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March 03, 2022

Ms. Kimberly D. Bose Secretary Federal Energy Regulatory Commission 888 First Street NE Washington, DC 20426

Regarding Wayne Allen letter, filed February 24, 2022, Docket No. P-2290-122

Dear. Secretary Bose:

Kern River Boaters objects to the applicant's submission of manager Wayne Allen's comments against the inclusion of a no-project or decommissioning alternative in SD2.¹ The submission is beyond the established deadline for comments informing SD2, and places stakeholders, NGOs, and managing agencies in an untenable position: to either craft an incomplete response in the six business days between Edison's submission and the issuance of SD2 (assuming a response could even be fairly processed by the Commission in those final days), or to leave Mr. Allen's comments unopposed. Edison's late submission is doubly unfair to unpaid, all-volunteer representatives who typically have to make time in their lives and schedules for this public interest work. It is a burdensome undertaking, but a valuable one, and one that is doable when deadlines are laid out in advance. Such is not the case when the applicant creates an extremely short and uncertain new deadline out of the blue. For these reasons, KRB asks that the Commission stay its consideration of the Allen letter until after it has issued SD2. If not, the Commission will not only commit an unfairness to the non-applicants of this proceeding; it will also invite a loss of control over the proceeding, as the precedent for extremely late and unforeseeable filings will have been firmly established.

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FERC eLibrary No. 20220224-5109 ["Allen letter"]

In the alternative, we ask that you fairly consider these responses.

As stakeholder Eric Kroh — a veteran of the energy industry — urged the Commission in his written comments, "Simply taking a corporation's word" on a controverted issue "is irresponsible."² Such is the case with regard to the Allen letter: It is heavy on assertions, light on facts. Mr. Allen asserts without explanation that the project (1) is somehow carbon-free, (2) is somehow strategically located, (3) somehow will become more valuable over time, and (4) somehow balances renewables. Mr. Allen offers no insight into the "hows" behind his assertions.

The project is not carbon-free. The project causes a small but real impoundment of water above Fairview Dam, and it is established that such impoundments create carbon dioxide.³ So does the artificial dewatering of the shores and banks of the bypassed reach.⁴ So does commuting and attendance in the field to project maintenance operations by company or contracted crews with internal combustion vehicles and equipment.⁵ So does increased public travel to replacement destinations when KR3 renders recreation on the dewatered reach untenable. And so does the concrete (and other CO2 emitting substances) Edison uses to to repair, service, and operate the project's many miles of tunnel linings, open and covered flumes, buildings, sandbox, and Fairview Dam.⁶

Mr. Allen does not bother to explain how KR3 is strategically located. The PAD — authored by Edison and its consultants over the course of a year or more — has nothing to say about this and thus offers no reason to support it, either. Edison has centralized many of its hydro team assets at the project (trucks, machinery, heavy equipment, etc.), but those assets can remain on Edison property if the project is decommissioned. KR3 does not appear to play a strategic role in the energy supply: recall that KR3 was offline for 16 consecutive months not too long ago — right after sister project Borel went offline

⁵ <u>https://www.epa.gov/greenvehicles/greenhouse-gas-emissions-typical-passenger-vehicle</u>

⁶ <u>https://www.nrc.gov/docs/ML1209/ML12090A850.pdf</u>

² FERC eLibrary No. 20220119-5041

³ <u>https://www.eia.gov/energyexplained/hydropower/hydropower-and-the-</u> environment.php

⁴ <u>https://savetheworldsrivers.org/public-education-about-how-dams-cause-climate-emissions/</u>

for good — without incident.⁷ Given these facts, we question how strategic can KR3 be, save for its importance to the careers of Edison's hydro employees and managers.

Mr. Allen's assertion that KR3 will become more valuable over time is similarly unsupported by the record. This state must add 6,000 MW of rational renewables (solar, wind, and storage) *every year for the next 25 years*.⁸ KR3's small contribution to the grid (annual average: 12.5 MW) will only get smaller as a percentage of supply over time. However, the project's impacts on the human environment will only increase: California's population will grow; its inventory of outstanding rivers will not. Further, the project's contribution to Edison's generation portfolio (Edison generates less than 20% of the electricity it delivers; it buys the balance from other generators, like it did locally in 2013-2014 without incident⁹) is irrelevant. The Federal Power Act directs the Commission to evaluate the project's (very small) contribution to developmental values, not its contribution to this particular project owner's bottom line. Nor is there evidence that replacement energy is unavailable — to the contrary, the sudden unavailability of KR3 *and Borel* in 2013-2014 demonstrate the project's power is not irreplaceable, and the modern grid shows it would be replaced by an ever-increasing percentage of less environmentally destructive renewables.

Mr. Allen's last assertions are that KR3 provides "dependable" capacity that "balanc[es] more intermittent renewables such as wind and solar." But as Edison has vigorously asserted to both CAISO and the Commission, KR3 *is a variable resource*. Edison has "supported the CAISO's proposal to treat run of river resources like VERs"¹⁰ VERs, of course, are variable energy resources like wind and solar, which by definition have variability in output that cannot be controlled by the operator.¹¹ Thus, Edison has previously acknowledged the likeness between run-of-river hydro and wind

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⁷ KRB PAD/SD1 Comments at p. 8

⁸ SB 100 Joint Agency Summary (2021) at p. 10; <u>https://efiling.energy.ca.gov/</u> <u>GetDocument.aspx?tn=239588&DocumentContentId=73021</u>

⁹ <u>https://www.sce.com/about-us/environment/power-generation</u> ["About Mountaiview" tab]

 <u>https://www.caiso.com/InitiativeDocuments/SCEProposal-</u>
 <u>CommitmentCostEnhancementsTariffClarifications.pdf</u> ["SCE Hydro RA Proposal"] at p.
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¹¹ 139 FERC ¶ 61,246 at p. 5, fn. 1

and solar — these resources "cannot influence their output," as Edison has conceded.¹² Sister investor-owned utility Pacific Gas & Electric has argued that "run-of-river hydroelectric resources [should receive] the same RAAIM [resource adequacy] exemption accorded to other categories of variable energy resources."¹³ Run-of-river hydro "operate[s] similarly to wind and solar in that there is no storage capability, and, thus, no ability to optimally choose when to generate. As a result, . . . these hydro resources face similar challenges . . . as wind and solar resources."¹⁴ CAISO has acknowledged the same point: "Run-of-river hydro resources are similar in nature to variable energy resources. Variable energy resources, such as wind and solar resources, are also generally considered price takers, in that when the wind is blowing or the sun is shining they produce energy and sell it in the market."¹⁵

The project offers variable and uncontrollable — *not* dependable — output. Look at the record: KR3 is typically either offline for repairs or generating at a very small fraction of its capacity in late summer and early fall. Just when this state's energy demand is at its highest, river flows and this project's output tends to be at their lowest. The median rates of production at the project in August and September between 2001 and 2020 are 0.9 MW and 0.1 MW, respectively.¹⁶ That is precisely when energy is most valued in this state and the potential for load shedding is at its greatest. By contrast, KR3's highest rates of production occur in April and May — when demand is low, wind and solar are in full bloom, and negative pricing and solar and wind curtailments are most likely to occur.¹⁷ KR3 also demonstrates obvious annual variability in output due to (very) wide variations in snowpack, and demonstrates intra-daily fluctuations based on the diurnal during the runoff.¹⁸ Mr. Allen's characterization of KR3 as a dependable generator is simply inaccurate.

¹⁸ Id., at pp. 23-26

¹² SCE Hydro RA Proposal at p. 1

¹³ 167 FERC ¶ 61,001 at p. 8

¹⁴ *Ibid*.

¹⁵ <u>http://www.caiso.com/InitiativeDocuments/DraftFinalProposal-</u> <u>CommitmentCostEnhancementsTariffClarifications.pdf</u> at p. 13

¹⁶ <u>https://ww2.energy.ca.gov/almanac/renewables_data/hydro/index_cms.php</u>

¹⁷ FERC eLibrary No. 20220120-5139 ["KRB PAD/SD1 Comments"] at pp. 13-16

So is his attempt to characterize the project as a "balancer" of renewables. Far from balancing renewable output, which dispatchable generation can do, KR3 chugs along "as a price taker" regardless of the level of renewable generation or other market signals. Far from balancing renewable output, KR3 operates *without any regard to it*. That means that when negative pricing and/or wind and solar curtailments are in effect, KR3 is actually forcing some of those less damaging resources out of the market. The project could, however, act as a very small and variable solar balancer if it refrained from generating during daylight hours. It does not operate that way now, and such a small amount of balancing would still fail to justify the encumbrance of this outstanding river.

Congress has deemed that the result of this proceeding should balance developmental and non-developmental values.¹⁹ No such balancing can occur without a detailed analysis of exactly how KR3 contributes to developmental values in contemporary society. Mr. Allen's assertions are inadequate to the task. KRB has already submitted in its comments on the PAD and SD1 a much deeper look than anything offered by Edison's managers and consultants into the developmental environment in which KR3 operates. We have had a limited opportunity to build on that analysis in this filing. On this record, KR3 is not dependable, is not strategic, and is not carbon-free. It is not a balancer, unlike other more valuable (storage-based) hydroprojects. It maximizes production when society needs it least (spring), and is essentially nowhere to be found when society needs it most (late summer). KR3 does not confer flood control, drinking water, recreational, or property affordances to our society, unlike other more valuable hydroprojects. The project stunts the flourishing of a local economy that is based on the river it encumbers, unlike other less injurious hydroprojects. These fundamentals look much, much worse when viewed against the externalized costs the project imposes on Southern California's most important river. It remains doubtful that Edison can accept a project license containing conditions that meaningfully mitigate those costs.²⁰ To that end, KRB reminds the Commission that, by an overwhelming majority, the stakeholders in this proceeding — including highly educated leaders in science and industry, as well as local businesses, NGOs, and the Kernville Chamber of Commerce — support the study

¹⁹ KRB PAD/SD1 Comments at p. 74

²⁰ Mr. Allen attempts to limit the socioeconomic study to "water-based" recreation and tourism in his letter. There is no reason to limit the study to matters "water-based." All economic matters that are project-*affected* should be studied, including the project's effects on recreation and tourism in the protected river corridor, as well as its effects on environmental and economic justice communities. See KRB PAD/SD1 Comments at p. 84

of a no-project option.²¹ Such a study would squarely answer the question of whether we should continue along with the decision made more than 110 years ago to encumber this outstanding public resource: Does the energy this project produces come close to justifying its externalized environmental costs (that are paid by the flora and fauna of the natural river corridor) and its externalized social costs (that are paid by the local population and by the people of Southern California)? We submit there remains solid reason in this record to study a no-project or decommissioning option.²²

DATED: March 03, 2022

Respectfully submitted by the Directors of Kern River Boaters,

<u>//s// EAD</u> Elizabeth Duxbury, President

<u>//s// JLP</u> José Luis Pino, Vice President

<u>//s// BHD</u> Brett Duxbury, Secretary-Treasurer

P.S. The following image of cracks and leaks along the south end of the project's siphon was taken yesterday, March 02, 2022. A <u>virus-free 25 second video</u> of the same site showing active leaks and large concrete gaps is available at: <u>https://vimeo.com/</u> <u>kernriver/siphon</u> — we ask that these be included in support of our project safety study request.²³

<sup>See FERC eLibrary Nos. 20220118-5095, 20220118-5126, 20220119-5000,
20220119-5041, 20220119-5101, 20220119-5180, 20220120-5030, 20220120-5035,
20220120-5087, 20220120-5089, 20220120-5104, 20220120-5130, 20220120-5131,
20220120-5141, 20220121-5004, 20220121-5006, 20220121-5024, 20211221-5001,
20220120-5002, 20220119-5001, 20220119-5018, 20220120-5004, 20220120-5010,
20220120-5011, 20220120-5020, 20220120-5036, 20220120-5070, 20220120-5079,
20220120-5099, 20220120-5138, 20220120-5168, 20220121-5000, 20220121-5001,
20220121-5003, 20220120-5005, 20220120-5119 at pp. 3-4 & 2022013-4000 at pp. 14,
17, 19, 26</sup>

²² See also KRB PAD/SD1 Comments at pp. 88-90 & citations therein

²³ KRB PAD/SD1 Comments at pp. 102-106

