

FEDERAL ENERGY REGULATORY COMMISSION

Washington, D.C. 20426

December 20, 2024

OFFICE OF ENERGY PROJECTS

Project No. 2290-130
Kern River No. 3 Hydroelectric Project
Southern California Edison Company

VIA FERC Service

Wayne P. Allen
Principal Manager
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770

Reference: Deficiency of License Application and Additional Information Requests

Mr. Allen,

Southern California Edison's application for a new license for the Kern River No. 3 Hydroelectric Project No. 2290 that was filed on November 22, 2024, does not conform to the requirements of the Commission's regulations. A list of deficiencies is attached in Schedule A pursuant to section 5.20(a) of the Commission's regulations. Additionally, Commission staff has identified additional information that is needed to make an informed decision on the license application, which is described in Schedule B. If the submission of additional information causes any other part of the application to be inaccurate, that part should also be revised and refiled by the due date. Please be aware that further requests for additional information may be sent to you at any time before final action on your application. Please file the requested information within 90 days from the date of this letter. If you have any questions, please contact Quinn Emmering at (202) 502-6382, or quinn.emmering@ferc.gov.

Sincerely,

Ryan Hansen, Chief
West Branch
Division of Hydropower Licensing

Enclosures – Schedules A and B

SCHEDULE A – DEFICIENCIES

General Content Requirements

1. The Initial Statement states that the Kern River No. 3 Hydroelectric Project (KR3 Project or project) is not located within 15 miles of any city, town, or similar local political subdivision that has a population of 5,000 or more people. However, the project's Fairview Dam, Salmon Creek Diversion, and Corral Creek Diversion are all located within 15 miles of the town of Kernville, California. Please note that a direct, straight-line distance of 15 miles should be used to determine distances between project diversions and any municipalities stipulated in section 5.18(a)(2)(ii), and not river miles. Therefore, please correct this deficiency and provide the resulting information.

Exhibit B – Project Operation

2. For projects with more than one dam with associated facilities, Section 4.51(c) requires that information on operation and resource utilization must be provided separately for each development. Exhibit B does not include information on flows provided by the project's Salmon Creek Diversion and the Corral Creek Diversion as required by section 4.51(c)(2)(i), including minimum, mean, and maximum recorded flows at the point of diversion; monthly flow duration curves; and other available flow information for the creeks. Please correct this deficiency by providing relevant flow information for Salmon Creek and Corral Creek as specified in section 4.51(c)(2)(i).

Exhibit F – Design Drawings

3. The application does not contain the supporting design information required by section 4.41 (g)(3). This information must be filed with the license application, regardless of the reasons provided in Sections 3.0 and 4.0 (i.e., the project is low hazard, dam safety inspections documented facilities are safe/adequately functioning, etc.). Please file the supporting design information required by section 4.41(g)(3).

SCHEDULE B – ADDITIONAL INFORMATION REQUESTS

Exhibit D

1. In Section 4.0, Table 4-1 *Cost of Capital Equity and Debt* provides values as the “percent of cost”, whereas dollar amounts are provided for other annual costs in this section (e.g., property taxes). For consistency, please provide dollar amounts for the cost of capital equity and debt and/or clarify what value(s) the percentages are derived from, particularly for the total cost of capital.
2. In Section 4.0, Table 4-2 Estimated Costs does not include annual operation and maintenance (O&M) costs for 10 management plans that SCE proposes to continue implementing as part of any new license issued for the project. The table includes a footnote stating that “O&M activity proposed to carry forward as part of Proposed Action; no significant change in level of effort/cost is anticipated; annual O&M cost noted above in subpart iv”, indicating the annual O&M costs for these proposed plans are lumped into the average total O&M costs based on a 5-year period from 2019 to 2023 (\$3,757,052). For staff to conduct its developmental analysis in the environmental assessment, please provide estimates of annual O&M costs for each proposed plan.

Exhibit E

3. Section 4.5 *Coastal Zone Management Act*, states that the project is not within and does not affect California’s coastal zone or resources. Appendix E.3 includes copies of three emails SCE sent to the California Coastal Commission’s (CCC) on August 14, October 15, and November 4, 2024, requesting written concurrence that the KR3 Project is not located within the boundary of a designated Coastal Zone Management Program, and that continued operation and maintenance of the project would not affect resources within the boundary of a designated coastal zone. The FLA indicates SCE has yet to receive a response from the CCC as no documentation was included in Appendix E.3. Please file copies of future correspondence to and from the CCC to document any determination on concurrence or the CCC’s presumed concurrence due to its failure to act on SCE’s request within 6 months.
4. We recognize that the camera study provision of the REC-2 *Recreation Facilities Use Assessment Study* (REC-2 Study) is ongoing, as stipulated in the Commission’s study plan modification issued May 31, 2024. Exhibit E (Volume II, Part 4) – Section E.3.5.2 *Updated Study Report* states that the camera study will continue through the fall/winter 2025, and that a final technical memoranda (study report) will be filed with the Commission after SCE completes the data analysis. Please note, that Commission staff will be unable to issue a notice that the KR3 Project is ready for environmental analysis until the final study report is filed with the Commission, and staff’s review determine the information and results provided in the report are adequate for preparing the

Schedule B
Project No. 2290-130

environmental assessment. Therefore, please provide a schedule that includes dates, as specific as possible, for completing the remaining study components and filing the final study report with the Commission.