OKANOGAN COUNTY OFFICE OF PLANNING AND DEVELOPMENT

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March 17, 2010

Douglas County PUD Shane Bickford 1151 Valley Mall Pkwy E. Wenatchee, WA 98802

Dear Mr. Bickford,

I am offering these comments regarding the draft license application for the Douglas County PUD for operation of the Wells Dam Hydro-electric project. By doing Okanogan County does assert standing in future review processes and accompanying discussions and negotiations.

Okanogan County has concerns regarding the loss of recreational and economic opportunity due to the management practices of the Douglas County PUD on the Wells pool. These impacts are exacerbated by the unusual pattern of land ownership implemented by the PUD during the previous license term. The Wells dam pool is a tremendous asset which on-site value has been reduced considerably by these issues. We believe these impacts have not been adequately addressed in the draft license application.

Okanogan County believes consideration should be given to the possibility of off-site mitigation for these impacts. This mitigation could take the form of recreational infrastructure grants or other assistance to offset the impacts of the hydro-electric project. This type of program could be coordinated with a capital facilities plan created in a cooperative effort between the Douglas County PUD, Okanogan County, and the towns and cities impacted by the project.

Okanogan County is working to create two additions to the trail system in the county and has numerous parks under its ownership most of which are under-developed. We would welcome a partnership with the Douglas County PUD to develop these assets through the course of the new license term. Recognizing the need to budget both long and short term expenditures these improvements should be in adherence to the above mentioned capital facilities plan. This type of coordinated effort would not only mitigate impacts caused by the project but would serve as an important element for economic expansion in the county which in turn creates a broader customer base for the PUD.

Okanogan County looks forward to working with FERC and the Douglas County PUD during the subsequent phases of the relicensing effort.

Sincerely,

Perry D. Huston,

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Director of Planning and Development