March 23, 2010

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

RE: Pending Applications for Low Impact Hydropower Certification

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 has submitted applications for Certification for six of its hydropower projects. The applications have been posted on the Low Impact Hydropower Institute’s website, and comments have been received for the North Umpqua and Lewis River projects. Most comment letters on the North Umpqua application were submitted by non-governmental organizations and local citizens that live near the project. These letters state objections to Certification of the North Umpqua project, based on a number of general concerns related to impacts common to all hydropower projects (e.g., effects on flows, water quality, fish habitat and movement) and specifically about the continued presence of Soda Springs dam, the lowermost facility of the eight-dam North Umpqua hydropower project, used to reregulate flows into the river below. While we respect the right of these individuals to raise concerns about the impacts of hydropower, the comments are unrelated to Certification by the Low Impact Hydropower Institute. Criteria for Certification are based on compliance with 1) the most recent, environmentally stringent, resource agency recommendations, 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)).

Separate comment letters were also submitted for the North Umpqua and Lewis River projects by the U.S. Fish and Wildlife Service and the Washington Department of Fish and Wildlife, respectively, suggesting the Certification should be deferred until fish passage facilities required in the FERC licenses are completed and functioning to improve conditions for fish. The immediate implementation of resource agency recommendations is also not a criterion to be met for Certification. Both the North Umpqua and Lewis River projects are operating under FERC licenses based on settlement agreements completed during the licensing process, and these agreements mandate a schedule for completion of resource enhancement actions. According to the Low Impact Hydropower Institute’s guidelines (LIHI Guidelines, Part VI, p.5), settlements in
FERC proceedings, where a resource agency is party to, or concurs in, the settlement, have the effect of becoming the most recent, environmentally stringent resource agency recommendations, thereby meeting criteria for Certification. For both the North Umpqua and Lewis River projects, anadromous fish historically passed through the area and PacifiCorp Energy has made a legally binding commitment to provide fish passage as recommended by the resource agencies. This satisfies the criterion for Certification.

Specifically, the U.S. Fish and Wildlife Service and the Washington Department of Fish and Wildlife are signatories to the settlements for the North Umpqua and Lewis River projects, respectively. Those settlement agreements call for the staged implementation of mitigation measures including the installation of fish passage facilities, not the immediate implementation of all measures. PacifiCorp is in compliance with both the North Umpqua settlement agreement and the Lewis River settlement agreement and is implementing fish passage at those facilities consistent with the agreements. As noted above, these settlements are the most recent, environmentally stringent, resource agency recommendations for the projects. Hence, PacifiCorp is in compliance with the most recent, environmentally stringent, resource agency recommendations for the projects, and should receive low impact hydropower certification.

PacifiCorp Energy is committed to providing low-cost renewable hydropower at its hydroelectric facilities in an environmentally responsible manner. Three of the six hydropower projects for which applications for Certification have been submitted are based on settlement agreements with the resource agencies, and all six projects are in compliance with their respective FERC licenses and state and federal laws. The goal of PacifiCorp Energy’s hydropower project operation is to balance clean, renewable energy for our customers while demonstrating stewardship of resources in the vicinity of our projects, and we appreciate your consideration for low impact hydropower certification.

Sincerely,

[Randy Landolt's signature]

Randy Landolt
Hydro Resources, Managing Director