Memorandum

To: Michael Sale, Executive Director, LIHI

From: Jeffrey Cueto, P.E. Date: October 24, 2015

Re: Ashton Hydroelectric Project – LIHI Certificate #61

Recertification Request

This memorandum contains my recommendation for recertification of the Ashton Hydroelectric Project (Project), located on the Henry's Fork of the Snake River in Idaho and owned by PacifiCorp. LIHI publicly noticed the application on February 3, 2015, and no comments were received.

I. Recertification Standards.

Sections 2.5, 2.24 and 2.25 of LIHI's Certification Handbook (Updated April 2014) address the process for recertification applications. The first step in the process, after receipt of an application and assignment to an Application Reviewer, provides for an intake review by the Application Reviewer to make an initial determination as to whether there has been either 1) a material change at the facility that would affect the certification or 2) a material revision in the LIHI criteria subsequent to the original certification action. With a determination of no material change, renewal of the certification is granted. Should a determination be made that there has been a material change, the application is subject to a full review following a process similar to the initial application.

II. No further application review is recommended.

I reviewed the materials submitted by PacifiCorp in support of its application. I also read the original LIHI reviewer report (September 15, 2010) and reviewed files contained in FERC eLibrary from September 2010 to present to determine what project changes have occurred, if any, and what the compliance track record is. Based on this information and my understanding that no relevant material changes in the LIHI criteria have been adopted since the original review, I concluded that it is not necessary to directly solicit input from resource agencies and licensing stakeholders. In my opinion, the aforementioned materials are sufficient to support a conclusion that a recertification decision can be made based on this Intake Review, that a Full Review is unwarranted, and that recertification should be granted.

III. There have been no "material changes" at the facility that would affect the certification.

With respect to material changes at the facility, I reviewed the record for instances of non-compliance related either to the federal license or the special conditions contained in the LIHI grant of certification and/or new or renewed issues of concern that are relevant to LIHI's criteria. I find that there are neither instances of significant non-compliance nor new or renewed issues of concern.

The Project was relicensed on August 3, 1987, and the license runs for a 40-year term ending January 1, 2028. At the time of LIHI certification review, the licensee was planning a dam remediation project to address structural safety issues. The planned work, which was completed in 2010-11, raised concerns related to water quality and fishery impacts and the potential for a drawdown-induced sediment release. The non-standard conditions¹ imposed by LIHI track provisions of a consent order (June 14,

a) a letter notification within two weeks, of drawdown and other potential sedimentation causing activities which are required to be provided IDEQ within to the 24 hours; and,

b) a letter documenting any sedimentation events that required implementation of the Best Management Practices (BMPs) under the Consent Order.

This documentation shall describe the event, BMPs implemented to mitigate the problem, and impacts that have occurred. LIHI would have the authority to request additional information from PacifiCorp, and consultation with applicable resource agencies, to allow LIHI to determine continuing compliance with the Low Impact certification criteria.

- 2. The Project's Water Quality Certificate is dated 1985, and there is no quantitative data to document compliance with quantitative water quality standards. However, the fisheries are very healthy below the dam, which in part, suggests that water quality in the waters downstream of the Project is good. As a result, LIHI requires the following second set of conditions:
- a) PacifiCorp shall provide LIHI, a copy of the same documents submitted to the IDEQ, and on the same schedule, as required under the Water Quality Monitoring Plan of the Consent Order established with the IDEQ;
- b) PacifiCorp shall provide LIHI a letter from the IDEQ, attesting to PacifiCorp's compliance with requirements of the Consent Order, within 3 months of each filing made to the IDEQ;
- c) Within two years of certification, documentation is submitted to LIHI showing agreement has been reached with the IDEQ on a water quality testing regime, to be implemented at the conclusion of the Remediation project, demonstrating that quantitative water quality standards are being met for parameters potentially impacted by Project activities in the reservoir and downstream: and,

¹ 1. Because there are questions regarding flows and water quality associated with the Dam Remediation Project, the Board imposed non-standard conditions similar to those included in the Consent Order established for the remediation work. The Applicant will provide LHI with notifications of events that include:

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2010) entered into between PacifiCorp and the Idaho Department of Environmental Quality (IDEQ). The non-standard conditions also address LIHI's concern over the issue of limited water quality data as related to normal project operations. The order provisions include water quality monitoring, notice of drawdown actions, and implementation of best management practices if necessary to control a discharge of sediment. PacifiCorp was also responsible for consultation of resource agencies and notification of FERC under License Article 401 as related to any deviation from the run-of-river operating requirement, such deviation being necessary to effectuate drawdowns and refills. The record shows substantial compliance regarding all related activities. With respect to the LIHI certification, you may recall that you emailed PacifiCorp on March 17, 2015 that the company was in compliance with the certification terms. By letter dated March 3, 2014, IDEQ confirmed project compliance with state water quality standards both generally and with respect to the remediation project specifically.

At the time the facility was originally certified, the federal license included the St. Anthony facility, which is located downstream on an irrigation canal. The latter facility, which was non-operational, was not certified by LIHI, and FERC has subsequently amended the license to remove it at the licensee's request.

No documentation of any substantive license violations were found during the eLibrary records review, which encompassed the last five years.

IV. LIHI's certification criteria have not been revised since the original certification became effective, December 3, 2009.

It is my understanding that LIHI's criteria, or the Board's interpretation of one or more criterion, that are applicable to the circumstances the Project have not changed in meaningful ways since the date of the original certification. The original review of the Project found no historic or current use of this river reach by migratory fish.

V. Conclusion.

In light of the above, I recommend recertification of the Ashton Hydroelectric Project effective January 1, 2015.

d) Not later than 18 months following completion of the Remediation Project, PacifiCorp shall submit to LIHI, the data showing that these quantitative water quality standards are indeed being met, with confirming letter from IDEQ.