December 6, 2010

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, License Article 410  
Rocky Reach Hydroelectric Project No. 2145, License Article 405  
Historic Properties and Cultural Resources Management Plan and Programmatic Agreement  
Annual Report for 2010 Activities

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) and “Order on Rehearing” for the Lake Chelan Hydroelectric Project No. 637 on November 6, 2006, and April 19, 2007, respectively. The Commission issued the “Order an Offer of Settlement and Issuing New License” and “Order on Rehearing and Clarification” for the Rocky Reach Hydroelectric Project No. 2145 on February 19, 2009 and May 21, 2007, respectively. In accordance with License Article 410 and 405, the Public Utility District No. 1 of Chelan County (Chelan PUD) is required to file a report within 30 days of every anniversary of the date of issuance of the Licenses.

Chelan PUD hereby files with the Commission the 2010 Lake Chelan and Rocky Reach Annual Report of Cultural Activities in accordance with the Lake Chelan and Rocky Reach Historic Properties and Cultural Resources Management Plans (HPCRMP) (October 2003, February 2006) and the Programmatic Agreement (PA) for the Projects. This report was completed in consultation with the Lake Chelan and Rocky Reach Cultural Forums. In 2010, members of the Lake Chelan and Rocky Reach Cultural Forums agreed to combine the two forums into one creating the Lake Chelan/Rocky Reach Cultural Forum. The decision to combine forums was made because the participating members of each forum are virtually identical and the HPCRMPs are similar. Since both Projects involve the same cultural forum, Chelan PUD and forum members determined that it would be more efficient and timely if the Lake Chelan and Rocky Reach annual reports were combined into a single filing. Subsequently, this report combines into one document the annual reporting requirements for cultural activities for the Lake Chelan and Rocky Reach projects. Chelan PUD respectfully requests the Commission’s approval to allow
Chelan PUD to continue to combine the Lake Chelan and Rocky Reach cultural reports into one filing to be due by December 6 annually.

The enclosed annual report contains culturally sensitive information. Chelan PUD requests the Commission to not release this information to the public. The cover letter is considered public.

Additional copies will be filed by copy of this letter with the Washington State Historic Preservation Office, the Confederated Tribes of the Colville Reservation Tribal Historic Preservation Officer, USDA Forest Service, National Park Service, Washington State Parks and Recreation Commission, the Confederated Tribes and Bands of the Yakama Nation and the Bureau of Indian Affairs.

Please contact me or Jennifer Burns at (509) 661-4474 regarding any questions or comments regarding this report.

Sincerely,

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

Enclosure: Annual Report for 2010 Activities (privileged information)
LAKE CHELAN/ROCKY REACH HYDROELECTRIC PROJECT
FERC Project No. 637/2145

December 6, 2010

Public Utility District No. 1 of Chelan County
Wenatchee, Washington
* In order to protect sensitive cultural and historic sites, these documents are available only with specific permission. Contact Jennifer Burns at Chelan County PUD, (509) 661-4474 or jennifer.burns@chelanpud.org.