



PUBLIC UTILITY DISTRICT NO. 1 of CHELAN COUNTY

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July 28, 2011

VIA ELECTRONIC FILING

Honorable Kimberly D. Bose, Secretary
Nathaniel J. Davis, Sr., Deputy Secretary
FEDERAL ENERGY REGULATORY COMMISSION
888 First Street, NE
Washington, DC 20426

**ENCLOSURE CONTAINS
PRIVILEGED INFORMATION
- DO NOT RELEASE -**

Subject: Rocky Reach Hydroelectric Project, FERC No. 2145
Article 404(4) – Ute Ladies’-Tresses (*Spiranthes diluvialis*)
Conservation Easement Acquisition

Dear Secretary Bose and Deputy Secretary Davis:

The Federal Energy Regulatory Commission (Commission) issued the “Order on Offer of Settlement and Issuing New License” (License)¹ on February 19, 2009, and the “Order on Rehearing and Clarification”² on May 21, 2009, for the Rocky Reach Hydroelectric Project No. 2145 (Project) on February 19, 2009. In accordance with License Article 404(4), the Public Utility District No. 1 of Chelan County (Chelan PUD) is required to acquire through conservation easement, fee-title, or other instrument sufficient rights to protect the population located at Howard Flats within three years of license issuance. Upon acquisition of such rights, Chelan PUD is required to file revised Exhibit G drawings within 90 days if the affected lands are not enclosed within the current Project boundary.

Chelan PUD hereby notifies the Commission that on July 13, 2011, Chelan PUD acquired a conservation easement to protect Ute Ladies’-Tresses populations located at Howard Flats. The conservation easement allows Chelan PUD to protect the plants for the term of the license and provides sufficient rights to control noxious weeds at the site, annually monitor populations to track plant distribution and to document their distribution with detailed site maps and photos. All lands covered under the easement are located within the existing project boundary. Consequently, revised Exhibit G drawings will not be filed. The conservation easement and map are enclosed with this filing.

The enclosure contains federally-threatened plant sites and meets the privilege treatment requirements under 18 CFR 388.112(c). In order to protect this sensitive information,

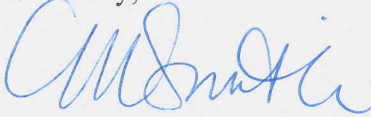
¹ 126 FERC ¶ 61,138 (2009)

² 127 FERC ¶ 61,152 (2009). See paragraph 26 and footnote 44.

Chelan PUD requests the Commission not to release the enclosure to the general public. However, the cover letter can be released to the public.

If you have any questions or require additional information, please contact Von Pope at (509) 661-4625 or me.

Sincerely,



Michelle Smith
Licensing & Compliance Manager
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Enclosure: Easement and Map (**Privileged Information**)

cc: Erich Gaedeke
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