

Electronically filed January 2, 2013

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
825 First Street, N.E.
Washington D.C 20426

**Subject: Wallowa Falls Hydroelectric Project (FERC Project No. 308)
 Filing of Initial Study Report for Integrated Licensing Process**

Dear Secretary Bose:

Pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) for the Integrated Licensing Process (ILP), 18 CFR §5.15(c)(1) (2009), PacifiCorp Energy (PacifiCorp) hereby submits an Initial Study Report for PacifiCorp's Wallowa Falls Hydroelectric Project, FERC Project No. 308 (Project), located on the East and West Forks of the Wallowa River, and Royal Purple Creek in Wallowa County, Oregon. PacifiCorp has elected to use the FERC ILP to provide the framework for the Wallowa Falls Project relicensing.

In accordance with the process plan and schedule established for the Project in the FERC Scoping Document I, PacifiCorp completed a study planning process in consultation with interested parties and proposed a total of 16 studies in a Revised Study Plan filed with FERC on December 2, 2011. FERC issued a Study Plan Determination on January 3, 2012 approving eleven of the Revised Study Plans as filed and approving five with modifications.

In a comment letter on PacifiCorp's Revised Study Plans, submitted to the FERC on December 21, 2011, the US Fish and Wildlife Service (USFWS) asked FERC to include ten additional data collection requests to the Water Resources Study Plan. The additional data requested related to substrate and sediment transport within the bypassed portion of the East Fork Wallowa River that may be affected by proposed forebay flushing. Prior to the December 21, 2011 letter, these studies had not been proposed by PacifiCorp or requested by either project stakeholders or FERC.

Although the additional data requests were not included in the FERC Study Plan Determination, in an effort to be responsive to the USFWS request, PacifiCorp collected sediment, substrate and water quality data during the 2012 field season. The objective of this data collection was to determine baseline sediment, substrate, and water quality conditions and obtain information to help assess potential effects of forebay flushing within the bypass reach. PacifiCorp believes the study results will provide information necessary for consultation under Section 7 of the ESA for potential effects to bull trout and their designated Critical Habitat under a new license.

Therefore, PacifiCorp has added the Sediment and Substrate Characterization Study to the suite of studies being conducted for the ILP.

The majority of these studies were initiated during the spring and summer of 2012 and several are still underway. A Study Progress Report or technical memo was made available for review and comment on PacifiCorp's website on December 17, 2012. The reports provide a detailed description of study objectives, methods, data collected, and results to date. The Study Progress Reports and Sediment and Substrate Characterization Technical Memo can be viewed on PacifiCorp's web site at (<http://www.pacificorp.com/wallowafalls>) under the "relicensing documents" tab.

The Initial Study Report is presented in the form of individual bulletized summaries, by study, of the overall progress made in conducting the study, schedule for completion, and an explanation of any variances from the agreed-upon study plan. For consistency, each study is presented in the same order and under the same study name as Appendix A of the FERC Study Plan Determination.

In accordance with 18 CFR § 4.32, we are also submitting this cover letter and paper copy of the Initial Study Report to the entities on the enclosed Distribution List. The entities include those resource agencies, Indian tribes, non-governmental organizations, and members of the general public that PacifiCorp has identified as having potential interest in the proceedings. The Initial Study Report will also be available for review on the PacifiCorp web site provided above.

Sincerely,



Mark A. Sturtevant
Managing Director, Hydro Resources

MAS:cm

Encl: Initial Study Report - Public
Distribution List – Wallowa Falls Hydroelectric Project - Public

eFile: Kimberly D. Bose, Secretary
Via eLibrary at www.ferc.gov

hc: Matt Cutlip
Federal Energy Regulatory Commission
805 SW Broadway, Suite 550
Portland, OR 97205

Distribution List
Wallowa Falls Hydroelectric Project (FERC Project No. 308)
Initial Study Report

Honorable Ron Wyden, United States Senate, 223 Dirksen Senate Office Building,
Washington, DC 20510-3703

FERC – Portland Regional Office, Attn: Matt Cutlip, 805 SW Broadway, Suite 550, Portland,
OR 97205

Confederated Tribes of the Colville Reservation, Tribal Chairman, P.O. Box 150, Nespelem,
WA 99155

Confederated Tribes of Umatilla, Tribal Chairman, Pendleton, OR 97801

Nez Perce, Tribal Chairman, P.O. Box 365, Lapwai, ID 83540-0365

Bureau of Indian Affairs, Northwest Regional Office, Attn: FERC Coordinator, 911
Northeast 11th Avenue, Portland, Oregon 97232-4169

Bureau of Indian Affairs, Umatilla Agency, P.O. Box 520, Pendleton, OR 97801

Nez Perce, Tribe, Keith Patrick Baird, P.O. Box 365, Lapwai, ID 83540-0365

Confederated Tribes of the Colville, Guy Mora, Interim Program Manager, P.O. Box 150
Nespelem, WA 99155

Confederated Tribes of Umatilla, Catherine Dixon, Principle Investigator, 46411 Timine
Way, Pendleton, OR 97801

EPA Region 10, Oregon Operations Office, 805 SW Broadway, Suite 500, Portland, OR
97205

NMFS, Eastern Oregon Habitat Office, Attn: Spencer Hovekamp, 3502 Highway 30,
LaGrande, OR 97850

NMFS Northwest Regional Office, Hydropower Division, Attn: Keith Kirkendall, 1201 NE
Lloyd Blvd, Suite 1100, Portland, OR 97232

U.S. Army Corps of Engineers, PO Box 2870, Portland, OR 97208-2870

U.S. Bureau of Land Management, State Director, PO Box 2965, Portland, OR 97208-2965

U.S. Bureau of Reclamation, Klamath Basin Area Office, 6600 Washburn Way, Klamath
Falls, OR 97603-9365

U.S. Coast Guard, MSO Portland, 6767 N Basin Avenue, Portland, OR 97217-3929

USDA FS Pacific Northwest Region, Attn: Dan Gonzalez, 3160 NE 3rd St., Prineville, OR 97754

USDOI NPS, Pacific West Region, Outdoor Recreation Planner, Attn: Susan Rosebrough, 909 1st Avenue, Seattle, WA 98104-1059

USDOI, Office of Environ Policy & Compliance, Attn: Allison O'Brien, Acting Environmental Officer, 620 SW Main Street, Portland, OR 97205

USFWS, La Grande Fish & Wildlife Office, Attn: Gretchen Sausen, 3502 Hwy 30, LaGrande, OR 97850

Wallowa-Whitman National Forest, Attn: Steve Ellis, Forest Supervisor, P.O. Box 907, Baker City, OR 97814-3840

Wallowa-Whitman National Forest, Attn: Tony King, Zone Archaeologist, 201 E 2nd Street, Joseph, OR 97846

ODEQ, Water Quality Division, Attn: Marilyn Fonseca, 811 SW 6th Avenue, Portland, OR 97204

ODEQ, Water Quality Division, Attn: John Dadoly, 700 SE Emigrant Ave - Suite 330, Pendleton, OR 97801

Oregon Dept of Agriculture, Attn: Jim Johnson, Natural Resources Division, 635 Capitol Street NE, Salem, OR 97301-2564

ODFW, Attn: Ken Homolka, 3406 Cherry Avenue, NE, Salem, OR 97303

ODFW, Attn: Tim Hardin, 3406 Cherry Avenue, NE, Salem, OR 97303

ODFW, Energy, Infrastructure & Eco, Systems Services Division, Attn: Joe Zisa, Division Supervisor, 2600 SW 98th Avenue, Ste 100, Portland, OR 97266-1325

ODFW, Attn: Elizabeth Moats, Hydro Coordinator NE Region, 107 – 20th St., La Grande, OR 97850

ODFW, Enterprise Field Office, Attn: Jeff Yanke, 65495 Alder Slope Road, Enterprise, OR 97828

Oregon Dept of Land Conservation and Development, Attn: Paul Curcio, Director, 635 Capital Street NE, Ste. 150, Salem, OR 97301

Oregon State Marine Board, 435 Commercial Street, NE, Salem, OR 97310-0001

OPRD, State Historic Preservation Officer – Roper Roper, 725 Summer St NE, Suite C, Salem OR 97301

OPRD, Attn: Jim Hutton, NE District Manager, 65068 Old Oregon Trail, Meacham, OR 97895

OPRD, Attn: Jim Morgan, 725 Summer Street NE, Suite C, Salem, OR 97301-1266

OPRD, Attn: Kammie Bunes, 725 Summer Street NE, Suite C, Salem, OR 97301-1266

OSU Extension Services, Attn: Director, Extension Administration 101 Ballard Hall, Corvallis, OR 97331-3606

Water Resources Department, Attn: Mary S. Graine, 725 Summer Street NE, Suite A, Salem OR 97301

Public Utility Commission of Oregon, Attn: Secretary, P.O. Box 2148, Salem, OR 97308-2148

Wallowa County Planning Dept., Attn: Harold Black, 101 S. River St., Room B-1, Enterprise, OR 97828

City of Baker City, Attn: Planning Department, P.O. Box 650, Baker City, OR 97814

City Administrator's Office, 108 N.E. 1st St., Enterprise, OR 97828

City of Haines, P.O. Box 208, Haines, OR 97833

City of Joseph, Attn: Donna Warnock, City Recorder, PO Box 15, Joseph, OR 97846

City of La Grande, Planning Division, P.O. Box 670, La Grande, OR 97850

City of Lostine, 128 Highway 82, Lostine, OR 97857

City of Wallowa, Attn: Lori Waters, P.O. Box 487, Wallowa, OR 97885

Joseph Chamber of Commerce, P.O. Box 13, Joseph, OR 97846

Wallowa Lake Rural Fire Protection District, Attn: Chief Matt Walker, P.O. Box 922, Joseph, OR 97846

Wallowa Soil and Water Conservation District, Attn: Cynthia Warnock, 401 N.E. 1st Street – Suite E, Enterprise, OR 97846

Mid-West Electric Consumers Ass'n, Attn: Thomas P. Graves, 4350 Wadsworth Blvd – Suite 330, Wheat Ridge, CO 80033-4641

National Rural Electric Cooperative, Wallace F. Tillman, General Counsel, 4301 Wilson Blvd, Arlington, VA 22203

Southwestern Power Resources Commission, Attn: Ted Coombes, Exec. Director, PO Box 471827, Tulsa, OK 74147-1827

Advisory Council on Historic Preservation, John Eddins, Program Analyst, Old Post Office Building, 1100 Pennsylvania Avenue, NW, Suite 803, Washington, DC 20004