



November 19, 2011

Mr. Glen Martin  
Project Manager  
193 Otto Street, P.O. Box 3222,  
Port Townsend, WA 98368

Subject: **Re - Certification of the Black Bear Lake Project  
LIHI Certificate No. 000022**

Glen:

I am delighted to report that LIHI has determined that the Black Bear Lake Project, FERC No. 10440, meets the Low Impact Hydropower Certification Criteria. An original Low Impact certificate will be forwarded to you once the Governing Board Chair and Secretary have executed it. The certification of the Black Bear Lake Project facility is valid for five years and will expire on May 19, 2016.

LIHI's program documents describe how a request for renewal of a previously-issued LIHI certification ("re-certification") will be granted at the conclusion of the term of the existing certification if re-certification is desired by the certificate holder, and so long as:

- (1) there have been no "material changes" at the facility that would affect the certification and,
- (2) LIHI's certification criteria have not been revised since the previous certification was issued by LIHI.

LIHI's Recertification Standards also provide that if the Application Reviewer can definitively determine from the submitted application materials, a review of the LIHI file containing the past certification decision(s), any public comments received during the application process, and any limited reviewer-initiated questioning by LIHI of the applicant and/or third parties, that the answer to both questions in paragraph 3. above is "no," the Application Reviewer will recommend re-certification approval to LIHI's Executive Director, and there will be no further application review.

The Application Reviewer reviewed the materials submitted by Alaska Power & Telephone Company ("APT") in support of its application for recertification of the Black

Bear Lake Hydroelectric Project (the “Project”), and also reviewed the LIHI file containing the past certification decision and FERC’s public information file on the Project. As a result of that review, the reviewer requested additional information which was supplied by the Applicant. The public comment period for recertification of the Project expired on June 11, 2011. No public comments were received. In the reviewer’s opinion, these materials are sufficient to make a recertification recommendation and no further application review is recommended. We have attached a copy of the Application Reviewer’s November 7, 2011 Report.

In reaching our decision to certify the Black Bear Lake Project, we reviewed the application for certification, as well as the Application Reviewer’s report and concurred with the Application Reviewer’s finding and recommendation that the answer to both questions is “no.” We also concur with the Reviewer’s recommended condition regarding flow deviations.

LIHI approves certification for the Black Bear Lake Hydroelectric Project for five-years with the following condition:

By June 15, 2012, the Applicant submit to LIHI evidence that it has secured resource agency and FERC approval of a proposed operating protocol allowing for deviations from monthly minimum flow requirements when inflows to the Project do not allow the minimum flow requirements to be met. If the Applicant fails to submit the evidence or if such approval is not secured, LIHI will reserve the right to suspend or cancel the recertification.

During the time the Black Bear Lake Project is certified as low impact, you may market the Black Bear Lake Project facilities as a certified Low Impact Hydropower facility. Certification by the Institute also makes the power produced from the Black Bear Lake facility eligible for other “green” power certification programs.

It is your responsibility to maintain compliance with the certification criteria and to notify of us of any changed conditions relevant to the certification. This could include changes in agency recommendations, or changes in operations. You will also be asked to fill out a short form each year to confirm compliance during the preceding year. The Institute may also conduct occasional follow-up checks with you and/or relevant resource agencies to ensure that the Black Bear Lake facility remains in compliance.

If the Institute identifies a problem with Black Bear Lake Project’s compliance with the certification criteria, it will evaluate the situation and take any necessary actions. In the case of non-compliance, possible responses include the suspension or revocation of the certification. Factors to be considered would include the scope, duration, and intensity of any non-compliance, its effects on the environment, whether the violation was intentional or not, and whether or not there was a valid reason (e.g., public safety) for the non-compliance.

I strongly recommend you review LIHI’s Certification Use Requirements (addressing the language to be used for describing a Low Impact Hydropower Facility for marketing purposes), our Compliance standards and the penalties for non-compliance, as well as current information about renewing your certification. That information, as you know,

is available at the LIHI website ([www.lowimpacthydro.org](http://www.lowimpacthydro.org) ). If you have any questions about any of those materials please call.

Thank you for your continued interest in and support of the Low Impact Certification Program, and congratulations on re-certifying the Black Bear Lake Hydropower project.

Please contact me if you have any questions, or if I can be of any assistance.

Sincerely,

Fred Ayer,  
Executive Director

cc: Public files