

EXECUTIVE SUMMARY

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EXECUTIVE SUMMARY

The primary purpose of the ICD is to help those interested in the relicensing process of the Rocky Reach Project gain a better understanding of the Project, its operation, and related environmental resources. The ICD contains detailed and in-depth information on the installed Project facilities, current mode of operation, existing environmental and developmental resources, and the ongoing programs in place to manage these resources in the Project area. **For the Rocky Reach Project relicensing, the ICD is primarily a reference document designed to present information to later support the NEPA scoping and study effort.**

A. INTRODUCTION

The Federal Energy Regulatory Commission (FERC), under the authority of the Federal Power Act, may issue licenses for up to 50 years for the construction, operation, and maintenance of non-federal hydroelectric developments. Public Utility District No.1 of Chelan County (Chelan PUD) intends to file an application for a new license for the Rocky Reach Hydroelectric Project, FERC No. 2145 (Rocky Reach Project). The Rocky Reach Project is a major power project with a total generating capacity of 1,280 megawatts (MW) and is currently operating under a license issued by the Federal Power Commission (FPC – FERC’s predecessor) on June 11, 1957 that was made effective as of July 1, 1956. That license expires on June 30, 2006. Chelan PUD intends to continue to operate and maintain the Rocky Reach Project, which is located approximately seven miles north of Wenatchee, in Chelan County, Washington.

Chelan PUD has requested approval from the FERC to employ an Alternative Relicensing Process for the Rocky Reach Project, as allowed under FERC’s Final Rule issued on October 29, 1997 (Docket No. RM95-16-000: Order No. 596). The Alternative Relicensing Process by Chelan PUD is intended to expedite the licensing process by combining the pre-filing consultation and environmental review processes into a single process, and by improving and facilitating communications among the participants in the licensing process.

As part of the consultation process, Chelan PUD has prepared the Initial Consultation Document (ICD) to be used as a reference document during the relicensing process of the Rocky Reach Project. The ICD contains a detailed description of Rocky Reach Project features and operating measures and serves to document the surrounding environment and resources affected by Project operations.

B. CHELAN PUD

Power generated within Chelan County comes from Chelan PUD, which is a non-profit, community-owned and community-operated utility district and is a municipal corporation under Washington law. This means that all the citizens of our community have a stake in our electric utility. It also means that citizens have an opportunity to participate in making decisions about our energy future, taking into account local needs and values.

Established in 1936, Chelan PUD has been a strong advocate of local ownership and operation of the County's resources. As a result, Chelan PUD has acquired, through purchase and development, the second largest non-federal hydroelectric generating system in the country. Chelan PUD's three hydroelectric generating projects, Lake Chelan, Rocky Reach and Rock Island, generate a combined total of about 11 billion kilowatt hours of power every year. The hydroelectric projects provide clean, renewable and affordable power that benefits the economy of Chelan County and the Pacific Northwest. Chelan PUD uses 37 percent of its total generating capacity to meet the electrical needs of its Chelan County customers, including a portion of Alcoa's Wenatchee aluminum smelter. The remainder, or about 63 percent of the total generating capacity, is transmitted throughout the Pacific Northwest over a 16,000 mile grid of high voltage transmission lines to four principal power purchasers: Puget Sound Energy, Avista Corp., PacifiCorp, and Portland General Electric Company. The transmission lines are not considered as part of the FERC-licensed Project.

C. THE ROCKY REACH PROJECT

Chelan PUD owns and operates the Rocky Reach Hydroelectric Project located on the Columbia River in Chelan County, Washington, approximately seven miles upstream of the City of Wenatchee, Washington. The Project utilizes the waters of the Columbia River, whose drainage basin extends over substantial portions of northern Washington and into Canada.

The Rocky Reach Powerhouse contains 11 generating units with a total generation capacity of 1,280 megawatts. The reservoir formed by the Project, also known as Lake Entiat, extends upstream 43 miles past Chelan Falls to Douglas County PUD's Wells Dam (FERC No. 2149). A detailed description of Project facilities is provided within this document in Exhibit A.

D. RESERVOIR OPERATIONS

Chelan PUD operates the Rocky Reach Project to optimize use of the water resources of the Columbia River to produce electric energy while meeting flood control, environmental and other needs. Chelan PUD proposes to continue its historical operating policy for the Project with changes that result from consultation with interested parties during the relicensing process.

In accordance with the existing FERC license, the Rocky Reach reservoir (Lake Entiat) is operated with a normal maximum headwater elevation of 707 feet. The minimum headwater level is 703 feet and the maximum headwater level, used for passage of flood flows, is 710 feet.

Although Rocky Reach has existing reservoir capacity (useable storage of 36,400 acre-feet between headwater 707 feet and 703 feet), actual reservoir drawdowns are avoided if possible because they lower operating head and reduce overall efficiency. The Mid-Columbia Hourly Coordination facilitates maintaining the reservoirs at or near their full levels.

Operation of the Rocky Reach Project is completely automated, including decisions to start, stop and adjust the output of the 11 generating units to achieve maximum efficiency. The Rocky

Reach Project's automated functions are backed up with around-the-clock on-duty plant operators who monitor operations and can over-ride computer control if needed.

Chelan PUD is a signatory to the Mid-Columbia Hourly Coordination agreement, along with Public Utility District No. 1 of Douglas County (Douglas PUD), Public Utility District No. 2 of Grant County (Grant PUD) and the Bonneville Power Administration (BPA). Under the terms of this agreement, the five non-federal projects on the Columbia River (Priest Rapids, Wanapum, Rock Island, Rocky Reach and Wells), as well as the Grand Coulee and Chief Joseph federal projects, are operated in a coordinated manner to optimize water use through this stretch of the Columbia River.

Inflow to the Rocky Reach Project comes primarily from upstream storage releases from the Grand Coulee Project which first passes through Chief Joseph and Wells dams before reaching Rocky Reach. Releases from the Grand Coulee Project are governed by the Pacific Northwest Coordination Agreement. All generating utilities in the Northwest, with the exception of Idaho Power Company, are parties to the Agreement. The Agreement, in conjunction with the Canadian Treaty of 1964, provides a plan for optimizing water releases to meet power and non-power requirements on a seasonal basis. During flood conditions, the US Army Corps of Engineers sets discharge requirements from upstream storage projects to minimize flood effects on all parts of the Columbia River system. With the available upstream storage, these flood control flows can typically be held well below the level of natural, unregulated flow for similar flood events.

Spillway releases to pass water in excess of turbine capability, load requirements, or for fish passage, are also controlled by computer. When the headwater level exceeds operator-set maximum points, gates are automatically opened to pass the excess flow. During fish passage operations, the sequence and amounts of gate opening can also be adjusted to maximize the effectiveness of the water being spilled.

E. LAKE ENTIAT

Lake Entiat, the Rocky Reach Project reservoir, extends upriver about 43 miles and is bounded by Rocky Reach Dam downstream and Wells Dam upstream. Rocky Reach is a run-of-river project, which means that the average daily inflow is equal to the average daily outflow. As a result, the lake level is not constant throughout the reservoir, but increases measurably from Rocky Reach Dam to Wells Dam. As an example, with a headwater elevation at Rocky Reach of 707 feet and a flow of 100,000 cfs, the water surface elevation at Wells Dam is approximately 4 feet higher, or 711 feet. The information that describes this relationship between flow and water surface elevation at various points along the reservoir is called a backwater curve.

F. PROJECT HISTORY

The Rocky Reach site has long been recognized for its hydroelectric potential. The US Army Corps of Engineers provided the first consideration for development of the site in 1934. During the 1950s, the site became the focus of extensive studies by Chelan PUD, including site

investigations and mapping, impacts to the surrounding area, preliminary design, and cost estimates.

Chelan PUD received a preliminary permit for the Project from the Federal Power Commission (now the FERC) on August 10, 1954. An application to construct and operate the dam was filed with the same agency on January 13, 1956. The Federal Power Commission issued a license to build the Project six months later. This 50-year license therefore expires on June 30, 2006.

Development of the Rocky Reach Project occurred over a period of about 15 years. Construction of the dam and original powerhouse with seven generating units commenced in 1956. The addition of four more units began in 1969 after ratification of the Columbia River Treaty between the United States and Canada. The additional units were installed primarily to make use of stored water released from reservoirs in Canada and the Libby Dam reservoir in Montana.

Construction of the dam and original powerhouse began on October 2, 1956. The first task was installation of cofferdams during low water to seal off the area selected for the spillway from the river flow. Following spillway construction, the powerhouse was built. A total of 3.3 million cubic yards of soil and rock were moved during the five-year initial construction period. Peak employment of 2,184 occurred during the month of July 1959. The initial seven generating units were placed in commercial operation on November 1, 1961, six months ahead of schedule.

On September 1, 1966, Chelan PUD filed an application with the Federal Power Commission to amend the Project license for the addition of four generating units. The Federal Power Commission issued the license amendment May 23, 1968. The second phase of construction began April 22, 1969 and was completed December 1, 1971. The expansion work increased the Project's generating capacity by about 60 percent.

Chelan PUD began the relicensing process for the Rocky Reach Project in early 1999. Chelan PUD conducted surveys of interested parties to determine agency, organization and public contacts and information needs. Working with interested parties, Chelan PUD also formed a communications plan and protocol. In general, interested parties (or stakeholders) include federal, state and local resource agencies, Tribes, non-governmental organizations, local businesses, the general public, and the FERC. The communications plan and communications protocol were developed to assure effective and coordinated two-way information sharing mechanisms were in place for all interested parties during the relicensing process.

G. CHELAN PUD'S RELICENSING PROCESS

As discussed in the introduction, Chelan PUD has requested approval from the FERC to use the Alternative Relicensing Process for the Rocky Reach Project.

Chelan PUD recognized many advantages in using this new method for relicensing the Rocky Reach Project. First, the process provided a new opportunity for all interested parties to become involved early on in the process. Second, the alternative method combined the consultation/study phase and the environmental review into a single process conducted during the first stage of the

relicensing process. This allows issues to be discussed and resource impacts and mitigation and enhancement proposals to be shared among interested parties and Chelan PUD early in the relicensing process. Third, the alternative method permits decisions concerning the Project and environment to be made at the local, state and regional level. Fourth, the process allows for enhanced communication efforts with the FERC and all interested parties, including settlements when possible, early in the relicensing process.

During 1999, Chelan PUD consulted with interested parties and found a majority to be in favor of using the Alternative Relicensing Process. In June/July 1999, Chelan PUD applied to FERC for use of the Alternative Relicensing Process.

Chelan PUD held a series of informal meetings with resource agencies and the public beginning in March 1999, to identify issues associated with the Rocky Reach Project. In addition, agencies and organizations submitted resource area management goals and objectives. Issues and agency management objectives will be integrated into resource study plans.

In November 1999, Scoping Document 1 (SD1) will be issued for agency and public review and comment. A formal National Environmental Policy Act (NEPA) scoping meeting will be conducted in early 2000.

Following completion of the NEPA scoping effort in early 2000, Chelan PUD will spend the next several years conducting studies. Chelan PUD intends to submit the draft Environmental Assessment and license application for the Rocky Reach Project in 2003. Chelan PUD will submit the final Environmental Assessment and license application for the Rocky Reach Project by June 30, 2004.

H. TIMELINE

Chelan PUD will hold an informal agency and public workshop to accept comment and review the ICD on August 26, 1999 beginning at 9:00 A.M. in the Rocky Reach Dam 4th Floor Conference Room, Wenatchee, Washington. Final comments on the ICD are due October 26, 1999.

A series of FERC-imposed deadlines begin with the issuance of this ICD. Chelan PUD will also continue monthly agency/public meetings devoted to addressing questions, issues and comments of the relicensing process. Milestones for the relicensing of the Rocky Reach Project include:

- Summer 1999..... Baseline Studies
- July 7, 1999..... Chelan PUD issues Initial Consultation Document (ICD)
- August 26, 1999..... Informational meeting to discuss Initial Consultation Document
- October 26, 1999 Comments on ICD due from interested parties
- November 4, 1999 Chelan PUD issues review copy of Scoping Document 1 (SD1)
- December 16, 1999..... Informal National Environmental Policy Act (NEPA) scoping meeting
- February 1, 2000..... Chelan PUD issues SD1
- March 23, 2000..... Formal NEPA scoping meeting
- April 1, 2000..... Comments on SD1 due from interested parties
- Summer 2000..... Conduct studies

Summer 2001	Conduct studies
2002	Complete studies and Develop Protection, Mitigation and Enhancement Proposals and Settlement Agreements
January 2003	Review copies of Draft License Application and Preliminary Draft Environmental Assessment issued
April 2003	Draft License Application and Preliminary Draft Environmental Assessment issued
December 2003	Review copies of Final License Application and Final Preliminary Draft Environmental Assessment issued
June 2004	Final License Application and Final Preliminary Draft Environmental Assessment issued
2006	FERC issues new license

I. THE ROCKY REACH PROJECT ICD—ITS CONTENT AND PURPOSE

The ICD contains a detailed description of Rocky Reach Project and how it is operated. It is divided into six major sections, referred to as Exhibits.

Exhibits A and B describe the Project, and Project operations.

Exhibit C contains the Project's construction history.

Exhibit D will be provided with the draft license application. It will contain the Project's economic information.

Exhibit E contains a detailed environmental report of current resource conditions surrounding the Rocky Reach Project including:

- previous studies completed on water quality resources and existing resource management activities;
- a historical description of fishery resources in the Project vicinity, fisheries management activities and previous studies conducted;
- an overview of the botanical and wildlife resources within the Project area, including existing mitigation, protection and enhancement measures and a rare plant survey that is currently underway;
- an overview of recreational development, use and management within the Project boundary and description of the recreational use survey currently underway;
- a description of existing development and use of Project lands and land management planning.

Exhibits F and G contain project drawings, location map and boundary information.

The purpose of the ICD is to help those interested in participating in the relicensing of the Rocky Reach Project gain a basic understanding of the Project and its operation.

J. HOW TO GET INVOLVED—PUD CONTACTS

The relicensing process takes nearly six years to complete. The process is based on complicated laws and regulations that require years of extensive planning, including environmental studies, agency consensus and public involvement. The process has changed substantially since the Rocky Reach Project's existing license was issued in 1957. One of the primary changes occurred

when the Federal Power Act was amended in 1986 requiring FERC licensees to give equal consideration to water quality, recreation, and other non-generating benefits of the natural resource to that of power generation.

A new federal license for the Rocky Reach has an impact on numerous individuals and groups, including property owners, private businesses, agriculture, the tourism and recreation industries, resource agencies, environmental groups, government officials, Indian Tribes and citizens of Chelan County. Chelan PUD intends to exceed FERC requirements for public involvement in the relicensing process. To facilitate these efforts, Chelan PUD has developed a series of monthly meetings to provide timely and meaningful information and to give agency representatives and the public an opportunity to openly discuss issues, concerns and goals.

In addition to these meetings, Chelan PUD has developed a quarterly newsletter and a comprehensive Internet Web Site (www.chelanpud.org) to help keep important dates, correspondence and other relicensing information assessable to interested parties and the public. Chelan PUD also conducts presentations to service clubs, community groups and governmental meetings as requested.

If you have any questions about particular areas, please feel free to contact Chelan PUD relicensing team members. A list of team members is provided at the end of this executive summary (Attachment A).

Written comments on the ICD or on Chelan PUD's relicensing process should be sent to:

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K. KEY RESOURCE AREAS

1. Recreation – In 1975, Chelan PUD filed the Exhibit R Recreation Plan for the Rocky Reach Project with the Federal Energy Regulatory Commission. The plan addresses public access and opportunity for the use of the reservoir waters and adjacent lands for recreational purposes. The recreational plan was submitted by Chelan PUD following an extensive inventory of existing recreational developments, and an evaluation of additional recreational needs and opportunities. Chelan PUD's customer/owners and various local, state and federal agencies and groups were involved in the planning process. Chelan PUD invested \$24 million to purchase and develop parks on nearly 400 acres of shoreline property located within the Rocky Reach Project area. These parks include Chelan Falls Park, Beebe Bridge Park, Entiat Park, Orondo River Park, Daroga State Park, Lincoln Rock State Park, and the interpretive historical museums, fish viewing, visitor center and 25 acres of award-winning lawns and gardens at Rocky Reach Dam. Chelan PUD manages Chelan Falls Park and Beebe

Bridge Park. The Entiat Park is managed by the City of Entiat. Daroga and Lincoln Rock State Parks are managed by Washington State Parks and Recreation Commission. Orondo River Park is managed by the Port of Douglas County.

Nearly 1 million people annually take advantage of the overnight camping, swimming, boating and pedestrian opportunities the Rocky Reach Reservoir parks offer. These recreational facilities significantly impact the social, cultural, educational and economic environment of Chelan County.

During the relicensing process, Chelan PUD will gather information to better understand existing recreational use within the Rocky Reach Project boundary and evaluate whether the demand is currently being met by existing facilities. The information gathered will be used in preparing a Recreation Plan for relicensing the Rocky Reach Project. Chelan PUD is working closely with resource agencies and area recreation providers to assure coordinated management objectives to minimize the chance of conflicting uses.

2. Fish, Wildlife and Botanical - Upper Columbia River summer steelhead were listed by the National Marine Fisheries Service (NMFS) as an endangered species on August 18, 1997. Upper Columbia River spring chinook salmon were listed by NMFS as an endangered species on March 16, 1999. On June 10, 1998, the US Fish and Wildlife Service listed the Upper Columbia River bull trout as threatened.

Chelan PUD has established comprehensive programs for reducing the impacts of the Rocky Reach Hydro Project operations on fish and wildlife. Chelan PUD is using state-of-the-art technology to increase the survival rate of juvenile salmon and steelhead migrating past the Project. A prototype surface collector system that appeals to the natural instinct of the young fish in following the water flow down the Columbia River is being developed. Combined with turbine intake diversion screens, the bypass system shows good promise for safely moving large numbers of juvenile fish around Rocky Reach. Our research indicates the juvenile fish face concentrations of predatory Northern pikeminnows and gulls on the immediate downstream side of the Rocky Reach powerhouse. To counter that, Chelan PUD has installed stainless steel wire above the tailrace to discourage gulls from preying on the young fish. In addition, Chelan PUD contracts with the federal Animal Damage Control division to harass the gulls, using various noisemakers to keep them out of the tailrace area. Chelan PUD hires the same agency to operate a Northern pikeminnow control program, where hook and line are used to catch the predatory fish just downstream from the powerhouse.

On the return trip, adult salmon and steelhead are able to move past the Project on their way to spawning grounds by using a fish ladder. The adult fish are attracted to the ladder by currents from a collection system with entrances at the base of the spillway, the center dam and along the downstream face of the powerhouse. Studies of upriver migration confirm that Rocky Reach does not delay the return trip of adult fish to their spawning grounds.

Chelan PUD also funds the operation of two fish hatcheries associated with Rocky Reach. The hatcheries are operated by the Washington State Department of Fish and Wildlife and are located on the east bank of the Project and upstream on Turtle Rock Island. The hatchery facilities produce a combined annual total of 1.9 million juvenile fall chinook salmon and 195,000 juvenile steelhead. Funding is also provided to rear 90,000 legal size rainbow trout at the Chelan Falls Hatchery, which are planted in Lake Chelan.

Chelan PUD's future fisheries programs will be guided by habitat conservation plans that have been developed for protecting salmon and steelhead in the mid-Columbia region. These plans establish a survival standard of "no net impact" for juvenile fish migrating past three hydro projects, including Rocky Reach. This will be accomplished through a combination of fish bypass systems, hatchery program modifications and fish habitat restoration work along tributary rivers and streams.

Bald eagles are the only terrestrial species listed by the US Fish and Wildlife Service as endangered or threatened along the Rocky Reach Reservoir. Bald eagles are listed as threatened in Washington State. Chelan PUD has conducted bald eagle surveys along the reservoir to aid in the biological assessment of bald eagles in relation to the Rocky Reach Project. The surveys document bald eagle abundance, distribution, age composition, and perch site use. In addition, nesting sites for ducks and geese are developed and maintained, habitat areas are managed and improved, and wildlife populations are regularly monitored.

Chelan PUD provided funds in the 1960s to the Washington Department of Fish and Wildlife (WDFW) with which they purchased approximately 20,000 acres of land. Land purchased is primarily deer winter range in Chelan County. These lands now comprise the Swakane, Entiat, and Chelan Butte Wildlife Management areas. In addition to the land purchased, WDFW also acquired hunting easements on two additional parcels of land. This transaction was wildlife mitigation for the Rocky Reach Dam.

Chelan PUD is sponsoring a botanical survey during the field seasons of 1998 and 1999 to identify and map all state and federally listed rare plants within the Rocky Reach Project area.

Through the relicensing process, Chelan PUD is working with federal, state and local agencies to assure comprehensive and coordinated planning efforts will take place for the fish and wildlife resources within the Rocky Reach Project area well into the future.

3. **Water Quality** –The Columbia River system is primarily fed by snowmelt. Two significant water sources within the Rocky Reach Project are the Chelan and Entiat rivers. Water is withdrawn from the Columbia River and its tributaries at various locations for agricultural, domestic, municipal, and industrial supply. The primary consumptive water use in the Project area is for orchard irrigation. Withdrawals for domestic water supply are limited and are primarily for use in irrigating yards and gardens. Non-consumptive uses include fish propagation and power production.

Data from Washington Department of Ecology's (WDE) water quality monitoring station just downstream of Rock Island Dam provides the most comprehensive characterization of water quality relevant to the Rocky Reach Project. Chelan PUD has conducted water quality surveys within the Rocky Reach Reservoir targeting specific water quality concerns; some of these studies include ongoing monitoring activities. Chelan PUD is also funding water quality monitoring in the Chelan River and participates in other water quality protection measures within the Project area. Other local agencies providing water quality management include the cities of Chelan and Entiat, Chelan and Douglas counties, and Chelan-Douglas Health District.

Through the relicensing process, Chelan PUD is working with federal, state and local agencies to assure comprehensive and coordinated planning efforts will take place for water quality resources.

4. Cultural and Historical Resources – During 1981, an intensive archaeological survey of the shoreline of the Rocky Reach Project was conducted as part of plans to raise the reservoir level. The purpose of the study was to inventory and document cultural resources that might be affected by the pool raise, and to identify those sites that were currently being affected by the existing reservoir level and Project operation. The survey, which included an evaluation of all previously known archaeological investigations on the Reservoir, identified a total of 47 cultural sites. A new survey conducted during 1990 identified 12 new sites and eight sensitive areas. Sensitive areas are locations where no cultural materials were noted, but site features indicate that the areas should receive further consideration. As a result of this cultural resource work, Chelan PUD contracted with Archaeological and Historical Services in the fall of 1990 to test nine of the newly discovered sites, two of the sensitive areas, and to complete National Register of Historic Places evaluations for three sites. Chelan PUD has detailed information about known historic sites within the Rocky Reach boundary. To protect these sites from disturbance, detailed information about the locations and contents of sites remains confidential. Therefore, a thorough summary of each site is not provided in this document.

Chelan PUD currently does not have a formal cultural resource management plan in place for identified cultural resources located with the Project boundary. The Project license was amended in 1983 to require Chelan PUD to consult with the State Historic Preservation Officer prior to commencement of any construction associated with the Project. This license amendment was done in conjunction with Chelan PUD's Exhibit R recreation plan and the construction of a number of new parks along the Project boundary.

Through the relicensing process, Chelan PUD is working with Tribes, and federal, state and local agencies to assure comprehensive and coordinated planning efforts will take place for cultural resource studies and management plans.

5. Land Management and Aesthetics – The mid-line of the Rocky Reach Project reservoir forms the boundary between Douglas County to the east and Chelan County to the west. Land use activities on non-federal lands in each county are subject to the relevant comprehensive plans

(developed in accordance with the Washington State Growth Management Act 1990) and the municipal zoning that guides specific land use activities under these plans. The Act requires that specific planning elements be addressed by each jurisdiction and that implementing regulations (i.e. zoning) be consistent and concurrent with the plan.

The Cities of Wenatchee and East Wenatchee, and the City of Entiat have adopted comprehensive plans and implementing regulations. They have also established either interim or approved urban growth boundaries, which delineate an area around each city designed to contain development based on 20-year population projections. In addition, each community has established critical areas including aquifer recharge areas, frequently flooded areas, wetlands and floodplains, geological hazard areas, and fish and wildlife areas. Land use activities in these critical areas are regulated to prevent damage to property and to meet resource protection goals.

Both Douglas and Chelan counties have developed Shoreline Master Programs consistent with the goals of the 1971 Washington State Shoreline Management Act. These programs address shoreline development within a 200-foot buffer zone upland of the normal high water mark on non-federal lands. The program has eight goals; economic development, public access, circulation, recreation, shoreline use, conservation, historical/cultural, and restoration.

As a part of compliance with its FERC license, Chelan PUD uses a permit system to assess and track land uses within the Project boundary. Chelan PUD's objective is to assure consistency with Project purposes including safety, environmental concerns, and aesthetics. Chelan PUD encourages consistency with local and county management plans and zoning.

An estimated 13 acres of wetlands occur along the Project reservoir shoreline (Wildlife Habitat Evaluation for the Rocky Reach Pool Raise Study, 1990). Although it has limited storage potential in its reservoir, the Project is operated to reduce the potential for downstream flooding minimizing the potential effects on floodplain areas.

In its 1991 application to raise the Rocky Reach reservoir elevation, Chelan PUD conducted a Habitat Evaluation Procedure (HEP) study to provide information on the effects of Project operations on various cover types (e.g., riparian, wetlands, aquatic beds). Chelan PUD is also conducting aerial photography of the Project shoreline in order to update this inventory.

In addition, Chelan PUD is reviewing the relevant land management plans and guidance documents (listed above) in order to ensure consistency with the plans and provide baseline information to support the relicensing process.

L. CONCLUSION

The original 50-year federal license for the Rocky Reach Hydro Project established terms and responsibilities for its operation. The license expires in the year 2006. Chelan PUD is working to secure a new, long-term license for the Project through the Alternative Relicensing Process. This will involve working cooperatively with federal, state and local agencies, Indian Tribes,

community leaders, landowners, the public and the FERC to balance the many resource values provided by the Rocky Reach Hydroelectric Project. These resources include water use and quality, aesthetics, land uses, fish, wildlife and botanical, energy production, socioeconomic factors, geology and soils, cultural aspects, and recreation.

Chelan PUD will continue its commitment in balancing the many resource values provided by the Rocky Reach Project. Throughout the relicensing process our goals are:

- To keep resource decisions at a local, state and regional level.
- To concentrate efforts on implementation of environmental measures supported by facts.
- To reach settlement agreements.
- To coordinate efforts with all interested parties through open, honest communication and two-way information sharing.

Attachment A

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