

**COUNTY OF SISKIYOU  
STAFF REPORT**

MEETING DATE: February 28, 2023

TO: Siskiyou County Board of Supervisors

FROM: Elizabeth Nielsen, Deputy County Administrator

SUBJECT: Lower Klamath Hydroelectric Decommissioning Project - Update

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**I. INTRODUCTION**

The Klamath River Renewal Corporation (“KRRC”), along with the states of California and Oregon, (“Project Proponents”) have been participating in proceedings before the Federal Energy Regulatory Commission (“FERC”) to take ownership of four PacifiCorp dams comprising the Lower Klamath Project (P-14803), three of which lie in Siskiyou County— Copco No. 1 & No. 2, and Iron Gate, and propose to remove the lower Klamath Dams.

On November, 17, 2022, FERC issued its order approving the surrender of the license for, and removal of the facilities of, the Lower Klamath Project subject to terms and conditions that are discussed in more depth below. In FERC’s order, FERC stated that after “balancing the[] environmental benefits with the issues raised by opponents of dam removal, [FERC] find[s] that license surrender, decommissioning, and removal of the project developments are in the public interest.” (Order at p. 29). Additionally, FERC stated that the Project’s funding was sufficient at \$450 million. (Order at p. 30).

Staff is providing this report to keep the Board and public up to date regarding activities related to the Klamath Dam Removal.

**II. HISTORICAL BACKGROUND**

In the early 2000s, PacifiCorp began proceedings before FERC to relicense its operation of its Klamath River facilities. In 2007, FERC issued a Final Environmental Impact Statement that included mitigation measures requiring the installation of new fish passage facilities or the consideration of dam removal. Thereafter, PacifiCorp engaged with federal, state and local governments, tribal entities, and various stakeholders, and, in 2010, executed the Klamath Hydroelectric Settlement Agreement (2010 KHSA), which established a process for facilities removal outside of the Federal Power Act. This framework for dam removal was dependent on Congressional legislation, which legislation was never passed.

In early 2016, some parties to the 2010 KHSA entered into the Amended KHSA, which did not rely on congressional approval for dam removal, rather PacifiCorp would apply to FERC to transfer ownership of J.C. Boyle, Copco No. 1, Copco No. 2, and Iron Gate to a Dam Removal Entity (“DRE”), which would thereafter surrender and decommission the facilities.

In September 2016, KRRC, acting as the DRE, filed two applications with FERC, one application filed jointly with PacifiCorp to transfer ownership of the four Lower Klamath River dams to KRRC and the second, to decommission and remove the dams. In June 2018, KRRC submitted to FERC its Definite Plan for dam removal. The County intervened in FERC’s proceedings in opposition to the transfer application.

In December 2018, the State Water Resources Control Board (State Board) issued a draft Environmental Impact Report (EIR) for dam removal in California, and issued the Final Environmental Impact Report for dam removal in April 2020. Later, In July 2020, FERC issued a ruling on the Project, approving the transfer of the four Lower Klamath River dams to KRRC, provided that PacifiCorp remained as co-licensee.

In response to FERC’s ruling, and to release PacifiCorp from having to remain as a co-licensee, in November 2020, Governor Newsom and Oregon Governor Kate Brown entered a Memorandum of Agreement to sign on as co-licensees with KRRC for the transfer of the dams, and to provide additional resources and support to advance dam removal. On June 17, 2021, FERC approved the joint license transfer application of KRRC and the states, and Siskiyou County petitioned FERC for rehearing on the order, which petition FERC denied.

In February 2021, KRRC submitted a supplemental Amended License Surrender Application to FERC detailing KRRC’s plans for dam removal, and the County intervened in opposition to the surrender application. In March 2022, FERC released its Draft EIS, and in August 2022, FERC released the Final EIS for the Project.

On November 17, 2022 FERC voted unanimously to issue an Order Modifying and Approving Surrender License and Removal of Project Facilities Order for the Lower Klamath Project. The Order allows the dams private operator to surrender its operating license and allows for KRRC and its contractors to proceed with dam removal.

Following FERC’s November 17 Order, KRRC and their contractors have initiated on-the-ground activities to effectuate dam removal. These contractors include many, however, the most public interfacing contractors are detailed below:

- CAMAS LLC: “Camas LLC serves a critical role by leading the Compliance Management Program for the Project. Camas LLC is responsible for ensuring environmental compliance and obtaining the necessary regulatory permits for the

removal of four dams and subsequent restoration efforts throughout habitat rehabilitation. This Program is structured to successfully guide the construction design, planning, and implementation process to ensure compliance with local, state, and federal regulations during the entire length of the Project.”

<https://camasllc.com/projects/#kdam>

- Kiewit Corporation: “Kiewit Corporation is a large engineering and construction organization and serves as the prime contractor/design partner for the Project. Kiewit will utilize the Progressive Design-Build (PDB) delivery method, assuming responsibility for both the design and execution of dam removal and river restoration, to be completed across two phases.” [Klamath River Renewal Project | Kiewit Corporation](#)
- McMillen Jacobs Associates: “McMillen Jacobs is a full-service engineering, construction management, environmental, and self-performing construction firm in the water resources, hydropower, fisheries, water conveyance, irrigation, transportation, heavy civil, and underground markets. They have completed more than 150 projects over the past 10 years at hydropower and fisheries facilities, and are fully qualified to advise on dam decommissioning, reservoir modifications, construction of fish hatcheries, water line replacements, fish passage and habitat restoration.” <https://klamathrenewal.org/press-releases/krrc-awards-mcmillen-jacobs-associates-owners-representative-contract-on-klamath-dam-removal-project/>
- RES (Resource Environmental Solutions): “After the dam removal team completes their work, RES begins our vital role of implementing a whole-ecosystem restoration approach for the river, streams, and lands impacted by the former reservoirs. RES will directly restore the areas in and around the four reservoir footprints. At the same time, we’ll be monitoring the river’s recovery over a much larger geographic area, reaching from the uppermost reservoir, created by the JC Boyle Dam in Oregon, all the way to the mouth of the Klamath River on the California coast. RES will revegetate thousands of acres of the former reservoir footprints. We’ll also restore several miles of high-priority tributaries, fully reopening a critical part of historical salmon and steelhead spawning habitats.” <https://res.us/home/restoring-at-scale/klamath-river-restoration/>

### III. DISCUSSION

#### a. Recent Activities related to Progress of the Project:

Following FERC’s November 17, 2022 order there have been several subsequent actions by FERC, KRRC and the State of California to promote the timeline of dam removal. These actions have been detailed in previous Staff Reports (December 6, 2022 and January 24,

2023), which are available at the County's Klamath Dam Decommissioning Webpage: [Klamath Dam Decommissioning Project | Siskiyou County California](#)

Below, and attached, are a list of recent high-level actions submitted through FERC's eLibrary <https://elibrary.ferc.gov/eLibrary/search> :

- January 30, 2023 - Authorization for Construction, Bald Eagle Nesting Platform Installation, Iron Gate Development, Lower Klamath Project (Attachment 1)
- January 30, 2023 - Lower Klamath Hydroelectric Project (FERC No. P-14803) Request for Authorization of Ground Exploration Investigation – Buoy Development (Attachment 2)
- January 30, 2023 - Lower Klamath Hydroelectric Project (FERC No. P-14803) Request for Authorization of Ground Exploration Investigation – Groundwater Monitoring Well Installation (Attachment 3)
- January 31, 2023 - Lower Klamath Hydroelectric Project (FERC No. P-14803-001) Request for Authorization of Ground Exploration Investigation – Septic Tank Percolation Tests (Attachment 4)
- February 1, 2023 - Approval of Updated Management Plans for Lower Klamath Project License Surrender (Attachment 5)
- February 15, 2023 - Lower Klamath Hydroelectric Project (FERC No. 14803-001) January 2023 Monthly Report for the California Terrestrial and Wildlife Management Plan (Attachment 6)
- February 15, 2023 - Lower Klamath Hydroelectric Project (FERC No. P-14803-001) January 2023 Initial Monthly Report for the California Water Quality Monitoring Plan (Attachment 7)
- February 17, 2023 - Section 106 Consultation for the Lower Klamath Project – Built Environment Effects Finding (Attachment 8)
- February 21, 2023 - Lower Klamath Project Independent Board of Consultants' Approval of Final Construction Documents; Lower Klamath Project, FERC Project No. 14803-001 (Attachment 9)
- February 20, 2023 - Lower Klamath Hydroelectric Project (FERC No. P-14803) J.C. Boyle, Copco No. 1, and Iron Gate Developments Pre-Existing Environmental Conditions: Site Investigation Work Plan Supplement No. 1 (Attachment 10)

- February 27, 2023 - Response to Request for Modification of Receiving Locations for Salvaged Suckers Under the Biological Opinion for the Surrender and Decommissioning of the Lower Klamath Hydroelectric Project, Nos. 14803-001, 2082-063 (Attachment 11)

**b. The County's Actions (outside of the FERC Proceedings) to Mitigate Impacts Related to the Project:**

While FERC did not make compliance with local land use and zoning laws or permitting a required condition of its Order, it did encourage KRRC to endeavor to comply with local ordinances and permits. However, to the extent that local laws or permitting requirements make compliance with FERC's Order impossible or unduly difficult, FERC concluded that such local requirements are preempted.

County departmental staff continue to have regularly scheduled meetings with KRRC and its contractors in relation to various activities related to the Project, including permitting and authorizations. Below is a summary of these discussions and activities:

- KRRC contractors will be submitting several applications for construction/demolition activities at Copco 1 and 2. Following this submittal, Siskiyou County Community Development will review and issue permits relating to these applications.
- KRRC contractors will be developing a project-wide sign figure which they will provide to the County for review. These signs will provide pertinent construction information to the public. During their review of the figure, the County will also determine at that time if any encroachment permits are needed associated with signage.
- KRRC's contractors will be establishing a Labor Camp in the vicinity of Copco 2, and implementation is expected to begin in March. KRRC contractors will be submitting a Hazardous Materials Business Plan to Community Development for review.
- KRRC contractors have initiated work to relocate the Iron Gate Fish Hatchery to the Fall Creek location.
  - Electrical permits for the contractor's temporary construction trailers have been issued;
  - Three permits for the Coho Building, Chinook Building, and Spawning Building will be issued shortly. The Building Department is finalizing details with contractors for these permits;
  - There will be one permit issued for the propane tank on location, this will be coordinated with the Air Pollution Control District.

### **Air Pollution Control District:**

Siskiyou Air Pollution Control District (APCD) staff has had two meetings with KRRC and its contractors regarding the authorities of the APCD. KRRC and its contractors have ensured that all equipment required for dam removal activities will be registered in compliance with State requirements. APCD staff will perform periodic inspections out on site, and should any equipment be found to be out of compliance, remedies and enforcement are a local APCD action.

### **Roads and Bridges:**

The Siskiyou County Public Works Department and County Road Commissioner have been coordinating with KRRC and its contractors regarding the Roads and Bridges Memorandum of Understanding between the County and KRRC, related to outstanding issues associated with roads utilized by Project traffic. During the development of the MOU, a failure of Copco Road was not considered but has been identified as a potential reality resulting from significantly increased Project traffic. The Public Works department expects, for their review, a proposed plan in early March from KRRC to address these issues.

The Public Works Department is also aware of public safety issues resulting from increased traffic. To address these issues, the Department has established Copco Road as a construction zone, and 35 MPH speed limit signs will be installed in early March 2023.

### **Recreational Facilities:**

Siskiyou County staff has been recently informed by KRRC that they will be accelerating their schedule for closing and decommissioning recreation facilities to the spring and early summer. According to KRRC, this is in response to concerns regarding public safety along roadways, and the amount of traffic anticipated in late summer related to dam decommissioning. Additional information will be provided by KRRC during the month of March.

### **Project Manager:**

In December 2022, the County entered a Memorandum of Understanding (MOU) between the California Department of Fish and Wildlife, the Klamath River Renewal Corporation, and PacifiCorp. The MOU details that the County will retain and PacifiCorp will fund a contracted Project Manager for the County to help issue and administer county permits relating to the Project and Associated Activities and coordinate with KRRC and PacifiCorp on the implementation of the Project and Associated Activities.

PacifiCorp will fund the Project Coordinator up to \$150,000 for the first 12 months of the MOU, and \$150,000 for the second 12 months of the MOU. If required, the terms and conditions of the MOU may be extended beyond the 24-month period, upon mutual agreement of the parties. During the month of February 2023, PacifiCorp submitted the first 12-month payment to the County.

On January 6, 2023, County staff released a Request for Proposal (RFP) for a Project Manager, this RFP closed on January 27th, 2023. Following staff review of the responsive RFP's, staff selected CKM Environmental to fulfill the Project Manager responsibilities. During the February 28, 2023, Special Board of Supervisors Meeting, the Board approved the contract with CKM Environmental (Attachment 12).

**c. Klamath Mitigation Fund (formerly known as Local Impact Mitigation Fund):**

KRRC has previously developed materials and provided the public with information regarding the Local Impact Mitigation Fund, which was to be developed to provide compensation to landowners impacted by dam removal. As announced during the regular Board of Supervisors meeting on February 21, 2023, the Fund is now being referred to as the Klamath Mitigation Fund and will be administered by former City Council Member Joan Smith Freeman and former PacifiCorp employee Monte Mendenhall. This fund will provide compensation for specific physical impacts to private property owners that are caused, or potentially caused, by the Klamath Dam Removal.

As detailed by the Klamath Mitigation Fund Frequently Asked Questions <https://klamathmitigation.org/faqs> :

“The Klamath Mitigation Fund (Fund) is a voluntary claims-based compensation program related to potential impacts from the removal of the four dams in the Lower Klamath Project: J.C. Boyle, Copco No. 1 and 2, and Iron Gate.

Independent Fund Administrators will evaluate and determine payments to eligible claimants for physical damages demonstrated to be caused by dam removal. Such payments (which will settle claims) will avoid the need for litigation to resolve such damages. In particular, the Fund will provide compensation to eligible property owners for:

- Temporary relocation to ensure safety for individuals with homes and/or underlying lands immediately adjacent to Copco Reservoir in the case of slumping or other instability in the reservoir slope during the period of reservoir drawdown as well as for any damages to homes or underlying lands as a result of slope instability.
- Increased risk of flooding for certain dwellings downstream of Iron Gate dam.

Many of these structures are currently within the designated 100-year FEMA floodplain. The settlement will allow homeowners to create or modify berms, raise foundations, or take other actions to mitigate the impact of increased low elevations during a 100-year flood event. (We expect that 100-year flood elevations will increase up to six to eighteen inches in some locations.)

- Potentially reduced production in groundwater wells that may be hydrologically linked to a reservoir. Wells must be within 1000 feet of Copco Reservoir to be eligible for compensation.”

Siskiyou County has no involvement in the Klamath Mitigation Fund, however, we want to do what we can to ensure that the public is receiving timely and adequate information related to the Fund’s administration. If the public so desires, they may notify the County of communication with the Klamath Mitigation Fund.

#### **d. Continued Public Dialog and Transparency:**

The Board will continue to hold a series of monthly special Board meetings, with the next one occurring on February 28, 2023. The County has also established a webpage specific to our efforts related to the Project. This webpage can be accessed at [Lower Klamath Hydroelectric Dam Decommissioning Project | Siskiyou County California](#). This webpage includes key Project documents, County correspondence and materials, Special Board meeting dates, and a recently developed Frequently Asked Questions document (also included as Attachment 14). Lastly, the County has established an email address where members of the public can submit questions, concerns or comments specific to the Project. [lkdinfo@co.siskiyou.ca.us](mailto:lkdinfo@co.siskiyou.ca.us)

#### **CONCLUSION**

The County has and will continue to track the decommissioning process and explore various and alternate options to try to mitigate any harms that may result from this Project, and will continue to keep the public apprised of Project progress and County efforts.