

March 14, 2008

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

Subject: Nisqually River Hydroelectric Project LIHI Re-certification

Dear Fred:

Tacoma Power received your January 10, 2008 notification regarding re-certification of our Nisqually River Hydroelectric Project. Following review of the current LIHI questionnaire and consideration of our ongoing facility operation, the project appears to remain in compliance with the certification conditions. As directed in your letter, we have enclosed the following materials necessary for recertification:

- LIHI questionnaire response;
- Re-certification compliance statement/waiver of liability; and
- Application fee.

Please contact me if you need any additional information to complete our re-certification.
Thank you,

Bret Forrester

Wildlife and Recreation Coordinator
Tacoma Power

cc: Debbie Young

Nisqually River Hydroelectric Project LIHI Re-certification LIHI Questionnaire Response

Per the LIHI guidance, Tacoma Power provided responses to the questions from the latest questionnaire that have been revised or added since the original questionnaire was completed for certification. Information from the original questionnaire responses that has changed since the original filing is also included below. The remaining questionnaire sections and Tacoma Power responses are unchanged from the original application and therefore not included below.

Background Information

2) Applicant's name, contact information and relationship to the Facility. If the Applicant is not the Facility owner/operator, also provide the name and contact information for the Facility owner and operator.

Response update: The applicant contact should be changed from Eric Beach to Bret Forrester. All other information for this section is unchanged.

D. Watershed Protection

1) Is there a buffer zone dedicated for conservation purposes (to protect fish and wildlife habitat, water quality, aesthetics and/or low-impact recreation) extending 200 feet from the high water mark in an average water year around 50 - 100% of the impoundment, and for all of the undeveloped shoreline?

Response: *No. Although a buffer zone is dedicated for conservation purposes, it exceeds 200 feet for less than 50% of the impoundments (Alder and LaGrande reservoirs).*

2) Has the facility owner/operator established an approved watershed enhancement fund that: 1) could achieve within the project's watershed the ecological and recreational equivalent of land protection in D.1., and 2) has the agreement of appropriate stakeholders and state and federal resource agencies?

Response: *No, an approved watershed enhancement fund has not been established for this project.*

3) Has the facility owner/operator established through a settlement agreement with appropriate stakeholders and that has state and federal resource agencies agreement an appropriate shoreland buffer or equivalent watershed land protection plan for conservation purposes (to protect fish and wildlife habitat, water quality, aesthetics and/or low impact recreation)?

Response: *Yes, a shoreland buffer has been established around the entire Alder Reservoir and LaGrande Reservoir perimeters as part of the Nisqually River project settlement agreement. The buffer widths vary, but they are typically at least 100 feet wide along the undeveloped shoreline areas. The buffers in most of the undeveloped areas exceed 200 feet and/or abut public lands that afford increased buffer functions. All but*

the shoreline areas adjacent to previously developed areas are classified as wildlife lands and managed under our FERC-approved Wildlife Management Plan. The remaining shoreline adjacent to developed areas are managed to allow low impact recreation and assure minimal impacts to habitat, water quality, and aesthetics.

4) Is the facility in compliance with both state and federal resource agencies recommendations in a license approved shoreland management plan regarding protection, mitigation or enhancement of shorelands surrounding the project?

Response: *Yes, the Nisqually River Project shorelands are managed under our FERC-approved Wildlife Management Plan. The plan was developed and is implemented as a FERC license condition. The plan includes protection, mitigation, and enhancement components that apply to the shorelands and other project wildlife lands.*

Nisqually River Hydroelectric Project LIHI Re-certification Compliance Statement & Liability Waiver

I declare that the material presented in this application to the Low Impact Hydropower Institute for certification of the Nisqually River Hydroelectric Project is true and complete to the best of my knowledge and belief.

The primary goal of the Low Impact Hydropower Institute's Certification Program is public benefit. The Governing Board and its agents are not responsible for financial or other private consequences of its certification decisions. The undersigned Applicant agrees to hold the Low Impact Hydropower Institute, the Governing Board and its agents harmless for any decision rendered on this or other applications or on any other action pursuant to the Low Impact Hydropower Institute's Certification Program.

Debbie Young, Tacoma Power Natural Resources Manager

Date: _____