



Pacific Power |
Rocky Mountain Power
825 NE Multnomah, Suite 1800
Portland, Oregon 97232

April 21, 2020

VIA ELECTRONIC MAIL

Mr. Jeffery Nettleton
Area Manager
Bureau of Reclamation
Klamath Basin Area Office
6600 Washburn Way
Klamath Falls, OR 97603

RE: PacifiCorp's Response to Reclamation's April 21, 2020 Regarding Release of Water from Link River Dam

Dear Mr. Nettleton:

Thank you for your letter of April 21, 2020, that PacifiCorp received via email at 6:15 pm. While PacifiCorp takes exception to numerous points in your letter; it does agree the letter agreement between the U.S. Bureau of Reclamation and PacifiCorp, dated April 13, 2006, amending the 1956 Link River Dam operating agreement expired on or about April 16, 2008. PacifiCorp and Reclamation have been operating under the ordinary course of business, as established by the amended 1956 Link River Dam operating agreement, since the agreement expired. Without such an agreement between the parties, written or not, Reclamation has no authority to direct PacifiCorp to take actions at Link River Dam – a facility owned by Reclamation. Further, Reclamation's direction to PacifiCorp demonstrates Reclamation believes it and PacifiCorp continue to operate under the terms of the now expired letter agreement.

PacifiCorp disagrees with Reclamation's characterization of PacifiCorp's Endangered Species Act (ESA) obligations. Reclamation is obligated to release flows from Link River Dam to satisfy Reclamation's ESA requirements downstream of Iron Gate Dam. PacifiCorp's ESA obligation is to pass flows released by Reclamation from Link River Dam through PacifiCorp's Klamath Hydroelectric Project to meet flow requirements downstream of Iron Gate Dam. PacifiCorp's ESA commitments do not obligate or require PacifiCorp to make water releases from facilities not owned by PacifiCorp to satisfy its ESA obligations.

PacifiCorp appreciates Reclamation clear direction to PacifiCorp with respect to flows releases at Link River Dam to satisfy Reclamation's ESA obligations, it again expresses Reclamation's belief an agreement exists between it and PacifiCorp. Consistent with established practice in accordance with the April 13, 2006 amendment, PacifiCorp will implement the release schedule outlined in your April 21, 2020 letter and pass those flows through the Klamath Hydroelectric Project to meet Reclamation's and PacifiCorp's ESA obligations.

April 21, 2020
Mr. Jeffery Nettleton
Response to Reclamation's Letter to PacifiCorp
Regarding Release of Water From Link River Dam

Such actions will be undertaken only with the clear understanding by Reclamation, that PacifiCorp and Reclamation are currently operating under the terms of the 1956 Link River Dam operating agreement as amended by the 2006 letter agreement. If Reclamation disagrees, it needs to contact PacifiCorp prior to the release of the flows specified in your letter, at which time PacifiCorp will not undertake the releases until the appropriate contractual agreement can be reached to our mutual satisfaction. Of course, should Reclamation undertake those flow releases itself, PacifiCorp will endeavor to pass flows released from Link River Dam through its Klamath Hydroelectric Project facilities, consistent with PacifiCorp's ESA obligations.

PacifiCorp, like Reclamation, also looks forward to entering into a formal agreement regarding operation of Link River Dam. PacifiCorp understands that a draft is well developed and would like to review that draft no later than April 24, 2020.

Sincerely,

Mark Sturtevant
Vice President, Renewable Resources

Cc: John Sample, PacifiCorp
Jared Bottcher, Reclamation