



Oregon

Theodore Kulongoski, Governor

Department of Environmental Quality

Western Region Eugene Office

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January 3, 2011

Michael J. McCann
License Implementation Project Manager
Eugene Water & Electric Board
P.O. Box 10148
Eugene, Oregon 97440-2148

Re: Carmen-Smith Hydroelectric Project, FERC Project No. 2242
Certification Pursuant to Section 401 of the Federal Clean Water Act

Dear Mr. McCann:

The Eugene Water & Electric Board (EWEB) owns and operates the Carmen-Smith Hydroelectric Project (Project) on the McKenzie River and tributaries in Linn and Lane Counties, Oregon. The Project is currently operated under annual license issued by the Federal Energy Regulatory Commission (FERC). EWEB's application for a new major license is pending with FERC.

On January 21, 2010, EWEB applied to the Oregon Department of Environmental Quality (ODEQ, Department) for a water quality certification of the Project pursuant to Section 401 of the federal Clean Water Act and ORS 468B.040. ODEQ has evaluated the application for water quality certification for consistency with the applicable provisions of the Clean Water Act Sections 301, 302, 303, 306, and 307; Oregon Administrative Rules (OAR) chapter 340, Divisions 041 and 048; the specific water quality provisions for the Willamette River Basin set forth in OAR 340-041-0340 through 0345; and other appropriate requirements of state law.

Based on EWEB's application, ODEQ's *Evaluation Report and Findings* (enclosed), and consideration of public comment, the ODEQ grants conditional Clean Water Act §401 certification for the Carmen-Smith Hydroelectric Project. The Department is reasonably assured that operations under the new major FERC license will be consistent with applicable provisions of the Clean Water Act Sections 301, 302, 303, 306, and 307, state water quality standards, and other appropriate requirements of state law related to water quality, provided the §401 certification conditions attached to this certification are followed.

The §401 Certification is valid for EWEB only and is not transferable without written approval of the Department, in accordance with OAR 340-048-0042(6).

In accordance with OAR 340-048-0045(2), EWEB, if dissatisfied with the conditional §401 Certification, may request a hearing before the Environmental Quality Commission. Your 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 Environmental Quality Commission for contested cases.

Sincerely,

Keith Andersen
Western Region Administrator

Attachment: Clean Water Act §401 Conditions
Enclosures: Evaluation and Findings Report

Ec: Chris Stine, ODEQ
Mary Grainey, OWRD
Ken Homolka, ODFW
Kurt Burkholder, ODOJ

