

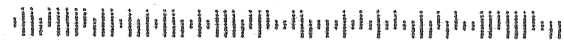
FEDERAL ENERGY
REGULATORY COMMISSION
400 First Street NE
Washington, DC 20426

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Docket No.: P-13318

Oregon Public Utility Commission
Secretary
Public Utility Commission of Oregon
PO Box 1088
Salem, OR 97308-1088

97308-108888



FEDERAL ENERGY REGULATORY COMMISSION
Washington, D. C. 20426

OFFICE OF ENERGY PROJECTS

Project No. 13318-003--Oregon
Swan Lake North Pumped Storage
Hydroelectric Project
Swan Lake North Hydro LLC

May 15, 2019

Mr. Erik Steimle
Swan Lake North Hydro LLC
c/o Rye Development LLC
745 Atlantic Avenue, 8th Floor
Boston, MA 02111

Subject: Introductory Letter

Dear Mr. Steimle:

The Office of Energy Projects, Division of Hydropower Administration and Compliance (DHAC) has the primary responsibility for reviewing your compliance with the terms and conditions of your recently issued license.¹ The following guidelines should help you maintain compliance with your license requirements.

Contact Information

To ensure that we have the most up-to-date contact information for non-dam safety issues on file for your project, please complete and return the enclosed contact form within 15 days from the date of this letter. You must provide a Primary Contact who will be added to the project service list as the Primary Person of Record. This contact will be served Commission issuances and third-party filings as required by the service rules and regulations under 18 C.F.R. § 385.2010. You may also provide a Secondary Contact which will also be added to the project's service list and, if provided, will also be used by the Commission as a point of contact for day-to-day operations and non-dam safety compliance. If a Secondary Contact is not provided, the Commission will use the Primary Contact for this purpose as well as to fulfill service obligations.

¹ Order Issuing Original License. *Swan Lake North Hydro LLC*, 167 FERC ¶ 62,077 (2019).

Any contact(s) and email address(es) you provide on the enclosed form must be eRegistered (see Instructions below). The(se) email address(es) will be used to automatically enroll the point of contact for eService. If at any point during the term of your license, this information changes, you are responsible for notifying the Commission immediately.

Property Rights

As a license holder, you are required to possess ownership in fee, rights-of-way, easements, or leaseholds, necessary to develop, operate, and maintain the project.² Refer to standard Article 5 of the license. Failure to own or maintain these property interests for the project may result in Commission action, and possible revocation of your license.

Commission's Website

You are encouraged to use the Commission's online system as a gateway for access to project information and filings via the Internet. eRegistration provides an easy-to-use entry point to do business with the Commission. eService ensures that entities on the Service List receive electronic notification of Commission issuances and is the Commission's primary method of service of Commission issuances. eSubscription allows you to subscribe to a specific docket, and receive notification via email about all future submittals and issuances. The docket is the Project Number (P-13318). Refer to <http://www.ferc.gov/docs-filing/elec-info-guide.pdf> and the links below to help you to register and subscribe.

eRegister: <http://www.ferc.gov/docs-filing/eregistration.asp>

eSubscription: <http://www.ferc.gov/docs-filing/esubscription.asp>

eService: <http://www.ferc.gov/docs-filing/eservice.asp>

Filing Instructions

The Commission strongly encourages electronic filings. Unless indicated otherwise in your license, please file your submittals electronically via the Internet (eFiling). Please refer to the instructions for using the Commission's eFiling system at <http://www.ferc.gov/docs-filing/efiling.asp> and filing instructions in the Commission's

² 18 C.F.R. §§ 4.31(b), (c).

Regulations at 18 C.F.R. § 385.2001(a)(1)(iii).³ To assist you with eFilings you should refer to the submission guidelines document at <http://www.ferc.gov/help/submission-guide/user-guide.pdf>. In addition, certain filing requirements have statutory or regulatory formatting and other instructions. You should refer to a list of these "qualified documents" at <http://www.ferc.gov/docs-filing/efiling/filing.pdf>. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov, (866) 208-3676 (toll free), or (202) 502-8659 (TTY). In lieu of electronic filing, please send a paper copy to: The Secretary, Federal Energy Regulatory Commission, Mail Code: DHAC, PJ-12, 888 First Street, N.E., Washington, D.C. 20426.

With each submittal, it is very important for you to include a cover letter that identifies the project number (P-13318) and the reason for the submittal. If you are making a filing to address an article or other license requirement please state so in the letter, and identify the article number or license requirement.

License Compliance

The license contains articles and other requirements (ordering paragraphs, approved plans, etc.) that require the preparation of plans, studies, or reports according to the schedule established for each requirement. You should review the license and become familiar with its requirements. You must deliver each item to the Commission on or before the specified due date. You are not allowed to change required filing dates of plans, studies, or reports without prior Commission approval.

If a license article or other requirement calls for you to file a periodic report and if the filing does not require Commission approval or follow up action, we may not respond to that particular filing. However, you should check the Commission's eLibrary Internet site at www.ferc.gov/docs-filing/elibrary.asp to make sure your report has been received by FERC. If we have any questions regarding the periodic report, Commission staff will contact you. Please call DHAC staff if you have any questions or issues regarding this policy.

³ <http://www.ferc.gov/legal/fed-sta.asp>. Select the link for Code of Federal Regulations and navigate to §385.2001.

Extension of Time

If you are unable to complete a requirement according to the schedule established in the license, you must request an extension of time, as directed by § 385.2008 of the Commission's regulations.⁴ You must file your request before the established due date and state why the requirement cannot be completed on time. You must propose a reasonable date when the requirement will be completed and filed with the Commission. If an extension request is approved, an order granting an extension of time will be issued, revising the schedule in the license for submittal.

Amendments

If you desire to change the design, location, method of construction or operation of your project, you must notify the appropriate federal and state fish and wildlife agencies and inform them in writing of the changes you intend to implement. If these agencies determine that the changes would not cause the project to violate the terms and conditions imposed by the agencies, and if the changes would not materially alter the design, location, method of construction or operation of the project, you may implement the changes. If any of these agencies determine that the changes would cause the project to violate the terms and conditions imposed by that agency, or if the changes would materially alter the design, location, method of construction or the operation of the project works, you may not implement the changes without first acquiring authorization from the Commission to amend your license or, if appropriate, acquiring a license for the project works as changed.⁵ If you are unsure whether the proposed modification requires an amendment, you may seek guidance from Commission staff.

Assistance

The goal of our assistance program is to help you stay in compliance with the terms and conditions of your license. We try to promote responsible stewardship of the nation's water resources through open communication and interaction between licensees and DHAC staff. Should you seek assistance, please contact, Ms. Patricia W. Gillis (202) 502-8735. We can discuss your questions over the telephone or in person. In addition, we can provide informational publications to assist you with your project.

⁴ 18 C.F.R. § 385.2008.

⁵ 18 C.F.R. § 4.200.

The small business and agriculture regulatory enforcement ombudsman and ten regional fairness boards were established to receive comments from small businesses about federal agency enforcement actions. The ombudsman will annually evaluate each agency's enforcement activities against small business and rate each agency's responsiveness. If you are a small business entity, you may call 1-888-734-3247 to comment on the enforcement actions of this agency.

Part 8 Requirements

We wish to remind you of your obligations under Part 8 of the Commission's regulations. Specifically, § 8.1 requires you to publish a notice in local newspapers and on your existing project website (if you have one), specific information regarding recreation opportunities on project lands and waters. In addition, § 8.2 requires you to post and maintain signs at all recreational access points to the project identifying the availability of the area to the public. The minimum information that must appear on such signage includes: project name and number, statement that project is licensed by FERC, licensee name and contact information for additional recreation information, and permissible times and activities. You are also required to provide conspicuous notice that project recreation facilities are open to the public without discrimination and make any Commission-approved recreational plan(s) for your licensed project available for public inspection at your offices located near the project and on any existing project website. Please read Part 8 of the Commission's regulations for more details about these requirements.⁶

Annual Charges

Pursuant to § 10 of the Federal Power Act (Act) and Part II of the regulations, the Commission will assess a licensee's annual charges for costs of administration of Part I of the Act, for use of government and tribal lands, for use of government dams, and for benefits derived from headwater projects, as may be appropriate. Questions concerning annual charges may be directed to Mr. Norman Richardson, Office of the Executive Director, at (202) 502-6219.

To enable the Commission to determine appropriate annual charges, each licensee, other than a state or municipal entity, of a project with **more than 1,500 Kilowatts (kW)** of installed capacity, or any licensee of a project using a government dam, must file with the Commission, on or before November 1 of each year, a statement under oath showing

⁶ 18 C.F.R. Part 8 (2018)

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Swan Lake North Pumped Storage
Hydroelectric Project
Swan Lake North Hydro LLC

Date: _____

the gross amount of energy generated (or produced by nonelectrical equipment). It also must include the amount of energy used for pumped storage pumping by the project during the preceding fiscal year (October 1 through September 30), in kilowatt hours. If any licensee does not report the gross energy output of its project within the time specified above, the Commission's staff will estimate the energy output. This estimate may be used instead of the filings made by such licensee after November 1. The estimate may result in higher non-refundable charges for that year.

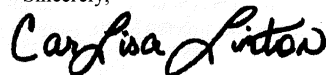
You should also be aware that part of the annual charges for your licensed project is based upon the installed capacity of the generating units. Therefore, any changes that would alter the project's installed capacity require an amendment of license. You must have prior Commission approval before implementing any work that could result in a change in installed capacity. For additional information, you should refer to standard Articles 2 and 3 of your license, and the Commission Order on Rehearing in International Falls Power Company, issued January 18, 1994 (66 FERC ¶ 61,086).

Headwater Benefits

If your project is located downstream from a storage reservoir or other headwater improvement you may be receiving headwater benefits. These benefits come in the form of increased energy generation from regulated flows by an upstream project. The Commission calculates headwater benefits in accordance with §§ 11.10 through 11.21 of its regulations, and you would be notified at the commencement of a study. If you have questions regarding headwater benefits charges you should contact Mr. Jeremy Jessup of our office at (202) 502-6779.

Thank you for your cooperation. If you have questions regarding this matter, please contact Patricia W. Gillis at (202) 502-8735, email: patricia.gillis@ferc.gov.

Sincerely,



Carlisa Linton
Acting Director
Division of Hydropower Administration
and Compliance

Enclosure: Contact Form

The Secretary
Federal Energy Regulatory Commission
Mail Code: DHAC, PJ-12
888 First Street, N.E.
Washington, D.C. 20426

Subject: Licensee Contact and Service List Information

Dear Madam Secretary:

The name, title, address, and telephone number of the company official, elected municipal official, owner, authorized agent, etc., responsible for the project as licensee is listed below. This person will be listed in our records as the PRIMARY CONTACT for non-dam safety issues.

* Name: _____
Title: _____
* Address 1: _____
Address 2: _____
* City: _____
* State: _____
* Zip Code: _____
* Email: _____
Telephone: * (office) _____ (cell) _____
Fax No. : _____

The name, title, address, and telephone number of the authorized representative for day-to-day project activities, and secondary contact:

* Name: _____
Title: _____
* Address 1: _____
Address 2: _____
* City: _____
* State: _____
* Zip Code: _____
* Email: _____
Telephone: * (office) _____ (cell) _____
Fax No. : _____

Prepared by: Signature
Typed name

NOTE: Required fields are indicated by a *. If a project has multiple licensees, please complete one form for each co-licensee.