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January 31, 2022

Kimberly D. Bose, Secretary Federal Energy Regulatory Commission 888 First Street N.E. Washington, D.C. 20426

## Re: <u>Potter Valley Project (Project No. 77)</u>

Dear Secretary Bose:

Mendocino County Inland Water and Power Commission, Sonoma County Water Agency, California Trout, Inc., the County of Humboldt, and the Round Valley Indian Tribes (NOI Parties) hereby provide this status report in response to the Federal Energy Regulatory Commission's (Commission) September 23, 2021 letter granting an abeyance for the final license application in the relicensing proceeding for the Potter Valley Project (Project), until April 14, 2022.

In that letter, the Commission requested the NOI Parties (1) file a status report within 60 days of receipt of the letter, and (2) file an additional progress report by January 31, 2022, if the NOI Parties had not established a Regional Entity by the due date for the first 60-day status report.

In your September 23, 2021 letter, the Commission stated: "...an abeyance to the Revised Process Plan and Schedule is granted, but only until April 14, 2022, at which time the final license application must be filed." The Commission also required status reports. The NOI Parties submitted our first report on November 22, 2021. We indicated that it was highly improbable that we would submit a license application by April 14, 2022. Subsequently, we have not established a Regional Entity or accomplished the other tasks required to complete a final license application. As a result, the NOI Parties will not file a final license application for the Project as you required.

As the Commission acknowledged in your September 23, 2021 letter, the NOI Parties requested an abeyance to "...allow ... time to evaluate: (1) funding, (2) how the [P]roject would best contribute to a comprehensive strategy to manage the emerging crises in fisheries and water resources management in the Eel and Russian River Basins, and (3) the feasibility of continued diversion in a license-surrender scenario." Since our November 22, 2021 status report, two grants have been secured, from California Department of Fish and Wildlife and the California Department of Water Resources respectively, funding work to evaluate the three items stated above in furtherance of the

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goals of a Two-Basin Solution. The NOI Parties will start this work in the first quarter of 2022.

The NOI Parties look forward to working with the Commission and Pacific Gas & Electric Company to facilitate a collaborative and efficient path in further proceedings.

Respectfully submitted,

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CC: Service List, Project No. 77-285