

ORIGINAL

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April 18, 1995

Mr. John H. Clements, Director
Division of Project Review
Federal Energy Regulatory Commission
825 North Capitol Street, N.E.
Washington, D.C. 20426

FILED
OFFICE OF THE SECRETARY
95 MAY -8 AM 11:49
FEDERAL ENERGY
REGULATORY
COMMISSION

Dear Mr. Clements:

Your letter dated March 22, 1995 requested PacifiCorp to sign a memorandum of agreement (MOA) relative to the implementation of the Cultural Resources Management Plan for the Bend Hydroelectric Project, FERC No. 2643. The Plan was prepared by PacifiCorp in association with our December, 1991 Application for Subsequent License.

In response to the filing of the application, resource agencies have provided the Commission mandatory project conditions and other recommendations relative to fish and wildlife enhancements that would be required by a new license. The cost for these measures in addition to the costs necessary to rehabilitate the project generation equipment and spillway would clearly make the project uneconomic to operate. PacifiCorp is not likely to accept a new license proffered by the Commission for the Bend Project if such conditions are included. For this reason, no purpose would be served by our signing the MOA at this time.

Very truly yours,

S. A. deSousa
Director, Hydro Resources

SdeS:ms

cc: Dr. Edwin D. Slatter, FERC-WADC
Claudia Nissley, Advisory Council on Historic Preservation
Dr. Leland Gilson, Oregon SHPO
Carrie Whitaker, Bend Metro
John Hossick, City of Bend
Richard Isham, Deschutes County

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