



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

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Licensing & Compliance

September 12, 2014

Michelle Smith
Chelan County PUD No. 1
PO Box 1231
Wenatchee, WA 98807

**RE: Lake Chelan Hydroelectric Project No. 637
Department of Ecology position regarding potential modification to
Lake Chelan Lake Level Management Plan**

Dear Michelle Smith:

We have received your letter of July 22, 2014 requesting that the Department of Ecology (Ecology) describe our position regarding a proposed modification to the lake level targets for Lake Chelan, operated by Chelan PUD under its Federal Energy Regulatory Commission (FERC) License. The letter was addressed to Ecology as one of the Settlement Agreement parties. The Settlement Agreement was included in the FERC License.

Chelan PUD has asked us to investigate an increase to the October 1 target lake level elevation. Three alternative target levels have been proposed, all of them higher than the current elevation. In your letter, you stated that the PUD shall seek to achieve the lake levels consistent with the seven (7) objectives stated in the Comprehensive Management Plan and the License Article 8, both parts of the license.

As described in the 401 Certification issued by Ecology in 2006, Ecology is primarily concerned that fish habitat be provided and protected in the Chelan River. This includes the recently constructed habitat in Reach 4. Stream flows higher than 6,000 cfs have been identified as having potential damaging effects on the new habitat and should be avoided to the extent possible. From initial information provided by Chelan PUD, it appears that increases in lake levels would correspond to increases in the probability of flows in Chelan River in excess of 6,000 cfs. We would like to have more specific information about the increase in probabilities of these higher flows for each of the proposed new target levels, before we would agree to any increase in the lake level. We are not saying that any increase would be unacceptable, but we do feel it should be minimal.

If or when the decision is made to make a change in the lake level targets, we will be willing to discuss any procedural requirements that might be needed.

If you have any questions, please contact me at (509) 457-7107.

Sincerely,

Charles McKinney
Section Manager
Water Quality Program

cc: Graham Simon, WDFW

