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California State Senate

SENATOR
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July 18, 2012

Mr. Michael Peevey, President
California Public Utilities Commission
505 Van Ness Avenue, Fifth Floor
San Francisco, CA 94102

Dear Mr. Peevey,

It has recently come to our attention that the CPUC is addressing the surcharge that was authorized by the Klamath Hydroelectric Settlement Agreement (KHSA) for the purpose of removing hydroelectric dams in Siskiyou County. We write to object to the surcharge.

The KHSA currently has many unmet deadlines. First, the KHSA calls for authorizing legislation, which is currently stalled in Congress with no hope of revival. In fact, Congress has passed legislation that stops all appropriations for the Klamath Dam Removal and Sedimentation Study. They have also failed to designate a receiving agency. Second, the Secretary of the Interior has deferred his decision on the dam removal, which had a deadline of March 31, 2012. There is no indication that the Secretary will be making that determination in the near future. Last, the KHSA calls for California to fund a portion of the agreement, and the money to be used is to be approved in the Water Bond legislation that was recently moved to the November 2014 ballot. Given California's bleak fiscal situation, it is unclear that the bond will pass, which means California will be unable to fund its portion of the agreement.

With each passing deadline, the KHSA continues to fall apart and it is inappropriate for Siskiyou County residents to subsidize an agreement that may not be moving forward. Therefore, as the Legislators that represent Siskiyou County, we ask that the CPUC consider an immediate suspension of the KHSA surcharge collection.

Sincerely,

A handwritten signature in green ink that reads "Doug LaMalfa".

Doug LaMalfa
Senator, 4th District

A handwritten signature in blue ink that reads "Jim Nielsen".

Jim Nielsen
Assemblyman, 2nd District