

October 16, 1987

Mr. Stephen M. Harmsen
M. K. Hydro, Inc.
Bishop, Harmsen & Springmeyer
Attorneys at Law
Oquirrh Place
350 South 400 East
Salt Lake City, UT 84111

RE: Mud Creek Hydro, FERC NO. 4769

Dear Mr. Harmsen:

Thank you for your September 18, 1987, correspondence regarding the deficiencies in minimum stream flow equipment and installed generator size.

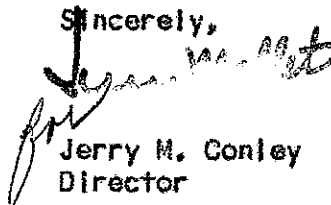
If a fixed (welded) diversion gate can be installed that provides 5 cfs minimum flow regardless of head, our requirements will be satisfied. However, our engineering staff will need to review and approve plans for the structure, your explanation of how minimum flow is to be maintained and how flows are to be determined (including flow rating tables and graphs), the schedule for measuring and calibrating the staff gage, and the method of record keeping. If you cannot design a diversion gate to provide the minimum flow required, you should look into installing continuous recording flow equipment (similar to U.S. Geological Survey flow gages).

In regards to exceeding authorized installed generating capacity, your letter states "it is not intended or likely that more than 1/2 of that amount (625 kw) will ever be generated at one time...". We question the rationale behind more than doubling the 266 kw authorized capacity in the exemption if there is no intent to use it. The Department, as a rule, has not objected in cases of excess installed capacity when full compliance with terms and conditions are provided, but we would appreciate further explanation of the hydraulic capacity of the turbines, stream flow records and why the larger capacity has been installed before commenting further.

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If you have further questions or comments, our fisheries and engineering staffs will be willing to work with you in getting this facility back into production after years of mechanical and engineering problems.

Sincerely,



Jerry M. Conley
Director

cc: Region 4
USFWS
FERC - Portland

JMC:WDH:rmw
R7FS010MW