FEDERAL ENERGY REGULATORY COMMISSION Washington D.C. 20426

Office of Energy Projects

Project No. 637-099—Washington Lake Chelan Hydroelectric Project Public Utility District No. 1 of Chelan County

August 26, 2014

Ms. Michelle Smith Public Utility District No. 1 of Chelan County 327 North Wenatchee Avenue Wenatchee, WA 98801

Subject: June 10, 2014 ramping rate deviation

Dear Ms. Smith:

This letter is in reference to your July 14, 2014, filing with the Federal Energy Regulatory Commission (Commission) describing a ramping rate deviation that occurred at the Lake Chelan Hydroelectric Project, FERC No. 637. Article 405 of the project license¹ requires you implement an Operations Compliance Monitoring Plan,² which, in part, requires you to comply with the ramping rate set forth in Article 7 of the Lake Chelan Settlement Agreement.³ Pursuant to ordering paragraph (D) of your Operations Compliance Monitoring Plan, you must report any ramping rate exceeding 2 inches per hour to the Commission within 30 days of the deviation.

You report that, on June 10, 2014, you exceeded the permitted ramping rate while ramping spill rates down from 517 to 258 cubic feet per second (cfs) over a three-hour period. Your report explains that spillway flows decreased by 100 cfs per hour, while you increased outflow from the low level outlet in order to buffer any downstream effects. As a result, the water surface elevation in Reach 4 of the Chelan River decreased

² Order Modifying and Approving Operations Compliance and Monitoring Plan, Article 405. 62 FERC ¶ 62,152 (issued November, 30, 2007).

³ See Appendix A of the project license.

¹ Order on Offer of Settlement and Issuing New License. 117 FERC \P 62,1129 (issued November 6, 2006).

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by an average of 4 inches per hour during the downramping effort. You report that a misinterpretation of your spill reduction ramping rate table led to the exceedance of the maximum 2 inches per hour downramping rate.

You affirm that, despite the exceedance of ramping rate, you did not observe any adverse environmental effects. You indicate that salmonid fry had been observed approximately one month earlier, but that the fry would have grown sufficiently large to avoid shoreline margins by the date of the deviation. You also note that you conducted a snorkel survey on June 17, 2014, and that you did not observe any fry during that survey.

In an attempt to prevent similar deviations from occurring, you developed an interim reduced ramping rate spill reduction table, which you included in your filing. The interim table includes more conservative ramping rates, and you report that it has been used since June 24, 2014, yielding no similar deviations. You also indicate that you are looking into incorporating automatic spill reductions into your control system programming, to replace the manual, hourly reductions currently employed.

Based on our review of the available information, it appears that the deviation from the ramping rate requirement was the result of an unclear or inaccurate spill reduction ramping rate table. Upon becoming aware of the deviation, you took action to remedy its cause, and to prevent similar deviations from occurring in the future. You also took measures to record any environmental impacts, and no adverse impacts were observed. For these reasons, we will not consider this deviation a violation of your license; however, it will be made part of the compliance history and be taken into consideration regarding any future similar deviations from the license requirements.

Thank you for your cooperation. If you have any questions concerning this letter please contact Alicia Burtner at (202) 502-8038 or alicia.burtner@ferc.gov.

Sincerely,

Thomas J. LoVullo Chief, Aquatic Resources Branch Division of Hydropower Administration and Compliance