

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

April 27, 2006

OFFICE OF ENERGY PROJECTS

Project No. 12612-000-Washington
Narrows Tidal Energy Project
Tacoma Power

Mr. Ted Beatty
Department of Public Utilities, Light Division
Tacoma Power
3628 South 35th Street
Tacoma, WA 98409

Subject: License Application Preparation

Dear Mr. Beatty:

The Office of Energy Projects, Division of Hydropower Licensing (DHL) is responsible for processing any license application you may file pursuant to your recently issued preliminary permit. We are writing this letter for two reasons: (1) to determine the status of, and to offer guidance on, the preparation of any license application; and (2) to make you aware of the Commission's Policy Statement on Consultation with Indian Tribes.

The Commission's regulations require that if, during the course of your investigation into the feasibility of the project, you decide to prepare a development application, you must first prepare a Notice of Intent (NOI) and Preliminary Application Document (PAD) pursuant to sections 5.5 and 5.6 of the Commission's regulations,¹ 18 C.F.R. §§ 5.5 and 5.6 (2003). Under Part 5 of the Commission's regulations, you must use the Integrated Licensing Process unless the Commission grants a request to use either the Traditional or Alternative Licensing Processes. Under section 5.3, such a request must accompany the NOI and PAD and set forth specific information justifying the request. It is important that you contact us three to six months before you file any NOI and PAD, so we can provide you with guidance on the pre-filing licensing process.

¹ *Hydroelectric Licensing Under the Federal Power Act*, Order 2002, 68 Fed. Reg. 51121, August 25, 2003, FERC Statutes and Regulations 31,150 (2003).

In addition, our policy statement on consultation with tribes notes that we will strive to improve communications with tribes affected by Commission actions.² Our objective is to engage tribes in the consultation process at the earliest stage of the licensing process. As soon as you let DHL know that you have begun to prepare the PAD, we will contact the tribes to determine their interest in the potential project.

For further information or assistance on licensing matters, please contact Nick Jayjack at (202) 502-6073 or nicholas.jayjack@ferc.gov. We look forward to working with you.

Sincerely,

Jennifer Hill, Chief
Hydro West Branch 1

cc: Mailing List
Public Files

² *Policy Statement on Consultation with Indian Tribes in Commission Proceedings*, Order 2002, 68 Fed. Reg. 51121, August 25, 2003, FERC Statutes and Regulations 31,150 (2003).