



October 1, 2015

Scot Lawrence
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Portland General Electric
121 SW Salmon Street
Portland, OR 97204

Via email: scot.lawrence@pgn.com
Cc: Michael J. Sale, Executive Director

Subject: Preliminary Certification Decision: LIHI Certificate No. 25 – Pelton Round Butte

Dear Mr. Lawrence:

I am pleased to report that LIHI Executive Director Michael J. Sale, following approval from the Technical Committee of the LIHI Governing Board, has issued a Preliminary Certification Decision that the Pelton Round Butte Hydroelectric Project (FERC No. 2030) satisfies the LIHI Certification Criteria. This Preliminary Certification Decision includes three facility-specific conditions, attached as an addendum to this Decision Letter. Once final, the effective date for the Pelton Round Butte certification is to be October 30, 2014 for an eight (8) year term, which will expire on October 30, 2022.

As provided for in Section 2.14 of the LIHI Handbook, the Preliminary Certification Decision to certify, along with the Application Reviewer's report and (if prepared) report of the Executive Director, will be posted on the Institute's Web page for 30 days. Notice of the posting will be provided to all individuals or organizations that commented on the initial Application Package ("Commenter").

Any Commenter may submit a letter to the Executive Director requesting an appeal within the 30-day period. The appeal request must state specific reasons why the hydropower facility should have failed one or more criteria. If an individual or organization did not comment on the initial Application Package, they may not file an appeal. Further information about the LIHI appeal process is available in the LIHI Handbook, available at <http://lowimpacthydro.org/certification-program-html/>.

If no appeal is requested within the 30-day period, the Executive Director will issue LIHI Certification for the facility and post a notification of certification on the Institute's website. A new original LIHI certificate and detailed letter explaining the certificate use requirements, compliance obligations and processes for future certificate renewal will be forwarded to you at that time. Only after you have received the certification documents may Portland General Electric market the Pelton Round Project facilities as LIHI certified.

Each year of certification, all existing certificate holders will be billed an Annual Fee and Active Condition Fees if applicable. The LIHI fee structure has recently been revised, please refer to lowimpacthydro.org/fees for a detailed explanation of recent changes.

Please do not hesitate to contact me if you have any questions, or if I can be of any assistance.

Sincerely,



Dana Hall
Deputy Director, Low Impact Hydropower Institute

ADDENDUM TO DECISION LETTER – 9/31/15

Conditions for Pelton Round Butte Recertification

MJS, 9/28/15

Condition 1. As part of the required annual Compliance Statement to LIHI, the facility owner shall identify any deviations from FERC operating requirements and will include copies of all agency and FERC notifications and reports of flow deviations that have occurred in the previous year, as well as incidents reportable under License Article 405 (i.e. injury/death of ESA or non-ESA fish species). This report shall be submitted by June 1 for the previous year's events. This report shall reference and include copies of all notifications made to the FERC during the previous year. Unless otherwise included in the FERC notifications themselves, the report to LIHI shall describe for each instance:

- a. The cause of the event/deviation;
- b. The date, duration and magnitude of the flow deviation. For fish incidents, the date and number / type of species killed;
- c. Confirmation that the required verbal notices have been made to the applicable agencies based on the type of event (flow deviation or fish kill). This data shall list the date of and to whom all notifications were sent;
- d. Ways to minimize future repeat occurrences to the extent possible by the Licensee;
- e. Any proposed mitigation measures and a schedule by which such measures will be implemented; and
- f. Status or confirmation that the previously developed mitigation measures (for the previous year) have been implemented according to the proposed schedule.

The owner shall maintain a proactive approach to reducing the frequency and severity of such deviations and incidents to the extent reasonably possible. The annual compliance report to LIHI will be used as confirmation that the facility owner is conducting the necessary actions to minimize such events and ensure compliance with LIHI's flow, fish passage and endangered species criteria.

[Annual Condition Fee: \$200/yr for the full term of the certificate.]

Condition 2. The facility owner shall provide LIHI with a description of the current status and use of funds from the General Fund and the Water Rights Fund that were part of the Settlement Agreement and current FERC license for the past year, as part of the Annual Compliance Letter to LIHI. In particular, this description shall identify the lands and waters that are benefiting from the funds and be sufficient to determine if the programs funded continue to achieve the ecological and recreational equivalent of land protection of the buffer zone referred to in Question D.1. This information will be used by LIHI staff to determine if the Pelton-Round Butte certification continues to qualify for three additional years in its term.

Submission of a copy of the annual report sent to FERC under Article 436, or a link to it on FERC's eLibrary, would satisfy this reporting requirement.

[Annual Condition Fee: \$100/yr for the full term of the certificate.]

Condition 3. The goal of this condition is to ensure that all interested stakeholders have access to relevant monitoring data for water quality and fish passage, and that stakeholders have an opportunity to share their concerns about progress toward the SA goals with PGE on at least a regular, annual basis. Such information access shall be coordinated with the Fish Committee that was established in the SA and FERC license. Such information sharing shall include the modeling results and analysis that will come from the Nutrient and Algae Study that PGE started in February 2015, the purpose of which is to understand the complex dynamics of the waters entering and leaving the PRB facilities. The study plan, as well as findings expected in 2018, shall be part of the materials shared with stakeholders. PGE shall establish a means to facilitate sharing of ongoing environmental studies and results from the adaptive management program associated with operations of the selective withdrawal tower with stakeholders who have demonstrated an interest in such Project activities. This information sharing may include newsletters, notices of new study findings, posting of such materials / announcements on PGE's website or other similar methods. Such announcements of new information shall be done at least semi-annually. A method for stakeholders to provide comment to PGE on this information shall also be developed. PGE shall notify LIHI within 60 days of recertification as to the method(s) by which such information sharing will be accomplished. A summary of information so communicated shall be included in the annual compliance reports to LIHI.

[Annual Condition Fee: \$100 in 2016 and 2017, then \$200 in 2018 when the findings and final report are received. Zero after 2018 if the Nutrient and Algae Study has been completed.]