

March 5, 2010

Via Electronic Filing

Ms. Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426

Re: Condit Hydroelectric Project, FERC Project 2342-011  
Six-Month Update

Dear Secretary Bose:

This document provides the Federal Energy Regulatory Commission (“the Commission”) a six-month status report describing PacifiCorp’s and the settlement parties’ progress with respect to the implementation of the Condit Settlement Agreement. This letter provides an update on activities from September 1, 2009, through February 28, 2010.

**Washington State Department of Ecology**

State Environmental Impact Statement / 401 Water Quality Certificate

The Washington Department of Ecology (Ecology) released the Final Second Supplemental Environmental Impact Statement (SEIS) on January 21, 2010. PacifiCorp has applied to Ecology for water quality certification of the decommissioning proposal as required by Section 401 of the Clean Water Act.

**U.S. Army Corps of Engineers**

404 Dredge and Fill Permit/Section 10 Permit for In-Water Work

PacifiCorp has applied to the United States Army Corps of Engineers (Corps) for a permit under Section 404 of the Clean Water Act authorizing dredge and fill associated with the decommissioning proposal and for a permit under Section 10 of the River and Harbors Act authorizing in-water work associated with dam removal. The Corps is awaiting issuance of Ecology’s 401 certificate before issuing the 404 Permit and the Section 10 Permit.

**United States Fish and Wildlife Service / NOAA Fisheries**

Biological Opinions

A letter requesting concurrence that the terms and conditions of the 2005 biological opinion remain in effect was sent to the U.S. Fish and Wildlife Service (USFWS) on November 2, 2009. USFWS concurred and amended the 2005 biological opinion via letter on November 17, 2009. A similar letter was sent to NOAA Fisheries requesting concurrence with implementation of the terms and conditions of the 2006 biological opinion on February 12, 2010. PacifiCorp awaits concurrence from NOAA Fisheries.

The White Salmon River Technical Working Group consisting of representatives from the U.S. Fish and Wildlife Service, NOAA Fisheries, the Yakama Nation, the Washington Department of Fish and Wildlife, the U.S. Geological Survey, American Rivers and PacifiCorp completed a study to further explore collection of adult Fall Chinook Salmon returning to the White Salmon River in October 2009. On February 1, 2010, USFWS issued the final report titled *Evaluation of a Resistance board Weir in the White Salmon River for Capture of Lower Columbia River Fall Chinook Salmon (Oncorhynchus tshawytscha) for Transport during the Year of Condit Dam Removal*. The report is available on the USFWS website: [www.fws.gov/columbiariver/publications](http://www.fws.gov/columbiariver/publications).

### **Federal Power Act Preemption/County Permitting**

On July 14, 2009, PacifiCorp provided Klickitat and Skamania Counties with copies of the Joint Aquatic Resources Permit Application (JARPA) materials. PacifiCorp understands from the Commission's May 18, 2006, declaratory order that the Federal Power Act preempts state and local regulation of the proposal to decommission the Condit Hydroelectric Project. The declaratory order also clarified that the Commission may include state and local requirements as terms of the Commission's surrender order if the Commission concludes that such state and local requirements do not conflict with the other terms of the Commission's order. PacifiCorp has submitted the JARPA materials to Klickitat and Skamania Counties to solicit their proposed decommissioning requirements for consideration by the Commission.

Klickitat and Skamania Counties entered into an interlocal agreement effective January 6, 2009, which authorizes Klickitat County to manage and coordinate all local planning and environmental review for both counties regarding the proposal to decommission the Condit Project. PacifiCorp and Klickitat County have negotiated a reimbursement agreement whereby PacifiCorp will reimburse the County to review PacifiCorp's JARPA materials.

### **Decommissioning**

#### Owner's Engineer

PacifiCorp provided certain updated plans to Ecology, the Corps, the Washington Department of Fish and Wildlife, and Klickitat County on January 29, 2010. This submittal updates certain materials provided earlier on July 9, 2009. All submitted materials are available on PacifiCorp's website: <http://www.pacificorp.com/es/hydro/hl/condit.html>.

#### Mt. Adams Orchard Water Supply

PacifiCorp has reached agreement in principle with Mt. Adams Orchard regarding relocation of their agricultural water intake currently located on the shore of Northwestern Lake. The agreement in principle identifies how the two parties will participate in the relocation of the orchard's water supply intake following removal of Condit dam.

**Project Schedule**

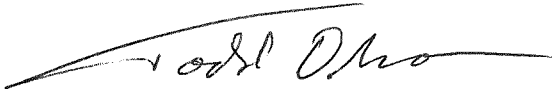
On May 20, 2009, and December 17, 2009, PacifiCorp notified the Commission that all necessary permits that would allow for project removal by October 2009 had not been received. The participating settlement parties have noted that PacifiCorp will require some reasonable period of time after all permits become final and all appeals, if any, have run their course, within which to complete the necessary procurement, contracting, and mobilization of a demolition contractor before PacifiCorp can begin decommissioning. PacifiCorp currently estimates nine months is needed for such activities after final permits are received and any appeals have been exhausted.

**Parties to the Settlement Agreement**

PacifiCorp conducted quarterly meetings with the parties to the settlement agreement, on October 14, 2009, and January 13, 2010. The next meeting is scheduled for April 13, 2010.

Please call me at (503)-813-6657 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd Olson", with a long horizontal flourish extending to the right.

Todd Olson, Program Manager  
Hydro Resources  
PacifiCorp Energy

CC: FERC Service List  
FERC Portland Regional Office, Attn: Patrick Regan

**Deliver via electronic mail**

**Six Month Status Update to FERC  
03/05/2010**

American Rivers  
Brett Swift  
320 SW Stark Street Suite 412  
Portland, OR 97204  
bswift@amrivers.org

Jocelyn Somers  
FOREST SERVICE  
1734 Federal Bldg  
1220 SW 3rd Ave  
Portland, OR 97204  
jocelyn.somers@usda.gov

Nathan James Baker, Staff Attorney  
Friends of the Columbia Gorge  
522 SW 5th Avenue, Suite 720  
Portland, OREGON 97204  
nathan@gorgefriends.org

Scott Carlon  
National Marine Fisheries Service  
5241 NE 122nd Avenue  
Portland, OREGON 97230  
scott.carlon@noaa.gov

Mary Ann Ralls  
National Rural Electric Cooperative Assn.  
4301 Wilson Blvd.  
Arlington, VIRGINIA 22203  
MaryAnn.Ralls@nreca.org

Jeffrey Lovinger  
LOVINGER KAUFMANN, LLP  
825 NE Multnomah, Suite 925  
Portland, OR 97232  
lovinger@lklaw.com

Preston Sleeper  
Regional Environmental Officer  
US Department of Interior  
500 NE Multnomah St., Suite 356  
Portland, OR 97232  
Preston\_Sleeper@ios.doi.gov

Barbara Scott-Brier, Attorney  
US DOI, Office of the Solicitor  
805 SW Broadway Ste 600  
Portland, OR 97205-3346  
Barbara\_scott-brier@ios.doi.gov

Sonia Wolfman, Asst Attorney General  
Washington Office of the Attorney  
General  
1125 Washington St. SE  
PO Box 40100  
Olympia, WA 98504-0100

American Whitewater  
Kevin R. Colburn, Nat. Stewardship Dir.  
1035 Van Buren St  
Missoula, MT 59802  
kevin@amwhitewater.org

Susan Sater, WSR program manager  
FOREST SERVICE  
333 SW 1st Avenue  
Portland, OR 97208  
s.sater@fs.fed.us

Timothy S O'Neill, Prosecuting Attorney  
Klickitat County, Washington  
205 S Columbus Ave  
Goldendale, WA 98620-9279  
timo@co.lklickitat.wa.us

Madelyne Sheehan, NSIA Counsel  
Northwest Sportfishing Industry Assoc.  
33126 SW Callahan Rd.  
Scappoose, OR 97056  
maddysheehan@centurytel.net

Liz Hamilton  
PO Box 4  
Oregon City, OREGON  
NSIALIZ@aol.com

John Whittaker, Partner  
Winston & Strawn LLP  
1700 K St. N.W.  
Washington, DC 20006-3817  
jwhittaker@winston.com

Terence N Martin, Team Leader  
US Department of Interior  
1849 C St., NW  
Washington, DC 20240  
terry\_martin@ios.doi.gov

Douglas L. Robison  
Fish & Wildlife Biologist  
Washington Dept of Fish & Wildlife  
2315 N. Discovery Place  
Spokane Valley, WA 99216-1566  
robisdllr@dfw.wa.gov

Jeff J Marti  
Washington State Department of Ecology  
P.O. Box 47600  
Olympia, WA 98504-7600  
jema461@ecy.wa.gov

American Whitewater  
Thomas O'Keefe, Act., Midwest  
Stewardship Dir.  
3537 NE 87th St  
Seattle, WA 98115  
okeefe@amwhitewater.org

Patricia Louise Arnold  
Friends of the White Salmon River  
P.O. Box 382  
Trout Lake, WA 98650  
greenpastures@gorge.net

Keith Kirkendall  
National Marine Fisheries Service  
1201 NE Lloyd Blvd, Suite 1100  
Portland, OR 97232  
keith.kirkendall@noaa.gov

Christopher Fontecchio, Attorney-Advisor  
NOAA  
7600 Sand Point Way NE  
Seattle, WA 98115  
chris.fontecchio@noaa.gov

Michael Swiger  
Van Ness Feldman P.C.  
1050 Thomas Jefferson St., NW, 7th Floor  
Washington, DC 20007  
mas@vnf.com

Leon F Szeptycki  
Environmental Counsel, Trout Unlimited  
1300 17th St N Ste 500  
Arlington, VIRGINIA 222093800  
lszeptycki@tu.org

William Frymire, Senior Counsel  
Washington Office of the Attorney  
General  
PO Box 40100  
Olympia, WA 98501  
billf@atg.wa.gov

JAY J MANNING, Director  
Washington State Department of Ecology  
PO Box 47600  
Olympia, WA 98504-7600  
jman461@ecy.wa.gov

Tim Weaver, ATTORNEY  
COCKRILL & WEAVER, P.S.  
402 EAST YAKIMA AVE., SUITE 190  
YAKIMA, WA 98901  
SEEKATONA@AOL.COM

**\*\* Deliver via U.S. Mail**

**\*\*Rod Engle**  
U.S. Fish and Wildlife Service  
1211 SE Cardinal Court, Suite 100  
Vancouver, WA 98683

**\*\*Barbara Scott-Brier, Attorney**  
US DOI, Office of the Solicitor  
805 SW Broadway Ste 600  
Portland, OR 97205-3346

**\*\*Kathleen Carlile**  
3337 NE Oregon St  
Portland, OR 97232-2545

**\*\*Kevin Kilduff, Vice President**  
Central Cascades Alliance  
PO Box 1104  
Hood River, OR 97031-0038

**\*\*Daniel Dancer**  
Columbia River United  
PO Box 912  
Bingen, WA 98605-1612

**\*\*Dennis White**  
Columbia Gorge Audubon Society  
367 Oak Ridge Rd  
White Salmon, WA 98672-8115

**\*\*Columbia River Inter-Tribal Fish  
Comm.**  
Policy Dev. & Litigation Support Dept  
729 NE Oregon St, Suite 200  
Portland, OR 97232-2174

**\*\*Ted Dodd**  
835 SW Broadway Dr  
Portland, OR 97201-3105

**\*\*Cindy Debruler**  
Columbia River United  
PO Box 912  
Bingen, WA 98605-1612

**\*\*ELIZABETH F NASON**  
Confederated Tribes of the Yakama Indian  
Nation  
PO Box 151  
Toppenish, WA 98948-0151

**\*\*David Mudd**  
U.S. Fish and Wildlife Service  
600 Capitol Way N  
Olympia, WA 98501-1076

**\*\*PETER W SOVEREL, CHAIRMAN  
FERDERATION OF FLY FISHERS**  
16430 72nd Ave W  
Edmonds, WA 98026-4908

**\*\*Daniel Harkenrider, Area Manager**  
Columbia River Gorge National Scenic  
Area  
902 Wasco St Ste 200  
Hood River, OR 97031-3117

Friends of the White Salmon River  
**\*\*B. GIL SHARP**  
JAQUES & SHARP  
PO Box 457  
Hood River, OR 97031-0015

**\*\*KURT BEARDSLEY**  
Washington Trout  
PO Box 402  
Duvall, WA 98019-0402

**\*\*Jeff Curtis**  
Trout Unlimited  
231 SW Ash, Suite 208  
Portland, OR 97204

**\*\*NORMAN L WINN**  
THE MOUNTAINEERS  
7700 Sand Point Way  
Seattle, WA 98115

**\*\*William Dikas, Esquire**  
Kell, Alterman & Runstein, L.L.P.  
520 SW Yamhill St., Suite 600  
Portland, OR 97204

**\*\*THOMAS P GRAVES, Exec. Director**  
Mid-West Electric Consumers Assoc.  
4350 Wadsworth Blvd., Suite 330  
Wheat Ridge, CO 80033-4641

**\*\*P. Stephen DiJulio**  
Foster Pepper & Shefelman  
1111 3rd Ave Ste 3400  
Seattle, WA 98101-3264

**\*\*Raymond Kindley**  
SCHWABE, WILLIAMSON & WYATT  
Pacwest Center, Suites 1600-1900  
1211 SW Fifth Avenue  
Portland, OR 97204-3795

**\*\*JIM ANDERSON, LAND OFFICER**  
White Salmon River Steelheaders  
DIVISION OF LAND  
400 W Willoughby Ave  
Juneau, AK 99801-1728

**\*\*Michael Neff, Esquire**  
Haglund, Kirtley, Kelley & Horngren,  
LLP  
101 SW Main St, Suite 1800  
Portland, OR 97204-3228

**\*\*Kelly McAffrey**  
MOUNTAINEERS, THE  
300 3<sup>rd</sup> Ave W  
Seattle, WA 98119-4120

**\*\*Michael O'Connell**  
Stoel Rives LLP  
600 University St Ste 3600  
Seattle, WA 98101-4109

**\*\*TED COOMBES, EX. DIRECTOR**  
SOUTHWESTERN POWER  
RESOURCES ASSOCIATION  
PO Box 471827  
Tulsa, OK 74147-1827

**\*\*Bradley W Andersen**  
Skamania County, Washington  
PO Box 790  
Stevenson, WA 98648-0790

**\*\*STANLEY SPEAKS**  
US Bureau of Indian Affairs  
U.S. Dept. of the Interior - REGION 1  
911 NE 11th Ave  
Portland, OR 97232

**\*\*Anne Badgley**  
U.S. Fish and Wildlife Service  
Attn: Estyn Mead  
911 NE 11th Ave  
Portland, OR 97232

**\*\*Thomas Wolf**  
Trout Unlimited  
OREGON COUNCIL  
22875 NW Chestnut St  
Hillsboro, OR 97124-6545

**\*\*Bob Heinith**  
Columbia River Inter-Tribal Fish  
729 NE Oregon St., Ste. 200  
Portland, OR 97232

**\*\*Polly Zehm, Office Director**  
Washington State Department of Ecology  
P.O. Box 47600  
Olympia, WA 98504-7600

**\*\*Bernard Burnham**  
US Bureau of Indian Affairs  
911 NE 11th Ave  
Portland, OREGON 97232-4128

**\*\*Craig Burley**  
Washington Department of Fish &  
Wildlife  
2108 Grand Blvd - MS S-19  
Vancouver, WA 98563

**\*\*AARON KILGORE**  
PRESIDENT  
White Salmon River Steelheaders  
PO Box 556  
White Salmon, WA 98672-0556

**\*\*Al Greenwood, President**  
Cabin Owners of Northwest Lake Assoc.  
PO Box 965  
White Salmon, WA 98672

**++ Bad Addresses per FERC / Mail gets returned**

++John Leary  
WASHINGTON WILDERNESS  
COALITION  
4649 Sunnyside Ave N., Suite 242  
Seattle, WA 98103-6900

++John Graham, President  
White Salmon Conservation League  
20700 SE Curtis Rd  
Clackamas, OR 97015-6747

++ROY EIGUREN  
GIVENS, PURSLEY & HUNTLEY  
PO Box 2720  
Boise ,ID 83701-2720

++Raymond Kindley  
Schwabe Williamson & Wyatt  
Pacwest Center, Suites 1600-1900  
1211 SW Fifth Avenue  
Portland, OR 97204-3795  
rkindley@schwabe.com

++Carl Dugger, Habitat Program  
Washington Department of Fish &  
Wildlife  
2108 S.E. Grand Blvd.  
Vancouver, WA 98661  
duggecrd@dfw.wa.gov

++John R Donaldson, Ph.D.  
Columbia Basin Fish & Wildlife Authority  
851 SW 6th Ave  
Portland, OR 97204-1337

++Forest J Hofer  
PO Box 1879  
White Salmon, WA 98672-1879

++Frank W Frisk, Jr., Attorney  
Great Lakes Electric Consumers Assoc.  
1054 31st St NW Ste 125  
Washington, DC 20007-6047

++Jim Anderson  
White Salmon River Steelheaders  
PO Box 1362  
White Salmon, WA 98672-1362

++DONALD R SUNDEEN  
Fish & Wildlife Service, Region 1  
ATTN: FERC COORDINATOR  
911 NE 11th Ave  
Portland, OR 97232-4169

++Forrest Stacy  
C/O OGLETHORPE POWER  
CORPORATION  
2100 E Exchange Pl  
Tucker, GEORGIA 30084-5336

~~Brian Faller  
Assistant Attorney General  
Washington Office of the Attorney  
General  
PO Box 40117  
Olympia, WA 98504-0117~~