

FEDERAL ENERGY REGULATORY COMMISSION
Portland, OR 97205

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Licensing & Compliance

July 8, 2010

OFFICE OF ENERGY PROJECTS

Project No. 637-036 -- Washington
Lake Chelan Hydroelectric Project
Chelan County PUD

Ms. Michelle Smith
Licensing and Compliance Manager
Chelan County PUD
P.O. Box 1231
Wenatchee, WA 98807-1231

Subject: 2009 Annual Flow and Lake Level Reports, Article 405(a) and (b)

Dear Ms. Smith:

This acknowledges receipt of your 2009 Annual Flow Report and Annual Lake Level Report, filed February 26 and February 25, 2010, respectively, pursuant to Article 405(a) and (b) of the November 6, 2006 Order Issuing New License and ordering paragraphs (B) and (C) of the November 30, 2007 Order Modifying and Approving Operations Compliance and Monitoring Plan, respectively, for the Lake Chelan Hydroelectric Project (FERC No. 637).

In part, license Article 405(a) requires you to file an Annual Flow Report, beginning in the year in which the new minimum flow release structure is installed that documents compliance with instream flows, ramping rates, and tailrace security flows, including hourly and daily inflow records, as appropriate, to document compliance with the relevant project operating constraints. License Article 405(b) requires you to file with the Commission within one year of the issuance date of the license, and annually thereafter, a report comparing monthly actual and target lake levels; and runoff volume forecasts and other factors influencing achievement of targeted lake levels. The ordering paragraphs (B) and (C) of the November 30, 2007 order require your reports to be filed annually with the Commission by February 28.

You report that required flow releases in the Chelan River for the protection of Chinook salmon and steelhead spawning were initiated on October 14, 2009 following construction activities related to the installation of the low level outlet at the dam and Reach 4 habitat modifications. Regarding lake levels, you state that the elevation of Lake Chelan was 0.14 feet below the May 1 target of 1087.6 due to lower than predicted

inflows during April. However, the lake level target was achieved on May 3 and all other June-October lake level targets were met. Additionally, you state that spill was initiated on June 8 to manage the refill rate of Lake Chelan in order to meet license objectives, lake elevation targets, and protect fish habitat construction activities in the lower Chelan River.

Your filings adequately fulfill the reporting requirements identified herein. Thank you for your filing. If you have any questions, please contact me at (503) 552-2716 or via email at erich.gaedeke@ferc.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "E. Gaedeke", with a long horizontal flourish extending to the right.

Erich G. Gaedeke
Fishery Biologist
Division of Hydropower Administration
and Compliance