



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

May 31, 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

RE: Lake Chelan Hydroelectric Project No. 637 (Project)
Report on Lake Level Deviation

Dear Secretary Bose and Deputy Secretary Davis:

This letter is to provide you with Public Utility District No. 1 of Chelan County's (Chelan PUD) follow-up report on a lake level target deviation that occurred on May 1, 2011. This deviation was first reported by email to the Federal Energy Regulatory Commission (FERC) Portland Office and Washington Department of Ecology (Ecology) Central Regional Office on May 2, 2011. No comments were received from Ecology.

Summary

Due to a colder and wetter than average spring (approximately 143% above average snow pack in the Chelan basin on May 6), Chelan PUD is managing lake levels as per License Article 302 Reservoir Drawdown Limitation and Safety Report and License Article 405 Operations Compliance Monitoring Plan. Two primary lake level objectives are currently influencing project operations, which are flood control and reducing high flows in the Chelan River.

The documents above allow for target lake levels to not be met under expected high and late runoff conditions; therefore, the target lake level was intentionally not met on May 1 to ensure storage room in the lake for the anticipated high and late runoff. The license specifies a target lake level of 1,087.6 feet on May 1. Observed lake level was 1,083.15 feet, which is 4.45 feet below the May 1 target.

License Requirement

License Article 405 requires Chelan PUD to implement lake levels as set forth in Article 8 of the Settlement Agreement and Chapter 8 of the Comprehensive Plan attached to the Settlement Agreement. The specific lake level requirement that is the subject of this deviation report is the May 1 elevation of 1,087.6 feet.

In accordance with FERC's Order Modifying and Approving Operations Compliance and Monitoring Plan, Article 405, issued November 30, 2007, when a lake level deviation occurs, Chelan PUD is required to notify FERC and Ecology of the deviation within 48 hours of the time that Chelan PUD became aware of the deviation. FERC and Ecology were notified via electronic submittal on May 2, 2011. Following the initial notification, Chelan PUD is required to file a report, as follows:

"The licensee shall file a report with the Commission within 30 days of any deviation from minimum flow requirements, lake levels or ramping rates. The report shall, to the extent possible, identify the cause, severity, and duration of the incident, and any observed or reported adverse environmental impacts resulting from the incident. The report shall also include: 1) operational data necessary to determine compliance with the respective license requirements regarding minimum flows, lake levels, and ramping rates, as appropriate; 2) a description of any corrective measures implemented at the time of occurrence and the measures implemented or proposed to ensure that similar incidents do not recur; and 3) comments or correspondence, if any, received from the resource agencies and others regarding the incident."

Cause of the Deviation

The deviation occurred on May 1, 2011 when lake level did not reach the target elevation of 1087.6 feet. The License specifies a target lake level of 1,087.6 feet on May 1. Observed lake level was 1,083.15 feet, which is 4.45 feet below the May 1 target.

Due to a colder and wetter than average spring (approximately 143% above average snow pack in the Chelan basin on May 6), Chelan PUD is managing lake levels as per License Article 302 Reservoir Drawdown Limitation and Safety Report and License Article 405 Operations Compliance Monitoring Plan. Two primary lake level objectives are currently influencing project operations, which are flood control and reducing high flows in the Chelan River.

The documents above allow for target lake levels to not be met under expected high and late runoff conditions; therefore, the target lake level was intentionally not met on May 1 to ensure adequate storage room in the lake for the anticipated high and late runoff.

Biological and/or Environmental Impacts:

There were no adverse biological or environmental impacts observed to have resulted from this incident.

Corrective Measures

Chelan PUD will continue to manage the lake as per License Article 302 Reservoir Drawdown Limitation and Safety Report and License Article 405 Operations Compliance Monitoring Plan. Flood control and reducing high flows in the Chelan River will continue to influence project operations.

Given current weather forecasts, Chelan PUD expects that the June 1 target elevation of 1094.0 feet will also not be met. Chelan PUD will make reasonable efforts to bring the lake to target elevation 1,098 feet by the first of July; however, actual lake levels will depend on weather,

snowpack runoff, and energy demand. This may mean that the elevation of Lake Chelan will need to be held below 1,098 feet into early July if a significant amount of snowpack remains.

Conclusion

The May 1, 2011 deviation from lake level target elevations was a result of a colder and wetter spring. Chelan PUD has been managing lake levels as per License Article 302 Reservoir Drawdown Limitation and Safety Report and License Article 405 Operations Compliance Monitoring Plan to meet two primary lake level objectives are currently influencing project operations, which are flood control and reducing high flows in the Chelan River. Given current weather forecasts, Chelan PUD expects that the June 1 target elevation of 1094.0 feet will also not be met. Chelan PUD will make reasonable efforts to bring the lake to target elevation 1,098 feet by the first of July, but this target will intentionally not be met if considerably snowpack remains.

If you have any questions regarding this event, please contact me or Waikele Hampton at (509) 661-4627.

Sincerely,



Michelle Smith,
Licensing & Compliance Manager
(509) 661-4180
michelle.smith@chelanpud.org

Enclosure: E-mail correspondence with the agencies

cc: Washington Department of Ecology

From: [Smith, Michelle](#)
To: patrick.regan@ferc.gov; [Erich Gaedeke \(FERC\)](#); [Irle, Pat \(ECY\)](#); cmck461@ECY.WA.GOV;
cc: [Hampton, Waikele M.](#); [Buehn, Scott](#); [Smith, Michelle](#); [Bitterman, Deborah](#);
Subject: Lake Chelan No. 637: Lake Level Target Deviation Notice
Date: Monday, May 02, 2011 4:20:12 PM

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To: Patrick Regan and Erich Gaedeke, FERC-PRO

Pat Irle, and Charles McKinney, WDOE

From: Michelle Smith

Licensing & Compliance Manager

michelle.smith@chelanpud.org

(509)661-4180

Re: Lake Chelan Project No. 637

Lake Level Target Deviation Notice

This email is to provide you notification regarding a lake level target deviation, which occurred on May 1.

Due to a colder and wetter than average spring (approximately 143% above average snow pack in the Chelan basin), Chelan PUD is managing lake levels as per License Article 302 Reservoir Drawdown Limitation and Safety Report and License Article 405 Operations Compliance Monitoring Plan. Two primary lake level objectives are currently influencing project operations, which are flood control and reducing high flows in the Chelan River.

The documents above allow for target lake levels to not be met under high and late runoff conditions; therefore, the target lake level was intentionally not met on May 1 to ensure storage room in the lake for the anticipated high and late runoff. The license specifies a target lake level of 1,087.6 feet on May 1. Observed lake level was 1,083.15, which is 4.45 feet below the May 1 target. A detailed report will be filed within 30 days.

If you have any questions or require additional information, please contact me or Waikele Hampton at (509)661-4627.

Thank you.