FEDERAL ENERGY REGULATORY COMMISSION Washington, D. C. 20426

OFFICE OF ENERGY PROJECTS

Project No. 2145-120--Washington Rocky Reach Project Public Utility District No. 1 of Chelan County

September 11, 2014

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

RE: 5-year Pacific lamprey status report, Article 401

Dear Ms. Smith:

This letter acknowledges receipt of your five-year status report for addressing unavoidable impacts to Pacific lamprey, filed with the Commission on February 19, 2014 and August 5, 2014. The report was filed pursuant to license Article 401, U.S. Fish and Wildlife Service fishway prescription Article 5(c) of Appendix B under the Order on Offer of Settlement and Issuing New License, issued on February 19, 2009.

Requirements

Article 5(c) of Appendix B requires you, within two years of the effective date of the license, to collect and compile information regarding Pacific lamprey distribution, population status and trends, and juvenile downstream migration timing, to identify and implement appropriate and reasonable measures in order to achieve No Net Impact (NNI). The Article requires that you develop sampling and collection protocols, and collect tissue samples and other relevant biological information from adult and juvenile lamprey populations that pass through the project. Additionally, in consultation with the Rocky Reach Fish Forum (RRFF)², you are required to identify, consider, and implement

¹ 126 FERC ¶ 61,138

Alcoa Power Generating Inc., Confederated Tribes of the Colville Reservation, Chelan County Public Utility District No. 1, Confederated Tribes of the Umatilla Indian Reservation, Douglas County PUD, Washington State Department of Ecology, National Oceanic & Atmospheric Administration, National Park Service, Puget Sound Energy, US

appropriate and reasonable measures to address unavoidable losses at the project in order to achieve NNI. In year five of the license, and every five years thereafter, you are to provide a report to the RRFF and the Commission on the status of the Adaptive Management process regarding unavoidable impacts to Pacific lamprey.

Adaptive Management Five-year Status Report

The Parties to the Rocky Reach License Settlement Agreement who developed the Pacific Lamprey Management Plan, envisioned that an Adaptive Management Process would be necessary due to the lack of information available on Pacific lamprey in the project area (and Columbia River Basin) at the time of license settlement and new information to achieve NNI would be developed over time. You state that you meet monthly with members of the RRFF, who are responsible to implement measures to identify and address unavoidable project impacts on Pacific lamprey.

Your report states that you have identified and implemented measures to address known project effects to begin achieving NNI on Pacific lamprey. These efforts are ongoing and include collecting and compiling information regarding lamprey distribution, population status and trends, juvenile downstream migration timing and adult upstream migration timing, including potential fishway impacts on adult passage, juvenile rearing in the reservoir, and potential effects of reservoir operations on fluctuation-zone rearing. In years five through ten, additional information and studies will be necessary to identify and adequately describe unavoidable impacts so that appropriate and reasonable measures can be implemented to achieve NNI. The report describes the efforts undertaken during the past five years to identify, measure, and address avoidable effects on lamprey due to ongoing project operations. Some project effects have been identified and have been or are in the process of being addressed, and where additional data needs to be collected, discussions are ongoing in order to identify and address these effects. Some areas, such as direct measurement of potential effects on downstream juvenile passage, may not be possible to identify and address until technologies and methodologies are satisfactorily developed.

You state that discussions are occurring within the RRFF to determine the next steps to achieve NNI for Pacific lamprey at the project. Several key uncertainties for measuring project impacts have been identified by the RRFF. Study methods and active tags to assess potential project impacts on downstream migration of juvenile lamprey and subsequently assess unavoidable impacts, are among these key uncertainties. Ongoing efforts by the RRFF to identify specific actions to achieve NNI will be reported in the next five- year status report (2019). The RRFF has discussed potential off-site actions

that could be used to mitigate unavoidable impacts and achieve NNI.

Conclusion

The final report was submitted to the RRFF on February 19, 2014. The RRFF did not provide comments. By letter dated July 25, 2014 the Yakama Nation provided comments on the report. The Tribe raised concerns with the pace of study, actual mitigation efforts, study methodologies, efforts to provide sufficient numbers of juvenile lamprey, impacts to juvenile lamprey during downstream passage, and efforts to efficiently expend funds. Your report concludes that the study period to date is not sufficient to determine project impacts on the abundance or distribution of lamprey or to be able to develop ultimate methodologies for mitigation. You note that modifications and enhancements to the adult fishway, based on 2004-2006 passage studies, improved adult lamprey upstream passage in years 2012-2013 as compared to previous years and that monitoring continues. Your report states that a significant limiting factor in juvenile studies is the lack of an acceptable, active fish tag for juvenile lamprey as well as sufficient numbers of juvenile lamprey available for study. Your report was modified to include the Tribe's efforts to build facilities and initiate research to propagate juvenile lamprey, although it was recognized that development of effective and efficient rearing techniques will likely take several years to achieve. Study results of reservoir fluctuations on impacts to juvenile lamprey habitat, rearing, and migration determined that the strong riverine-like flow conditions that dominate the reservoir were not likely to be a significant limiting factor.

Your report meets the requirements of Article 401 and Article 5(c) of Appendix B, and is acceptable. While the five year report did not result in resolution of key issues for measuring project impacts, progress was made in identifying lamprey distribution and population status. Additional efforts towards identifying and implementing appropriate and reasonable measures to meet lamprey NNI are necessary. Your report outlined adaptive management approaches to identify specific actions to achieve NNI are ongoing and will be reported in the next 5-year status report. Finally, we encourage you to continue to work with the Tribe to address their concerns identified in their July 25, 2014 letter. Thank you for your cooperation and if you have any questions regarding this letter, please contact me at (212) 273-5917.

Sincerely,

Joseph G. Enrico Aquatic Resources Branch Division of Hydropower Administration and Compliance