November 29, 2017

VIA ELECTRONIC MAILING

Ms. Kimberly D. Bose, Secretary
FEDERAL ENERGY REGULATORY COMMISSION
888 First Street, NE
Washington, DC  20426

Re: Lake Chelan Hydroelectric Project No. 637
Operations Compliance Monitoring Plan (License Article 405), Threatened and Endangered Species Protection Plan (License Article 408), and License Appendix A, Article 7(b)(1) – Request to Amend Minimum Pumped Spawning Flow Requirement to the Chelan River Habitat Channel

Dear Secretary Bose:

Public Utility District No. 1 of Chelan County (“Chelan PUD”) respectfully requests that the Federal Energy Regulatory Commission (the “Commission”) amend the water quality provisions in Appendix D to the Project License to incorporate the attached revised water quality provisions issued by the Washington Department of Ecology (Ecology) in Amended Order No. 15481 (Nov. 3, 2017) (the “Order”). The Order amended the water quality certification to the Project to change the minimum pumped spawning flow for the Chelan River Habitat Channel, as originally issued in Ecology Order No. 1233 (June 1, 2004).

Background

On March 13, 2017, Chelan PUD filed with the Commission a letter requesting amendments to the Operations Compliance Monitoring Plan, Section 2.1, Table 1; the Threatened and Endangered Species Protection Plan, Section 2.1, Table 1; and license Appendix A, Settlement Agreement License Article 7(b)(1) to change the minimum pumped flow. In that letter, Chelan PUD stated that it was requesting, simultaneously, Ecology to make the same change to the 401 Water Quality Certification for the Project. The attached Order grants the change as requested by Chelan PUD.


Conclusion

Chelan PUD respectfully requests that the License be amended as requested in the March 13, 2017 letter by Chelan PUD and as supplemented by this letter.

Please contact me (509) 661-4176 regarding any questions or comments.

Sincerely,

Jeffrey G. Osborn
License Compliance Supervisor
jeff.osborn@chelanpud.org

cc: Erich Gaedeke, FERC Portland Regional Office
    Breean Zimmerman, Washington Department of Ecology
    Chelan River Fishery Forum

Attachment A: Ecology Administrative Order No. 15481
November 3, 2017

Mr. Jeff Osborn  
License Compliance Supervisor  
Public Utility District No. 1 of Chelan County  
PO Box 1231  
Wenatchee, WA  98807-1231

Re: Amended Administrative Order

Dear Mr. Osborn:

The Department of Ecology (Ecology) has issued the enclosed amended Administrative Order (Order) No. 15481 requiring you to replace conditions of Administrative Order No. 1233 with the language contained in this Amended Order.

All correspondence relating to this document should be directed to Breean Zimmerman at the Department of Ecology, Water Quality Program, Central Region Office, 1250 West Alder St., Union Gap, WA  98903-0009.

If you have questions concerning the content of this document, please contact Breean Zimmerman at (509) 575-2808 or at breean.zimmerman@ecy.wa.gov.

Sincerely,

[Signature]
David B. Bowen  
Water Quality Program Section Manager  
Central Regional Office

Enclosures: Amended Administrative Order Docket #15481

By Certified Mail 91 7199 9991 7037 0226 2256
STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

WATER QUALITY CERTIFICATION TO: ) Amended Order No. 15481
Lake Chelan Hydroelectric Project ) Amended 401 Certification
(FERC No. 637) ) Lake Chelan Hydroelectric Project
In accordance with 33 U.S.C. 1341 ) Chelan County, Washington
FWPCA § 401, RCW 90.48.260
And Chapter 173-201A WAC

To: Mr. Jeff Osborn
License Compliance Supervisor
Public Utility District No. 1 of Chelan County
PO Box 1231
Wenatchee, WA 98807-1231

The Department of Ecology (Ecology) has issued this amended Administrative Order (Order) Docket #15481 to amend Order Docket #1233 dated June 1, 2004, issued to Public Utility District No. 1 of Chelan County.

This amendment is issued under the provisions of Chapter 90.48 RCW and Chapter 173-201A WAC.

Ecology received an amendment request letter from Public Utility District No. 1 of Chelan County (Chelan County PUD) dated March 13, 2017. Chelan County PUD requests an amendment to the Lake Chelan Project, FERC No. 637 (Project) section 401 water quality certification (Certification) under the Clean Water Act (CWA), 33 U.S.C. §1341, set forth in Department of Ecology Order No. 1233 dated June 1, 2004.

NATURE OF PROJECT

Chelan County PUD requests amendment of Section III Instream Flows for Fish to allow and provide a minimum total flow of 260 cfs instead of a minimum total flow of 320 cfs, the equivalent of using four pumps versus five pumps, for providing steelhead and Chinook salmon spawning flows beginning March 15, 2018 for Chelan River habitat channel minimum instream flow rates.

Through consultation with the Chelan River Fish Forum (CRFF) and after notification to FERC, Chelan County PUD has reduced Chinook salmon and steelhead spawning flows from 2013 thru 2017 in the Chelan River Habitat Channel by operating four rather than five pumps, which provides a total flow of approximately 280 to 290 cfs to the Habitat Channel. More specifically during the 2013, 2014, and 2016 Chinook salmon spawning periods (October 15-November 30) and 2014, 2015, and 2016 steelhead spawning periods (March 15-May 15). The CRFF supports implementing lower Chelan River spawning flows to achieve improved spawning habitat for Chinook salmon and steelhead.
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BACKGROUND

Ecology issued a Clean Water Act Section 401 water quality certification (FERC No. 637) on March 24, 2003 as Order No. DE 03WQCR-5420. The following amendments were made to this water quality certification:

1. Pollution Control Hearings Board Order No. 1233 on June 1, 2004.

ADMINISTRATIVE ORDER AMENDMENT

Administrative Order No. 1233, dated June 1, 2004, is hereby amended as follows:

<table>
<thead>
<tr>
<th>Reach</th>
<th>Dates</th>
<th>Dry year (cfs)</th>
<th>Average year (cfs)</th>
<th>Wet year (cfs)</th>
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<tbody>
<tr>
<td>$1,2,3^1$</td>
<td>July 16- May 14</td>
<td>80 all months</td>
<td>80</td>
<td>80</td>
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<tr>
<td></td>
<td>May 14</td>
<td></td>
<td>ramp up to 200</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td>May 15-July 15</td>
<td></td>
<td>200</td>
<td>320</td>
</tr>
<tr>
<td></td>
<td>July 16</td>
<td></td>
<td>ramp down to 80</td>
<td></td>
</tr>
<tr>
<td>$4^2$ Spawning Flow</td>
<td>March 15- May 15; and Oct. 15- Nov. 30</td>
<td>80 + 180 pumped (260)</td>
<td>260 by combination of spill &amp; pumping incubation flow, as needed</td>
<td>260 by combination of spill &amp; pumping incubation flow, as needed</td>
</tr>
</tbody>
</table>

1 Flows measured at the dam by ultrasonic flow meter.
2 Flows measured at the dam and at the pump station by ultrasonic flow meter.

FAILURE TO COMPLY WITH THIS ORDER

Failure to comply with this Order may result in the issuance of civil penalties or other actions, whether administrative or judicial, to enforce the terms of this Order.
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YOUR RIGHT TO APPEAL

You have a right to appeal this Order to the Pollution Control Hearing Board (PCHB) within 30 days of the date of receipt of this Order. The appeal process is governed by Chapter 43.21B RCW and Chapter 371-08 WAC. “Date of receipt” is defined in RCW 43.21B.001(2).

To appeal you must do both of the following within 30 days of the date of receipt of this Order:

- File your appeal and a copy of this Order with the PCHB (see addresses on page 3). Filing means actual receipt by the PCHB during regular business hours.
- Serve a copy of your appeal and this Order on Ecology in paper form - by mail or in person. (See addresses on page 3.) E-mail is not accepted.

You must also comply with other applicable requirements in Chapter 43.21B RCW and Chapter 371-08 WAC.

Your appeal alone will not stay the effectiveness of this Order. Stay requests must be submitted in accordance with RCW 43.21B.320.

ADDRESS AND LOCATION INFORMATION

<table>
<thead>
<tr>
<th>Street Addresses</th>
<th>Mailing Addresses</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Department of Ecology</strong></td>
<td><strong>Department of Ecology</strong></td>
</tr>
<tr>
<td>Attn: Appeals Processing Desk</td>
<td>Attn: Appeals Processing Desk</td>
</tr>
<tr>
<td>300 Desmond Drive SE</td>
<td>PO Box 47608</td>
</tr>
<tr>
<td>Lacey, WA 98503</td>
<td>Olympia, WA 98504-7608</td>
</tr>
<tr>
<td><strong>Pollution Control Hearings Board</strong></td>
<td><strong>Pollution Control Hearings Board</strong></td>
</tr>
<tr>
<td>1111 Israel Road SW</td>
<td>PO Box 40903</td>
</tr>
<tr>
<td>STE 301</td>
<td>Olympia, WA 98504-0903</td>
</tr>
<tr>
<td>Tumwater, WA 98501</td>
<td></td>
</tr>
</tbody>
</table>

CONTACT INFORMATION

Please direct all questions about this Order to:

Breean Zimmerman
Department of Ecology
Central Regional Office
Water Quality Program
1250 West A'der Street
Union Gap, WA 98903

Phone: (509) 575-2808
Email: breean.zimmerman@ecy.wa.gov
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SIGNATURE

David B. Bowen  
Section Manager  
Water Quality Program  
Central Regional Office

11-3-2017  
Date