



**PUBLIC UTILITY DISTRICT NO. 1 *of* CHELAN COUNTY**

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March 9, 2010

**VIA ELECTRONIC FILING**

Honorable Kimberly D. Bose, Secretary, and  
Nathaniel J. Davis, Sr., Deputy Secretary  
FEDERAL ENERGY REGULATORY COMMISSION  
888 First Street, NE  
Washington, DC 20426

Re: **Lake Chelan Hydroelectric Project No. 637-022**  
**Article 408: Threatened and Endangered Species Protection Plan**  
**Revised schedule for biological objectives status reports pursuant to 401 Water**  
**Quality Certification Condition IV.E. and article 7(c)(2) of the Settlement**  
**Agreement**

Dear Secretary Bose and Deputy Secretary Davis:

The Public Utility District No. 1 of Chelan County, Washington (Chelan PUD or Licensee) hereby files a revised schedule for the Lake Chelan Hydroelectric Project (Project) biological objectives status report, pursuant to the Federal Energy Regulatory Commission's (Commission) "Order on Offer of Settlement and Issuing New License"<sup>1</sup> (License) and "Order on Rehearing"<sup>2</sup> on November 6, 2006, and April 19, 2007, respectively.

Appendix D of the new license, the 401 Water Quality Certification Condition IV.E., as well as the *Threatened and Endangered Species Protection Plan* (approved by Commission staff on November 28, 2007) pursuant to Article 408 requires that a draft and final biological objectives status report be completed in years 4, 6, 8, and 10 of the license. The report includes summarizing the results of the monitoring and evaluation program implemented to document improvements in the Chelan River designed to increase usable spawning and rearing habitat for Chinook salmon and steelhead.

On November 28, 2007, the Commission issued an Order granting extension of time to November 6, 2010 to complete construction of the required facilities to provide the new minimum flow in the Chelan River and Reach 4, and improvements for fish habitat in the

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<sup>1</sup> 117 FERC ¶ 62,129

<sup>2</sup> 119 FERC ¶ 61,055

powerhouse tailrace under Article 408 and the Washington Department of Ecology's 401 Water Quality Certification.

On October 15, 2009, Chelan PUD completed construction of the above mentioned facilities including: 1) a minimum flow release system in the Chelan River and Reach 4 stream channel improvements; 2) a low level outlet at the dam; 3) a Reach 4 hydraulic control structure and enhanced stream channel and powerhouse tailrace channel improvements, and 4) a pump station to deliver water into the Reach 4 stream channel. An update reporting on the completion of the associated construction activities was submitted to the Washington Department of Ecology and the Commission in the annual flow report (under article 405) on February 26, 2010.

Accordingly, year 1 is defined as October 15, 2009 to December 31, 2010 and annually per calendar year (January to December) thereafter. The implementation schedule for submittal of the biological objectives status reports is being updated to correspond with the first year implementation of the completed Chelan River habitat improvements and the initiation of minimum flows.

#### **Revised Implementation Schedule**

As required under Article 408, Appendix D 401 Water Quality Certification Condition IV.E., and Settlement Agreement Article 7(c)(2), the draft and biological objectives status report will be submitted to the Chelan River Fisheries Forum (CRFF) and the Commission according to the following schedule:

<b>Report</b>	<b>Submittal Dates</b>	<b>Recipient</b>
Draft biological objectives status report	February 28, 2013, 2015, 2017, and 2019	Chelan River Fisheries Forum
Final biological objectives status report	April 30, 2013, 2015, 2017, and 2019	Chelan River Fisheries Forum and Commission

#### **Consultation Completed**

On February 1, 2010, Chelan PUD provided a draft letter to the Chelan River Fishery Forum (CRFF) comprised of the following agencies: Washington State Department of Ecology (Ecology), Washington State Department of Fish and Wildlife, United States Forest Service (USFS), United States National Park Service, United States Fish and Wildlife Service, National Marine Fisheries Service, Confederated Tribes of the Colville Reservation, Confederated Tribes and Bands of the Yakama Nation, City of Chelan, Lake Chelan Sportsman's Association. Chelan PUD received responses from the USFS and Ecology. All comments were incorporated.

*Ms. Kimberly D. Bose, Secretary  
Mr. Nathaniel J. Davis, Sr., Deputy Secretary  
Federal Energy Regulatory Commission*

Please contact me or Jeff Osborn (509-661-4176) of my office regarding any questions or comments regarding this request.

Sincerely,

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cc: Erich Gaedeke, FERC Portland Regional Office  
Charlie McKinney, Pat Irle, Washington Department of Ecology