

FEDERAL ENERGY REGULATORY COMMISSION

WASHINGTON, D.C. 20426

March 27, 2014

OFFICE OF ENERGY PROJECTS

Project No. 308-007--Oregon
Wallowa Falls Hydroelectric Project
PacifiCorp Energy

Russ Howison
Relicensing Project Manager
PacifiCorp Energy
825 NE Multnomah, Suite 1500
Portland, OR 97232

Reference: Deficiency of License Application and Request for Additional Information

Dear Mr. Howison:

Your application filed on February 28, 2014, fails to conform to the requirements of the Commission's regulations. A list of deficiencies is enclosed as Schedule A. Under section 5.20(a)(2) of the Commission's regulations, you have 90 days from the date of this letter to correct the deficiencies in your application. If correction of any deficiency causes other parts of the application to be inaccurate, that part must also be revised and refiled with the Commission.

In addition, upon review of your application, we have determined that we need additional information to complete our evaluation and conduct our environmental analysis of your proposal. Schedule B contains a list of the requested items. Under section 5.21 of the Commission's regulations, please file your response to the additional information request within 90 days from the date of this letter. If the required information in Schedule B causes any other part of the application to be inaccurate, please revise that part and refile it by the due date. Also, please be aware that further requests for additional information may be sent to you at any time before final action on your application.

The Commission strongly encourages electronic filing. Please file the requested information using the Commission's eFiling system at <http://www.ferc.gov/docs-filing/efiling.asp>. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov, (866) 208-3676 (toll free), or (202) 502-8659 (TTY). In lieu of electronic filing, please send a paper copy to: Secretary, Federal Energy Regulatory Commission, 888 First Street NE, Washington, D.C. 20426. The first page of

any filing should include docket number P-308-007.

If you have any questions concerning this letter, please contact Matt Cutlip at (503) 552-2762, or by e-mail at matt.cutlip@ferc.gov.

Sincerely,

Jennifer Hill, Chief
Northwest Branch
Division of Hydropower Licensing

Enclosure: Schedule A
Schedule B

Mailing List
Public Files

Schedule A
Project No. 308-007

DEFICIENCIES

Section 5.17(d)(2)

Please provide proof of publication of notice (twice) in local newspapers of the filing of your application as required by section 5.17(d)(2) of the Commission's regulations.

Exhibit F

Your application does not conform to section 5.18(a)(5)(i) (*see* sections 4.61(e) and 4.41(g)(3)) of the Commission's regulations. Specifically, Exhibit F does not include a supporting design report to demonstrate that existing and proposed structures are safe and adequate to fulfill their stated functions. Please provide two copies of the supporting design report.

Schedule B
Project No. 308-007

ADDITIONAL INFORMATION

Exhibit A

1. Please provide the “undepreciated” net investment in Table 1 on page 28.
2. Page 29 references a “Table 4-1.” However, this table is not included in your filing. Please provide the missing table.
3. Please provide the source for the annual power value of \$58.49 in Table 2 on page 29.
4. In Table 3 on page 31, you provide two different capital costs (i.e., \$260,000 and \$257,000) for modifying the existing low level outlet at the East Fork dam. It’s unclear why the capital costs for modifying the same project feature are different. Please provide an explanation of the two different capital costs for modifying the existing low level outlet.

Exhibit G

5. Please provide a representative latitude/longitude location point for Pacific Park Campground.

Exhibit E

Coastal Zone Management Act

6. In section 1.3.4, you state that the project is not located within the state’s coastal zone and is not subject to the Coastal Zone Management Act; therefore, you state that no consistency certification is needed from the Oregon Department of Land Conservation and Development (Oregon DLCD) regarding the project’s effects on the coastal zone. You also state that the Oregon DLCD concurred with your findings in an email dated September 3, 2013. However, you did not file any documentation of your consultation with Oregon DLCD in the project record. Please include in your response to this AIR any correspondence you have received from Oregon DLCD regarding the project’s effects on the coastal zone.

Recreation Resources

7. In their comments on the PLP, both the U.S. Forest Service and Oregon Parks and Recreation Department recommended that you implement several modifications or additions to your proposed recreation enhancement measures. Because you did not adopt these measures as part of your proposed action, section 5.18 of the Commission’s

Schedule B

Project No. 308-007

regulations requires that you include your reasons for not adopting the measures based on project-specific information (*see* section 5.18(b)(5)(ii)(C)), and estimate the cost of any specific measure filed in the project record by agencies, Indian tribes, or the public (*see* section 5.18(b)(5)(ii)(E)). Therefore, for items (A) through (G) below, please provide an explanation for why you did not adopt the measure and an estimated capital and any annual operation and maintenance costs for the measure:

- (A) moving the entrance to the Pacific Park Campground farther north;
- (B) providing an off-road trailhead and an equestrian camp on the east side of the road that would include parking to accommodate at least five horse trailers and five passenger cars, a bulletin board, a fee tube, and restrooms;
- (C) establishing an equestrian campground loop with eight sites;
- (D) resolving the landownership of 7.25 acres of land north of the Little Alps Day Use area to increase parking space for the Little Alps Day Use Area and Pacific Park Campground to alleviate traffic congestion on the Joseph-Wallow Lake Highway;
- (E) establishing a 30,000-square-foot bivouac campground with ten walk-in sites at the location of the Little Alps Day Use Area;
- (F) installing a sign to direct hikers at the user-created trail by the Eagle Cap Pack Station between the East and West Fork Trails;¹ and
- (G) changing the Pacific Park Campground policy to allow for same day arrivals to accommodate overflow use from nearby campgrounds to help meet recreation demand in the area.

Aesthetic Resources

8. During the pre-filing study plan meetings, you indicated that you had evaluated measures to address powerhouse noise; however, you do not describe or evaluate any of these measures in your license application (e.g., powerhouse insulation, berms or other structures to minimize powerhouse noise). To support staff's analysis of aesthetics at the project, please provide more information on the measures that you evaluated during pre-filing to address powerhouse noise, including any project-specific reasons for not incorporating these measures into your proposed action.

¹ While you propose to install a sign at the entrance of a proposed new trail originating at the Pacific Park Campground entrance along with a map showing trail networks in the area along the ridge west of the campground, it is not clear whether you propose to install signs in the areas where trails connect.

Schedule B
Project No. 308-007

Cultural Resources

9. In section 3.3.8, you state that the National Register of Historic Places (National Register) eligibility determinations involving historic resources are pending based on the Oregon State Historic Preservation Office's (Oregon SHPO's) concurrence. Please include in your AIR response, the Oregon SHPO's findings on your National Register eligibility determinations.

Developmental Analysis

10. In section 2.2.2, you propose to install a water level indicator in the tailrace reroute collection basin that would be connected to the existing forebay headgate control system. You indicate that this system would eliminate the need for the emergency spillway channel that was described in the Preliminary Licensing Proposal to address operational failures and emergency situations. Per section 5.18(b)(5)(ii)(E) of the Commission's regulations, please provide the capital and any annual operation and maintenance costs of the proposed water level indicator system.

Document Content(s)

P-308-007Letter2.DOC.....1-6