation:

On April 23, 2008, PG&E requested that FERC designate PG&E as the non-federal representative for informal consultation under the Endangered Species Act with the U.S. Fish and Wildlife Service and the National Marine Fisheries Service pertaining to Project decommissioning. Pursuant to Section 7 of the Endangered Species Act, FERC granted the request (undated letter from Mr. Robert Fletcher (FERC) to Ms. Stacy Evans (PG&E) received June 16, 2008).

Protection, Mitigation and Enhancement Measures, and Proposed Decommissioning Plan:

In the LSA, Exhibit E, Section E.4 describes PG&E's proposed protection, mitigation and enhancement (PM&E) measures relating to Project decommissioning. Appendix A, the Proposed Decommissioning Plan, describes PG&E's proposed disposition of Project facilities. The PM&E measures and Proposed Decommissioning Plan reflect the Kilarc-Cow Creek Project Agreement (Agreement) executed in 2005 between PG&E, resource agencies and non-governmental organizations³, as well as consultations with resource agencies and interested parties, and resource studies undertaken during the preparation of the LSA. As described more fully in the LSA's Executive Summary, in the Agreement, PG&E agreed not to file an application for new license and, instead, agreed to support the decommissioning of the Project. In exchange, the other signatories agreed to support a scope of decommissioning which would address specific subjects, but provide PG&E flexibility to address these subjects in the most cost-effective manner while assuring adequate protection and reasonable enhancement of environmental resources.

PG&E's decision to decommission the Project was based in large part on an expectation of a cost-effective decommissioning process. Consequently, PG&E respectfully requests that

³ The Agreement's signatories are: U.S. Fish and Wildlife Service, California Department of Fish and Game, National Park Service, California State Water Resources Control Board, National Marine Fisheries Service, Friends of the River, Trout Unlimited and Pacific Gas and Electric Company.

FERC accept and adopt in its decommissioning order the intent of the Agreement, the scope of the Proposed Decommissioning Plan, and the proposed PM&E measures.

License Surrender Application Distribution:

All parties that may have an interest in the Project will receive compact discs that contain Volumes 1 through 4 in electronic format. The LSA is also available on the Project website: <http://www.kilarc-cowcreek.com/>. The resource agencies and interested parties that have been actively participating in the license surrender process will receive electronic copies of the LSA. PG&E will also make a copy of the LSA available at the following libraries:

- Shasta Public Libraries – Redding Library (1100 Parkview Ave., Redding, CA 96001)
- Whitmore Library (30607 Whitmore Rd., Whitmore, CA 96096)

PG&E looks forward to working with FERC and other interested parties in the license surrender process.

If you have any questions regarding the LSA, please contact PG&E's Project Manager for the license surrender, Stacy Evans, at (415) 973-4731.

Very truly yours,



David Moller, Director
Hydro Licensing

DWM:SRE

Enclosures (License Surrender Application Volumes 1 through 4)

cc: FERC Project No. 606 Interested Parties Mailing List (attached) with enclosures

Name	Address	City	Zip Code
Interested Parties			
Aaron Dowling		Millville	96062
Al Smith		Santa Cruz	95062
Albert W. Smith - SD Living Trust		Homewood	96141
An Swain		Whitmore	96096
Annie Manji		Redding	96001
Arne Hultgren California Land & Timber Manager Roseburg Resources Co		Weed	96094
Art Tilles		Whitmore	96096
Barbara and Roger Arnold		Whitmore	96096
Bill Ruhe		Redding	96003
Billie Albaugar		McArthur	96056
Bill & Betty Stoltenberg		McArthur	96056
Bill Ellis		Whitmore	96096
Billi Mason		Fall River Mills	96028
Bob & Bonnie Azark		Whitmore	96096
Bob Carey W.M. Beaty & Associates.		Redding	96099-0898
Bob Harris		Whitmore	96096
Bob Mark		Whitmore	96096
Bob Stanton		Millville	96062
Bob Whitmore		Whitmore	96096
Brian Johnson Trout Unlimited		Berkeley	94710
Bruce Ross		Redding	96003
Candie Jefferies		Cottonwood	96022
Cassie Patrick		Whitmore	96096
Chantz Joyce		Shingletown	96088
Charles Bonham Trout Unlimited		Berkeley	94710
Charles McKittrick		Redding	
Chris Engels		Redding	96003
Chuck Keefer		Redding	96003
Chuck Lydy		Redding	96003-3977
Cody Washburn		Redding	96099
Curtis Stevens		Whitmore	96096
Dan Nelson		Palo Cedro	96073
Daryl Harris		Redding	96003
Dave Albrecht		San Jose	95139
David Braga		Whitmore	96096
Denise Harman		Redding	96001
Dianne Parten		Whitmore	96096
Dil Donohoe		Whitmore	96096
Dorothy Mason		Fall River Mills	96028
Dottie Smith		Palo Cedro	96073
Dylan Darling		Redding	96003
Dylan Darling Redding Record-Searchlight		Redding	96049-2397
Earl & Joan Whitmore		Oak Run	96069
Ed Bishop		Whitmore	96096
Elizabeth Hadley		Redding	96001
Ellie Rumbrough		Whitmore	96090
Emily Brady		Whitmore	96096
Eric Engels		Shasta Lake City	96007
Erik Poole		Millville	96062
Ernie West		Burney	96013
Evelyn Reed		Whitmore	96096
Fletcher Family Trust c/o Ann E. Soske		Anacortes, WA	98221
FORT CROOK MUSEUM c/o Robert Ingram Fort Crook Historical Society		Fall River Mills	96028
Gary E. Gamel Attorney at Law		Woodside	64062
Freida Keefer		Redding	96001
Gary Hendrix		Oak Run	96069
Gary Mitchell		Palo Cedro	96073
Glenn & Judy Dye		Whitmore	96096
Heidi Silva		Whitmore	96096
James Duffy		Whitmore	96096
James W. Fletcher President, Fort Sutter Company		Sacramento	95821
Jan Caster		Redding	96049
Jay Gerdes		Redding	96002
Jeff Drecen		Whitmore	96096
Jerry Kelley		Anderson	96007

FERC Project No. 606 Interested Parties Mailing List

Jerry Smith		Redding	96001
Jim Fletter		Sacramento	95864
Jim Linnell		Whitmore	96096
James W. Fletter c/o Fort Sutter Company		Sacramento	95821
Joe and Bert Stewart		Cottonwood	96022
Joe Warren		Whitmore	96096
John Fenn		McArthur	96056
John Livingston		Redding	96001
John Higley		Palo Cedro	96073
John Hutford		Whitmore	96096
Joshua Patrick		Whitmore	96096
Judith and William Arnold		Whitmore	96096
Justin Gooch		Whitmore	96096
Katy Patrick		Whitmore	96096
Kay Luster		Shasta	96087
Kelly Catlett		Sacramento	95811
Kelly Sackheim		Fair Oaks	95628
Kim and Lyle Wroe		Whitmore	96096
Laura Carnley		Whitmore	96096
Len Lindstrand		Redding	96099
Lew Winberg		Redding	96002
Linda Barneby		Whitmore	96096
Lorin Neel		Whitmore	96096
Lucille Lansing		Carmichael	95608
Lynette & Richard Gooch		Whitmore	96096
Maggie Trevelyn		Whitmore	96096
Margie Simpson		Oak Run	96069
Maria Burnham		Whitmore	96096
Mike Berry		Redding	96001
Mike Quinn KLXR		Redding	96001
Monty Turner		Bella Vista	96008
Nancy E. Martin		Whitmore	96096
Nancy Snodgrass		Red Bluff	96080
Nancy Tranberg		Whitmore	96096
Neil Tocher		Whitmore	96096
Norene Post		Whitmore	96096
Norman Matteoni		San Jose	95126
Matteoni, O'Laughlin & Hechtman			
Pete Dubyck		Whitmore	96096
Pete and Peggy Hufford		Whitmore	96096
Randy Benthin		Redding	96001
Randy Carnley		Whitmore	96096
Richard Dederer		Whitmore	96096
Richard Ely		Davis	95618
Richard and Lynette Gooch		Whitmore	96096
Richard & Rachelle Dederen		Whitmore	96096
Richard Stapler		Millville	96060-9100
RJ Roth		Whitmore	96096
Rob Robinson		Whitmore	96096
Robert Fay		Whitmore	96096
Robert Ingram		McArthur	96056
Robert Pelissier		Redding	96003
Ron Whitney		Whitmore	96096
Roy Atkins		Whitmore	96096
Russ Herrick		Redding	96001
Russ Mull		Redding	96001
Ruth Patrick		Whitmore	96096
Sandra L. Winters		Anderson	96007
Scott A. Morris, Attorney at Law Kronick, Moskovitz, Tiedemann & Girard		Sacramento	95814-4416
Sharon Prince		Redding	96003
Sharyn Cornelius		Palo Cedro	96073
Shasta Historical Society		Redding	96001
Sherryl Dye		Whitmore	96096
Spencer & Dee Allen		Whitmore	96096
Steve & Becky Miller		Redding	96001
Steve Cole		Whitmore	96096
Susan Goodwin		Whitmore	96096
Susan Goodwin		Whitmore	96096
Terry & Jeri Johnson		Whitmore	96096
Thomas Glenn Dye		Whitmore	96096
Thomas R. Dye		Whitmore	96096
Timothy Dye		Whitmore	96096
Tricia Bratcher		Whitmore	96096
Tricia Bratcher		Whitmore	96096

VR Farrell Family c/o Sandee Farrell Blalock		Millville	96060
Ken and Lori Newsom		Palo Cedro	96073
The Jones Family		Millville	96062
Richard T. Jones		Millville	96062
Bob and Debbie Stanton		Millville	96062
Jeff and Sandee Blalock		Shingletown	96088
Bud Farrell		Millville	96062
Erik and Kristi Poole		Millville	96062
Rick Sabanovich		Palo Cedro	96073
Art Abbott		Millville	96062
Steve Tetric		Millville	96062
William R. Ellis		Whitmore	96096
Whitmore Volunteer Fire Department		Whitmore	96096
Joel Mallette		Whitmore	96096
Brett Toler		Palo Cedro	96073
Camie Weir		Whitmore	96096
Scott Rynd		Whitmore	96096
Chuck and Melissa Brehmer		Whitmore	96096
Brian B. Brady		Whitmore	96096
Patricia McTimmonds		Whitmore	96096
Donna Abbott		Redding	96099-0898
Rio Reimer, Vice President S. Cow Creek Ditch Association		Whitmore	96096-0096
Ada Little-Fay		Whitmore	96096
Richard Stapler		Millville	96062-9700
Peter Hufford		Whitmore	96096
Robert Harris		Whitmore	96096
Kelly Miller		Anderson	96007
Sandy and Don Winters		Anderson	96007
Phil & Suzanne Betts		Whitmore	96096
Government and Agencies			
Honorable Congressman Wally Herger Dave Meurer, District Representative	410 Hemsted Drive, Suite 115	Redding	96002
Angela Richardson Office of County Administrator	1450 Court Street, Suite 308	Redding	96001-1661
Amy Fesnock	USFWS 2800 Cottage Way, Room W-2605	Sacramento	95825-1846
Bill Foster	USFWS 2800 Cottage Way, Rm W-2605	Sacramento	95825-1846
Bill Seffren	Bureau of Indian Affairs 1900 Churn Creek Road, Suite 300	Redding	96002
Brenda Olson	USFWS 10950 Tyler Road	Red Bluff	96080
Brian Cluer	NOAA Fisheries Service 1315 East West Highway	Silver Spring	20910
Catherine Hibbard	USFWS 2800 Cottage Way, Room W-2605	Sacramento	95825
Dan Hytrek	NOAA General Counsel Southwest 501 W. Ocean Blvd Ste. 4470	Long Beach	90802
David White	NOAA 777 Sonoma Avenue, #325	Santa Rosa	95404
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Jack Williamson	USFWS 10950 Tyler Road	Red Bluff	96080-7762
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Jeremiah Karuzas	USFWS 2800 Cottage Way, Room W-2605	Sacramento	95825-1846
Jerry McLean	CA Dept. of Forestry & Fire Protection 11787 Ponderosa Way	Whitmore	96096
Jim Canaday	Water Resources Control Board 1001 I St, 14th Floor	Sacramento	95814
Kathy Brown	USFWS 2800 Cottage Way, Room W-2605	Sacramento	95825
Keith White	CalFire 875 Cypress Aveune	Redding	96001
Maria Rea	National Marine Fisheries Service 650 Capitol Mall, Suite 8-300	Sacramento	95814-4708

FERC Project No. 606 Interested Parties Mailing List

Matt Myers	CA Department of Fish and Game 601 Locust Street	Redding	96002
Matthew P. Kelly, Chief, Redding Office	US Army Corps of Engineers 152 Hartnell Avenue	Redding	96002
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Milford Wayne Donaldson Office of Historic Preservation California Department of Parks and Recreation	1416 9th Street, Room 1442-7	Sacramento	95814
Naseem Alston National Marine Fisheries Service	650 Capitol Mall, Suite 8-300	Sacramento	95814-4708
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Indian Tribes			
Barbara Murphy	Redding Rancheria 2000 Redding Rancheria Road	Redding	96001
Ben Lego	Madesi Band, Pit River Indians PO Box 278	Montgomery	96065
Bill George	Atsugewi Band, Pit River Indians PO Box 114	Hat Creek	96040
Caleen Sisk-Franco	Winnermem Wintu Tribe 14840 Bear Mountain Road	Redding	96003
Carol Cantrell	Madesi Band PO Box 203	Montgomery	96065
Carol Sinclair	9253 Chaparral Dr.	Redding	96001
Gloria Gomes	United Tribe of Northern California Inc. Wintu, Wintun, Winton	Redding	96003
Kelli Hayward	Wintu Tribe of Northern California 3576 Oasis Road	Redding	96003
James Hayward, Sr.	Redding Rancheria 2000 Redding Rancheria Road	Redding	96001
Laverna Jenkins	Atsugewi Band, Pit River Indians 42277 Wilcox Rd.	Hat Creek	96040
John Castro	United Tribe of Northern California Inc. Wintu, Wintun, Winton	Redding	96003
Loretta Root	5620 Kofford Lane	Redding	96001
Matthew Root	16117 North St.	Keswick	96001
Reitha Amen	Itsatawi Band 18342 Rory Lane	Cottonwood	96022
Sharon Elmore	Pit River Environmental Office 37118 State Highway 299E	Burney	96013
Tracy Edwards	Redding Rancheria 2000 Redding Rancheria Road	Redding	96001
Tracy Edwards	Roaring Creek Rancheria PO Box 52	Montgomery	96065
Willard Rhoades	Itsatawi Band 3907 Joanne Lane North	Cottonwood	96022