



July 10, 2012

Mr. Charles R. Hoppin, Chair
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814



Re: July 17, 2012, Agenda Item - PacifiCorp Energy's Section 401 Clean Water Act Water Quality Certification, Klamath Hydroelectric Project, FERC No. 2082

Dear Mr. Hoppin:

The parties to the Klamath Hydroelectric Settlement Agreement ("KHSA") requested that the State Water Resources Control Board ("Board") place on the Board's July 17, 2012, meeting agenda the matter of the abeyance of PacifiCorp Energy's Section 401 Clean Water Act Water Quality Certification, Klamath Hydroelectric Project, FERC No. 2082. These parties requested the Board to continue abeyance of the water quality certification process for a period of one year, until March 31, 2013, to allow the KHSA settlement parties additional time to implement the KHSA and the conditions thereof, including the enactment of federal legislation authorizing the KHSA. These parties remain steadfastly committed to successful implementation of the KHSA, and believe that the continued abeyance of the California Section 401 Clean Water Act Water Quality Certification process is critical to the success of the KHSA.

The parties chose the March 31, 2013, in reliance on the previous wording of Board resolutions on this issue that provided that the abeyance would lift 90 days after the failure of a condition precedent if the Board did not take further action. In the Board's most recent resolution, that condition precedent was the Secretarial Determination deadline of March 31, 2012. In requesting an extension of the abeyance until March 31, 2013, however, the parties assumed that the new date would be the condition precedent and the abeyance would terminate 90 days after that date.

We apologize if there was confusion in our prior correspondence about the actual extension deadline sought by the Coalition. We believe it is important to bring this to your attention now, however, in advance of preparing your proposed resolution, because the early months of 2013 will be a critical time if the parties need to rely on the next Congress to enact the enabling legislation. Accordingly, the parties request that the Board make clear in the resolution that the abeyance will lift 90 days after March 31, 2013, consistent with prior resolutions. We think this clarification will increase the likelihood that we will have a positive report to the Board on federal legislation next spring.

Thank you for your consideration and I look forward to appearing at the Board meeting on July 17, 2012.

Very truly yours,

Liane M. Randolph
General Counsel
California Natural Resources Agency

1416 Ninth Street, Suite 1311, Sacramento, CA 95814 Ph. 916.653.5656 Fax 916.653.8102 <http://resources.ca.gov>

