



Oregon

Kate Brown, Governor

Department of Environmental Quality

Eastern Region Bend Office

475 NE Bellevue Drive, Suite 110

Bend, OR 97701-7415

(541) 388-6146

Fax (541) 388-8283

TTY 711

Certified Mail, Return Receipt Requested
7015 1520 0001 7834 5368

March 31, 2016

Russ Howison
Hydro Resources
PacifiCorp Energy
825 NE Multnomah
Portland, OR 97232

Re: Wallowa Falls Hydroelectric Project, FERC Project P-308
Certification Pursuant to Section 401 of the Federal Clean Water Act

Dear Mr. Howison:

PacifiCorp proposes to relicense the hydroelectric generating unit at the Wallowa Falls Project located, on the East and West Forks of the Wallowa River near Joseph, Oregon. PacifiCorp's application for a license is pending with the Federal Energy Regulatory Commission (FERC).

On April 29, 2015, the Oregon Department of Environmental Quality (DEQ) received an application for a water quality certification pursuant to Section 401 of the Clean Water Act. Pursuant to ORS 468B.040, DEQ evaluated the application for consistency with the applicable provisions of the Clean Water Act Sections 301, 302, 303, 306 and 307; Oregon Administrative Rules (OAR) chapter 340, divisions 041 and 048; Oregon Revised Statute (ORS) 543A.025 (2) to (4) and other appropriate requirements of state law.

Based on PacifiCorp's application, DEQ's Evaluation and Findings Report (enclosed) and consideration of public comment, DEQ grants conditional Clean Water Act Section 401 certification for the Wallowa Falls Project. DEQ is reasonably assured that operations under the FERC license amendment will be consistent with provisions of the Clean Water Act Sections 301, 302, 303, 306 and 307, state water quality standards, and other appropriate requirements of state law, provided the Section 401 certification conditions attached to this certification are met.

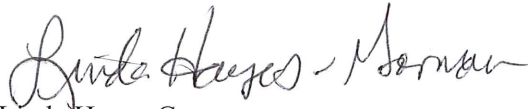
The Section 401 certification is valid for the Wallowa Falls hydroelectric project only and is not transferable without written approval from DEQ, OAR 340-048-0042(6).

In accordance with the Administrative Procedures Act (chapter 183, Oregon Revised Statutes) and OAR 340-048-0045(2), PacifiCorp, if dissatisfied with the conditional Section 401 certification, may request a hearing before the Environmental Quality Commission. Your request for a hearing must be made in writing to the Department of Environmental Quality within 20 days of the date of mailing of this certification. OAR 340-011-0530(1). You may mail your request for a hearing to:

Oregon Department of Environmental Quality
Attn: Marilyn Fonseca
811 SW 6th Avenue
Portland, OR 97204

If a request for hearing is not received within this 20-day period, your right to a hearing shall be considered waived. If you request a hearing, you will be notified of the time and place of the hearing. You may be represented by legal counsel at the hearing. You will be provided information on the procedures, right of representation and commencement of the hearing. Any hearing will be conducted pursuant to the rules of the Environmental Quality Commission for contested cases.

Sincerely,

A handwritten signature in cursive script that reads "Linda Hayes-Gorman".

Linda Hayes-Gorman
Eastern Region Administrator

Attachment: Clean Water Act Section 401 Conditions
Enclosures: Evaluation and Findings Report

Ec: Marilyn Fonseca, DEQ, HQ
John Dadoly, DEQ, ER Pendleton