



Oregon

John A. Kitzhaber, MD, Governor

Department of Environmental Quality

Northwest Region

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CERTIFIED MAIL; RETURN RECEIPT REQUESTED

January 10, 2012

Frank R. Galida, P.E.
Manager, Portland Hydroelectric Project
Bureau of Hydroelectric Power
City of Portland
1125 SW 5th Avenue, Room 530
Portland, OR 97204

Re: Portland Hydroelectric Project, FERC Project No. 2821;
Certification Pursuant to Section 401 of the federal Clean Water Act;
Notice of Opportunity for Contested Case Hearing

Dear Mr. Galida:

The City of Portland owns and operates the Portland Hydroelectric Project (Project). The Project is located on the Bull Run River, a subbasin in the Sandy River Basin east of the city of Portland in Clackamas County, Oregon. The City operates the Project under a license issued by the Federal Energy Regulatory Commission (FERC). In June of 2011, The City submitted an application the Federal Energy Regulatory Commission (FERC) for a non-capacity amendment for their existing license, FERC Project No. 2821. In March of 2011, the city of Portland had circulated a draft amendment application to various state and federal agencies for review.

On March 8, 2011, the Oregon Department of Environmental Quality (Department) received an application for a water quality certification of the Project pursuant to § 401 of the federal Clean Water Act and ORS 468B.040. The Department has evaluated the application for consistency with the applicable provisions of Sections 301, 302, 303, 306, and 307 of the Clean Water Act; Oregon Administrative Rules (OAR) Chapter 340, Divisions 41 and 48; the specific water quality provisions for the Sandy River Basin set forth in OAR 340-041-0286 through 0290; and ORS 543A.025(2)-(4).

Based on PGE's application, the Department's *Evaluation and Findings Report* (enclosed), and consideration of public comment, the Department grants § 401 certification for the non-capacity amendment to the Portland Project for construction of a new intake tower. The Department is reasonably assured that operations under the amendment will be consistent with applicable provisions

of Sections 301, 302, 303, 306, and 307 of the Clean Water Act, state water quality standards, ORS 543A.025, and other appropriate requirements of state law related to water quality, provided the § 401 certification conditions attached to this certification are followed.

The enclosed certification is valid for the City of Portland only and not transferable without written approval by DEQ, in accordance with OAR 340-048-0042(6).

In accordance with OAR 340-048-0045, the City of Portland, if dissatisfied with the conditions of this certification, may request a hearing before the Environmental Quality Commission. Such request for a hearing must be made in writing to the Director of the Oregon Department of Environmental Quality within 20 days of the date of mailing of this certification. Any hearing will be conducted pursuant to the rules of the Commission for contested cases.

Sincerely,

Nina De Concini
Northwest Region Administrator

Enclosures: Certification Conditions
Evaluation and Findings Report