June 7, 2010

CERTIFIED MAIL 7009 1410 0002 4073 2778

Mr. Larry Dunbar  
City of Port Angeles  
P.O. Box 1150  
Port Angeles, WA 98362-0217

Re: Amendments to 401 Water Quality Certification Order No. 6106

Dear Mr. Dunbar:

Enclosed is Amended Order No. 7732. This amendment modifies 401 certification Order No. 6106. Specifically, this amendment fixes the following errors listed below:

1) Table 1 in section 4 Conditions relating to flow and ramping. The month column listed as "August 15-31" should read "August 16-31".

2) The ramping rates table in section 4. Titled "The licensee must not exceed the following ramping rates in the anadromous portion of Morse Creek:" The first season "February 16 to 15" should read "February 16 to June 15".

3) Order No. 6106 did not intend to have a requirement for annual water quality monitoring. The following text appeared in section 3.0.17.e. Observed violations at the project shall be highlighted an annual monitoring report due by November 15 of each year. This text will be removed.

All correspondence relating to this document should be directed to Brett Raunig at the Department of Ecology, Vancouver Field Office, 2108 Grand Blvd, MS: S-70, Vancouver, WA 98661-4622.

If you have any questions, you may call Brett Raunig at 360-690-4660.

Sincerely,

Garin Schriever, P.E.  
Southwest Region Manager  
Water Quality Program

Enclosure

cc: Brett Raunig, Ecology
STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

IN THE MATTER OF GRANTING A
WATER QUALITY CERTIFICATION TO
City of Port Angeles
for Morse Creek Hydropower Project
with Chapter 90.48 RCW and the
Rules and Regulations of the
Department of Ecology

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AMENDMENT ORDER No. 7732 OF
ORIGINAL ORDER NO. 6106

To: Mr. Larry Dunbar
City of Port Angeles
321 East Fifth Street
PO Box 1150
Port Angeles, WA 98362-0217

Administrative Order No. 6106, dated December 18, 2008, is hereby amended as follows.

1. Table 1 in section 4 Conditions relating to flow and ramping. The month column listed as "August 15-31" should read "August 16-31".

The following shows the struck and replaced text:

4.0 Conditions relating to flow and ramping.
Licensee must discharge at least the following continuous minimum instream flows from the Morse Creek Project diversion weir, for the protection of aquatic resources in Morse Creek:

Table 1: Minimum Instream Flows measured at the diversion dam.

<table>
<thead>
<tr>
<th>Month</th>
<th>Hydro Operational Instream Flow (cfs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>48</td>
</tr>
<tr>
<td>February 1-14</td>
<td>48</td>
</tr>
<tr>
<td>February 15-29</td>
<td>50</td>
</tr>
<tr>
<td>March</td>
<td>50</td>
</tr>
<tr>
<td>April</td>
<td>55</td>
</tr>
<tr>
<td>May</td>
<td>61</td>
</tr>
<tr>
<td>June</td>
<td>61</td>
</tr>
<tr>
<td>July 1-15</td>
<td>61</td>
</tr>
</tbody>
</table>


2. The ramping rates table in section 4. Titled "The licensee must not exceed the following ramping rates in the anadromous portion of Morse Creek:" The first season "February 16 to 15" should read "February 16 to June 15".

The following shows the struck and replaced text:

The licensee must not exceed the following ramping rates in the anadromous portion of Morse Creek:

<table>
<thead>
<tr>
<th>Season</th>
<th>Daylight Rates</th>
<th>Night Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 1-15</td>
<td>No Ramping</td>
<td>2 inches/hour</td>
</tr>
<tr>
<td>February 16 to June 15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>June 16 to October 312</td>
<td>1 inch/hour</td>
<td>1 inch/hour</td>
</tr>
<tr>
<td>November 1 to February 15</td>
<td>2 inches/hour</td>
<td>2 inches/hour</td>
</tr>
</tbody>
</table>

1) Salmon fry are present
2) Steelhead fry are present
3) Daylight is defined as one hour before sunrise to one hour after sunset

3. This Order did not intend to have a requirement for annual water quality monitoring. The following text appeared in section 3.0.17.e. Observed violations at the project shall be highlighted an annual monitoring report due by November 15 of each year. This text is removed.

The following shows struck out text removed:

1) Any work that is out of compliance with the provisions of this Order, or conditions that result in distressed, dying or dead fish, or any discharge of oil, fuel, or chemicals into state waters, or onto land with a potential for entry into state waters, or violation of turbidity criteria is prohibited. If these conditions occur, the Licensee must immediately take the following actions:
   a) Cease operations at the location of the violation to the extent such operations may reasonably be causing or contributing to the problem.
   b) Assess the cause of the water quality problem and take appropriate measures to correct the problem and/or prevent further environmental damage.
   c) Notify Ecology of the failure to comply. Oil or chemical spill events shall be reported immediately to Ecology's 24-Hour Spill Response Team at (360) 407-6300 within 24 hours. Other non-compliance events shall be reported to Ecology's Federal Permit Manager at (800) 424-8802.
Submit a detailed written report to Ecology within five (5) days that describes the nature of the event, corrective action taken and/or planned, steps to be taken to prevent a recurrence, results of any samples taken, and any other pertinent information.

Observed violations at the project shall be highlighted in an annual monitoring report due by November 15 of each year.

No other condition or requirement of Order No. 6106 is hereby affected by this amendment.

You have a right to appeal this Order. To appeal this you must:

- File your appeal with the Pollution Control Hearings Board within thirty (30) days of the “date of receipt” of this document. Filing means actual receipt by the Board during regular office hours.

- Serve your appeal on Ecology within thirty (30) days of the “date of receipt” of this document. Service may be accomplished by any of the procedures identified in WAC 371-08-305(10). “Date of receipt” is defined at RCW 43.21B.001(2).

Be sure to do the following:

- Include a copy of this document that you are appealing with your Notice of Appeal.

- Serve and file your appeal in paper form; electronic copies are not accepted.

1. To file your appeal with the Pollution Control Hearings Board

Mail appeal to:

The Pollution Control Hearings Board
P.O. Box 40903
Olympia, Washington 98504-0903

Deliver your appeal in person to:

OR

The Pollution Control Hearings Board
4224 – 6th Avenue Southeast Rowe Six, Bldg 2
Lacey, Washington 98503

2. To serve your appeal on the Department of Ecology

Mail appeal to:

The Department of Ecology
Appeals & Application for Relief Coordinator
P.O. Box 47608
Olympia, Washington 98504-7608

Deliver your appeal in person to:

OR

The Department of Ecology
Appeals & Application for Relief Coordinator
300 Desmond Drive Southeast
Lacey, Washington 98503

3. And send a copy of your appeal to:

Brett Raunig
Department of Ecology
Vancouver Field Office
2108 Grand Blvd, MS: S-70
Vancouver, WA 98661-4622
For additional information visit the Environmental Hearings Office Website: http://www.eho.wa.gov.

To find laws and agency rules visit the Washington State Legislature Website: http://www.leg.wa.gov/CodeReviser.

Your appeal alone will not stay the effectiveness of this Order. Stay requests must be submitted in accordance with RCW 43.21B.320. These procedures are consistent with Chapter 43.21B RCW.

DATED this 7th day of June, 2010, at Olympia, Washington

Garin Schrieve, P.E.
Southwest Region Manager
Water Quality Program