

INITIAL STATEMENT

BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Application for License for Major Project – Existing Dam

(1) PacifiCorp, doing business as (dba) Pacific Power and Light Company, a corporation under the laws of the State of Oregon and having its executive offices and principal place of business at Portland, in the State of Oregon, referred to sometimes herein as “Applicant”, hereby makes application to the Federal Energy Regulatory Commission (FERC) for a new license for the Merwin Hydroelectric Project, FERC Project No. 935. The following License Application has been prepared in accordance with Chapter 18 of the Code of Federal Regulations (CFR), Subchapter B, Part 4, Paragraph 4.51, License for Major Project – Existing Dam. PacifiCorp is the existing licensee, owner, and operator of the Merwin Project. PacifiCorp also conducts business locally under the assumed name of Pacific Power & Light Company.

(2) The location of the project is:
State: Washington
Counties: Cowlitz, Clark
Nearby Town: Ariel, WA
Stream: North Fork of the Lewis River

(3) The exact name and business address of the applicant are:

PacifiCorp
825 N.E. Multnomah Street, Suite 1500
Portland, Oregon 97232
(503) 813-5000

The exact name and business address of each person authorized to act as agent for the applicant in this application are:

Frank C. Shrier
Lead Project Manager, Hydro Licensing
PacifiCorp
825 N.E. Multnomah Street, Suite 1500
Portland, Oregon 97232
(503) 813-6622

The Commission is also requested to send copies of all its communications with regard to the Application to:

Frank C. Shrier
Lead Project Manager, Hydro Licensing
PacifiCorp
825 N.E. Multnomah Street, Suite 1500
Portland, Oregon 97232
(503) 813-6622

Randy Landolt
Managing Director, Hydro
Resources
PacifiCorp
825 N.E. Multnomah Street, Suite
1500
Portland, Oregon 97232
(503) 813-6650

- (4) The Applicant is a corporation organized under the laws of the state of Oregon and is qualified to transact business as an electric utility in the states of Oregon, Washington, California, Idaho, Utah, Montana and Wyoming. The Applicant is not claiming preference under Section 7(a) of the Federal Power Act.
- (5) (i) The statutory or regulatory requirements of the state of Washington and that affect the project as proposed, with respect to: 1) bed and banks; 2) appropriation, diversion, and use of water for power purposes; 3) right to engage in the business of developing, transmitting, and distributing power; and 4) any other business necessary to accomplish the purposes of the license under the Federal Power Act, are:
- 1) Chapter 90.03, Revised Code of Washington, governs the appropriation, diversion, and use of water for hydropower generation.
 - 2) Sections 90.16.050, 90.16.060, and 90.16.090 of the Revised Code of Washington, empower the Washington Department of Ecology (WDOE) to assess a power production license fee.
 - 3) Public Law 92-500, Public Law 95-217, Revised Code of Washington 90.48, and Washington Administrative Codes 173.201 and 173.225 define the requirements for Water Quality Certification.
- (ii) The steps which the applicant has taken or plans to take to comply with each of the laws cited above are:
- 1) The Licensee has acquired the water rights necessary to operate the Project. These are described as follows:

State of Washington Certificate of Water Right, Certificate No. 932 (1301), certifying the right to use 4000 cfs of the waters of the North Fork

Lewis River at Merwin Dam for purpose of power generation, with a priority date of 1/25/1929.

State of Washington Certificate of Water Right, Certificate No.R2-24008C, certifying the right to store 203,000 acre-feet of the waters of the North Fork Lewis River at Merwin Dam for purpose of power generation, with a priority date of 11/20/1975.

State of Washington Certificate of Water Right, Certificate No.933, certifying the right to store 220,000 acre-feet of the waters of the North Fork Lewis River at Merwin Dam for purpose of power generation, with a priority date of 1/25/1929.

State of Washington Certificate of Water Right, Certificate No.S2-24007C, certifying the right to use 7400 cfs of the waters of the North Fork Lewis River at Merwin Dam for purpose of power generation, with a priority date of 11/20/1975.


- 2) The Licensee will file applications for water quality certificates with the Washington Department of Ecology (WDOE) 60 days following FERC's request for agency terms and conditions.
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- (6) PacifiCorp is the owner of all existing project facilities.

This Application for License for Major Project – Existing Dam is executed in the

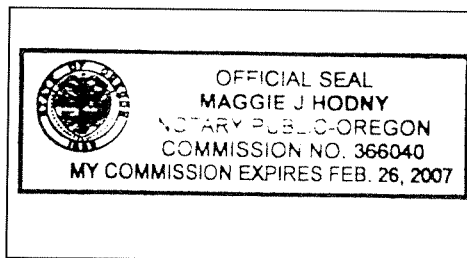
STATE OF OREGON
CITY OF PORTLAND
COUNTY OF MULTNOMAH

By: Holly Harwood
Interim Managing Director
Hydro Licensing
PacifiCorp
825 NE Multnomah Avenue, Suite 1500
Portland, Oregon 97232

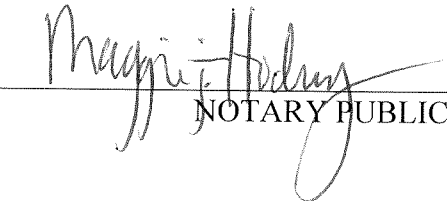
Holly Harwood, being first duly sworn, deposes and says that the contents of this application are true to the best of her knowledge or belief. The undersigned Applicant has signed the Application this 23rd day of April, 2004.



Holly Harwood
Interim Managing Director, Hydro Licensing



SUBSCRIBED AND SWORN TO before me, a Notary Public of the State of Oregon,
this 23rd day of April, 2004.



NOTARY PUBLIC