



May 22nd, 2018

Ms. Kimberly Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Subject: Bowman Dam Hydroelectric Project (FERC NO. P-14791), Third 6 –Month Progress Report

Dear Secretary Bose:

Pursuant to Article 4 of the preliminary permit issued by the Federal Energy Regulatory Commission (FERC) for the Bowman Dam Hydroelectric Project, FERC Project No. 14791, Ochocho Irrigation District (District), as permittee, is providing its third progress report on the activities it has undertaken under this permit in pursuit of the development of a license application for the construction, operation, and maintenance of the Project.

During the 6-month period preceding this report, the District performed the following tasks:

- Retained the services of JR Holeman Consulting, Black Rock Consulting and Biota Pacific Consulting for the preparation of a Pre-Application Document (PAD), Notice of Intent, and request to use the Traditional Licensing Process.
- On April 25, 2018 held a project team site visit and tour and discussed project alternatives.
- Completed the following total dissolved gas study: “Predicted Impacts of Bowman Dam Fish Passage and Remediation of Gas Bubble Disease on Redband Trout Production in the Crooked River Basin” – Biota Pacific, March 5, 2018
- The project economics have been further considered by the Ochocho Irrigation District and it has been determined that the most economic project size is 3MW. The current approach will be to install a 1MW and a 2MW turbine and generator system to optimize production over the available flow range.
- The interconnect and transmission lines available have been further considered in conjunction with the project economic feasibility. The cost of transmission upgrades enforced the reduction in system sizing to 3MW.
- Communication and coordination with the Oregon Department of Fish and Wildlife has continued and a meeting is being arranged to discuss the existing total dissolved gas (TDG) issue present at the dam and the potential benefits of the project on such heightened TDG levels experienced downstream of the dam.

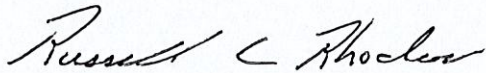
- Coordination and communication with the United States Bureau of Reclamation Tech Services Center has continued over the last two months to request Reclamation assistance related to anticipated TDG reductions related to the project, after installation.

During the next 6-month period, the District plans to:

- Complete and submit the PAD, Notice of Intent, and request to use the Traditional Licensing Process.
- Distribute PAD to resource agencies and tribes and make it available to other interested parties for review
- Schedule a site visit and joint meeting with resource agencies, tribes, and interested parties to review project plans and initiate discussions regarding issues and information needed to evaluate project effects on the environment.

If you have any questions or require additional information, please contact me at (541) 447-6559 or by email at ochoco@crestviewcable.com.

Sincerely,

A handwritten signature in cursive script that reads "Russell C. Rhoden".

Russell Rhoden, Manager