





PUBLIC UTILITY DISTRICT NO. 1 of CHELAN COUNTY

P.O. Box 1231, Wenatchee, WA 98807-1231 * 327 N. Wenatchee Ave., Wenatchee, WA 98801 (509) 663-8121 * Toll free 1-888-663-8121 * www.chelanpud.org

December 17, 2010

VIA ELECTRONIC FILING

Honorable Kimberly D. Bose, Secretary, and Nathanial J. Davis, Sr., Deputy Secretary ATTN: OEP/DHAC FEDERAL ENERGY REGULATORY COMMISSION 888 First Street, NE Washington, DC 20426

Re: Lake Chelan Hydroelectric Project No. 637
License Article 401 – USDA Forest Service Site-Specific Erosion Control Plan
USDA-FS Erosion Sites 24, 25, 26 and 27 dated November 18, 2009
Notification of Revised Schedule

Dear Secretary Bose and Deputy Secretary Davis:

The Public Utility District No. 1 of Chelan County, Washington (Chelan PUD) hereby files a revised schedule for implementing the erosion control work for Sites 25, 26 and 27 pursuant to the Federal Energy Regulatory Commission (Commission's) "Order Approving USDA Forest Service Site Specific Erosion Control Plan" issued on March 29, 2010, for the Lake Chelan Hydroelectric Project (Project).

The plan was prepared in consultation with the USDA Forest Service for habitat and ground-disturbing activities on National Forest System Lands necessary to implement the erosion control work for Sites 24, 25, 26 and 27. The original schedule states that Sites 24 and 25 work will be implemented in winter 2010 to spring 2011 and Sites 26 and 27 works will be implemented in winter 2011 to spring 2012.

As described in the enclosed Forest Service's letter dated October 18, 2010, work for Sites 25 is rescheduled to occur in the fall of 2011 and early winter 2012. The timeline for Site 26 and 27 will not occur until 2015-2016. This revised schedule will help the Forest Service to minimize interference with remediation of the Holden Mine site, which is unassociated with the plan. The Holden Mine was closed in 1957. It was discovered that water leaching through the debris left at

^{1 130} FERC ¶ 62,268 (2010)

the mine was polluting nearby streams and clean up of this debris is considered a priority (National Superfund Site). The Holden Mine site can only be accessed through the same shoreline areas and docks of Sites 25, 26 and 27, and will be using the same equipment (e.g. barges) and same Forest Service personnel.

Please contact me or Gene Yow at (509) 661-4305 if you have any questions regarding this filing or requests for additional information.

Sincerely,

Michelle Smith

Licensing and Compliance Manager michelle.smith@chelanpud.org (888) 663-8121, Ext. 4180

Enclosure: USDA Forest Service letter dated October 18, 2010

cc: Adan Archuleta and Erich Gaedeke (Commission)

Janeen Tervo and Mallory Lenz, USFS

Gene Yow, Chelan PUD



Forest Service Okanogan -Wenatchee National Forest Chelan Ranger District 428 West Woodin Avenue Chelan, WA 98816 (509) 682-2576

File Code: 2770

Date: October 18, 2010 RECEIVED

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Licensing & Compliance

Ms. Michelle Smith Licensing and Compliance Manager Public Utility District No. 1 of Chelan County P.O. Box 1231 Wenatchee, WA 98807

Dear Ms. Smith:

As you may be aware, the Holden Mine Remediation project is underway and tremendous amounts of activity will be occurring in the Lucerne and Refrigerator Harbor areas of Lake Chelan. The original plan was to conduct the erosion control projects in these vicinities during 2011 and 2012, specifically under Article LC01, Task 5, Sites 24-27.

Work at Domke Falls CG (Sites 24a, b & c) will proceed as originally planned. The timeline for the Holden project is now moving swiftly and we request that work at Refrigerator Harbor (Site 25) occur in the fall of 2011 and early winter 2012. We would also like to request an extension of the timeline for the work at Lucerne CG/Guard Station (Site 26, and Lucerne - Site 27) until 2015-2016 at which time we anticipate remediation work may be completed or at least gearing down.

Meanwhile in 2011-2012, we are requesting to proceed to the next set of priority sites listed in the Lake Chelan Comprehensive Plan, Attachment B to the Lake Chelan Settlement Agreement, page 1-9. Specifically, we would like to begin planning work under Article LC01, Task 6, (Moore Point - Site 41, cultural) and Task 7, (Graham Harbor Creek CG - Site 16, and Sites 15 & 17 in the Graham Harbor Creek vicinity). Monitoring will also take place at Graham Harbor CG - Site 14.

Please contact Mallory Lenz at 682-4940 or Janeen Tervo 682-4952 if you have any questions. Thank you again for your cooperation

Sincerely,

ROBERT J. SHEEHAN

District Ranger





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