May 14, 2010

Fred Ayer
Executive Director
Low Impact Hydropower Institute
34 Providence Street
Portland, Maine 04103

RE: Pending Application for Low Impact Hydropower Certification of the Prospect No. 3 Facility

Low impact hydropower certification (Certification) is a process by which hydropower projects may be evaluated to determine that specific projects are 1) well sited and operated so that environmental impacts are minimized; and 2) in compliance with resource agency recommendations with respect to established certification criteria. Hydropower dams, like all generation resources, have both positive and negative environmental impacts. Certification does not require that a hydro project have no environmental impacts (LIHI Guidelines, Part I, p. 7). The objective of Certification is to provide a credible and accepted standard for consumers to use in evaluating hydropower.

PacifiCorp Energy’s application for Certification of the Prospect 3 Hydroelectric Project was posted on the LIHI website in December 2009. A comment letter from Oregon Department of Fish and Wildlife (ODFW) was subsequently posted on the LIHI website. The comment letter states objections to Certification of the Prospect 3 facility, based on the age of the agency fish passage recommendations and the relationship of the project to the Prospect Nos. 1, 2 & 4 Hydroelectric Project.

While PacifiCorp Energy (PacifiCorp) respects the right of the ODFW to raise concerns about the impacts of hydropower, PacifiCorp believes that the Prospect 3 project meets criteria established by LIHI for Certification. Specifically, the Prospect 3 project is in compliance with 1) the most recent, environmentally stringent, resource agency recommendations (that were filed after the Electric Consumer’s Protection Act of 1986), issued pursuant to a proceeding; 2) requirements of the Clean Water Act and the Endangered Species Act; and 3) license requirements issued by the Federal Energy Regulatory Commission (LIHI Guidelines, Part VI(C)).

The following is a summary of ODFW’s comments and PacifiCorp’s responses:

ODFW commented that their fish and wildlife recommendations were filed post-1986 but pre-1990. The new proposed LIHI criteria for certification indicate that fish and wildlife recommendations must be filed post-1990. ODFW recommendations made in the late 1980s for screens, fish ladders, and minimum instream flows would not meet ODFW current criteria (including sweeping velocities for fish screens, 6-inch ladder step criteria, and ecological factors
Hydro Resources, Managing Director

Randy Landolt

Since you brought up the topic of renewable hydropower and its importance in the current discussion on renewable energy sources, I wanted to provide you with some additional information on a project that we are currently working on.

The project involves the development of a new hydropower site located in the vicinity of our current facilities. The plan is to convert existing infrastructure into a modern, efficient hydropower plant that will generate clean, renewable energy.

We have conducted extensive research and have identified several potential sites that meet our criteria for sustainability and profitability. Our team has been working closely with local authorities and stakeholders to ensure that the project is environmentally responsible and that it meets all regulatory requirements.

We believe that this project will not only provide a significant boost to our renewable energy portfolio but also contribute to the overall sustainability of our operations. We are committed to ensuring that the project is executed in a manner that minimizes its impact on the environment and the local community.

Thank you for your interest in this project. We look forward to sharing more details in the near future.