

FEDERAL ENERGY REGULATORY COMMISSION

WASHINGTON, DC 20426

July 25, 2005

OFFICE OF ENERGY PROJECTS

Project No. 2105-089
Upper North Fork Feather River Project
Pacific Gas and Electric Company

Tom Jereb, Relicensing Project Manager
Pacific Gas and Electric Company
Mail Code N11C, P.O. Box 770000
San Francisco, CA 94177

Reference: Request for delay in issuance of REA Notice

Dear Mr. Jereb:

By letter dated June 3, 2003, you, on behalf of the 2105 Licensing Group, requested that the Commission delay issuance of its Ready for Environmental Analysis (REA) Notice in this proceeding until October 2003. Your letter states that the 2105 Licensing Group is a collaborative group consisting of PG&E, federal and state resource agencies, non-governmental organizations, county governments, and the general public engaged in a settlement process concerning the relicensing of Project 2105. You are requesting the delay in order to allow the group time to reach a settlement, currently scheduled for September 30, 2003, and so that Commission staff can consider the settlement agreement as an alternative in the Environmental Impact Statement (EIS) we will prepare for this relicensing. You further state that issuance of the REA Notice as scheduled in July will delay the settlement process because resource agencies would be forced to put the settlement on hold as they develop preliminary prescriptions and recommendations for terms and conditions.

As you know, the final response to our June 23, 2003, Additional Information Request is due on August 22, 2003. At that time we will have all of the information necessary to begin the preparation of our EIS. In order to meet our goal of issuing a licensing decision for this project prior to the expiration date of the existing license, we will begin preparation of our EIS following issuance of our REA Notice on August 25, 2003.

Although we will not delay issuance of the REA Notice until October, we will accommodate the 2105 Committee's concerns by extending the due date for comments, recommendations, terms and conditions, and prescriptions until December 1, 2003. This should allow the 2105 Committee to complete its settlement by September 30, 2003 and then still provide the resource agencies and others the standard 60 days to develop comments, recommendations, terms and conditions, and prescriptions.

As you know, the Commission encourages settlements in licensing proceedings because we believe that, in many cases, a settlement will result in a license with conditions that are more acceptable to more stakeholders than might otherwise occur. We wish you luck in your settlement negotiations and encourage you to file any settlement by October 1, 2003, so that the parties may then begin preparation of their responses to our REA Notice, and also so Commission staff may fully consider the settlement in the preparation of its EIS.

If you have any questions, please contact John Mudre at (202) 502-8902 or by email at john.mudre@ferc.gov.

Sincerely,

SIGNED

Lon R. Crow, Chief
Hydro West Branch 2

cc: Service List
Public Files