



March 22, 2023

Via Electronic Submittal (E-file)

Frank L. Blackett P.E., Regional Engineer
Federal Energy Regulatory Commission
Division of Dam Safety and Inspections
San Francisco Regional Office
100 First Street, Suite 2300
San Francisco, CA 94105-3084

**RE: Potter Valley Hydroelectric Project, FERC No. 77-CA
Potter Valley Powerhouse
Transformer Replacement – Follow-up**

Dear Frank L. Blackett:

This letter presents Pacific Gas and Electric Company's (PG&E) follow-up to replace the generator step-up (GSU) transformer at Potter Valley Powerhouse, which is part of PG&E's Potter Valley Hydroelectric Project, Federal Energy Regulatory Commission (FERC) No. 77 (Potter Valley). PG&E submitted a 12.10a incident report for the transformer outage to FERC on December 9, 2021. On February 7, 2022, PG&E provided a follow-up letter to the 12.10a, followed by a plan and schedule, submitted on December 15, 2022. The December 15, 2022, letter stated that PG&E was reassessing numerous Power Generation projects, including the Potter Valley transformer replacement, and that PG&E would provide an update regarding the transformer by April 15, 2023.

PG&E recently reviewed long-term planning associated with Power Generation's portfolio and reassessed numerous projects to ensure resources are utilized prudently, including the Potter Valley Transformer Replacement Project. As you are aware, PG&E is currently in the FERC Regulatory Surrender process for Potter Valley, and we also recently updated seismic studies to evaluate the seismic risk at Scott Dam. As a result, PG&E has determined that the gates at Scott Dam will not be closed for the foreseeable future, thereby reducing the water storage by approximately 20,000-acre feet. Due to the ongoing surrender process of the Potter Valley Project and the reduced water storage capacity, PG&E no longer intends to replace the Potter Valley transformer.

If you have questions, please contact PG&E's license coordinator, Jackie Pope, at (530) 254-4007.

Sincerely,

Janet Walther,
Senior Manager, Hydro Licensing