



Public Utility District No. 1 of Douglas County

1161 Valley Mall Parkway • East Wenatchee, Washington 98802-4497 • 509/884-7191 • FAX 509/884-0553 • www.douglaspud.org

Ms. Pat Irle
Hydropower Projects Manager
Washington Department of Ecology
15 W. Yakima Avenue, Suite 200
Yakima, WA 98902-3452

August 11, 2010

Subject: Wells Project Shoreline Management

Dear Pat:

During our conversation on July 26, 2010 you raised several questions regarding Douglas PUD's programs and policies related to shoreline management at the Wells Project. To follow-up, I would like to provide some additional details about Douglas PUD's approach to shoreline management both under the current FERC license, and as proposed in the Final License Application filed with FERC on May 27, 2010.

There are approximately 108 miles of reservoir shoreline within the Wells Project Boundary, including approximately 15 miles of shoreline around isolated ponds (e.g., Washburn Pond, Cassimer Bar wetlands). Douglas PUD owns over 99 percent of the shoreline lands within the Project Boundary, the majority of which are available for limited public use via water access. Private uses of Wells Project lands are limited to landscaping, boat docks, and other activities which may be authorized under the current FERC license. There are no habitable structures allowed within the Project Boundary. Private use is governed by Article 48 of the current FERC license and through Douglas PUD's comprehensive Land Use Policy. Douglas PUD's overall programs and policies governing shoreline use are summarized below.

License Article 48

Article 48 of the current FERC license grants Douglas PUD the authority to permit certain types of use of Wells Project lands. Permitted activities under Article 48 include landscape plantings; non-commercial piers, landings, boat docks; and embankments, bulkheads, retaining walls, or similar structures for erosion control to protect the existing shoreline. Activities not fitting into one of these categories would require approval by FERC. We anticipate that FERC will include a similar license article in the new license. While these uses are allowed under the FERC license, any of these activities must meet additional requirements under Douglas PUD's Land Use Policy.

Land Use Policy

Douglas PUD further controls shoreline use and management through implementation of a Land Use Policy that requires formal approval of any and all land use activities that take place within the Project Boundary. The goal of the Land Use Policy is to ensure that Wells Project operations are in compliance with not only the FERC license, but all federal and state regulations, including the protection of fish and wildlife habitat; protection of critical habitat for ESA-listed species; protection of significant historical, cultural and natural features; and compliance with existing settlement agreements (e.g., Wells Habitat Conservation Plan [HCP], Aquatic Settlement Agreement, Historic Properties Management Plan). In order to facilitate attainment of the Wells HCP's No-Net-Impact standard for Plan Species, the Land Use Policy prohibits new dock or pier permits outside the city limits of Pateros, Brewster, and Bridgeport. This prohibition on new docks applies to 116.5 miles of the 123 miles of shoreline in the Wells Project or 94 percent of the Wells reservoir.

Regulatory Review

Permit applications for activities within the Project Boundary such as construction of boat docks, piers, and landscaping are reviewed and considered for approval by Douglas PUD only after the permit applicant provides proof that it has received all other required regulatory permits. Additionally, when making land use or related permit decisions, the "Reservoir as Habitat" provision of the HCP requires Douglas PUD to solicit comments from state, federal, and tribal fish and wildlife agencies including the WDFW, USFWS, NMFS, Colville Tribes and Yakama Nation. In considering a permit application, our staff may also conduct independent biological surveys of fish, botanical, and wildlife resources to judge the level of potential impact from the proposed activity. Douglas PUD staff reviews each permit application for consistency with the Land Use Policy. If all requirements are deemed to be satisfied, the staff will provide its recommendation to Douglas PUD's Board of Commissioners.

Compliance Monitoring

Following the issuance of a Land Use Permit, Douglas PUD staff verifies that each land owner is constructing its improvement in compliance with the conditions of the Permit. After construction is completed, Douglas PUD staff continues to monitor land use activities for compliance violations through on-water boat surveys of the reservoir. The on-water surveys are conducted twice a month and cover the entire reservoir. When compliance violations are identified Douglas PUD contacts the adjacent land owner(s) to determine the identity of the encroaching party. In instances where shoreline habitat has been disturbed the offending party is required to restore the site to its original habitat condition within a pre-determined amount of time. Following the preliminary site assessment, violations are reported to the appropriate federal, state and tribal entities for further regulatory action.

New License

Douglas PUD is not proposing any changes to the operation of the Wells Project under the new FERC license. The Land Use Policy was included in the Final License Application filed with FERC in May 2010. Douglas PUD is proposing to continue implementation of its Land Use Policy under the new FERC license.

In addition to continuing to implement the Land Use Policy, Douglas PUD has also proposed to implement a Wildlife and Botanical Management Plan (WBMP) that provides for the protection and enhancement of riparian and wetland habitats. The WBMP requires twice monthly reservoir shoreline patrols to monitor shoreline activities for compliance with Permit conditions. In addition, the WBMP includes shoreline riparian habitat enhancement activities on Cassimer Bar and Bridgeport Bar Wildlife Areas.

Conclusion

Douglas PUD's proposed operations of the Wells Project, as described in the Final License Application, will continue to conserve, protect and enhance the shoreline of the Columbia, Methow and Okanogan rivers within the Project Boundary. This protection is ensured by Douglas PUD's ownership of 99 percent of the reservoir shoreline, Douglas PUD's HCP, and the rigorous permitting, monitoring, and enforcement procedures required by the Douglas PUD's Land Use Policy. Under these circumstances the potential for shoreline development is limited and a separate shoreline management plan would be redundant and unnecessary.

If you have any questions related to our approach to managing shoreline activities at the Wells Project, please feel free to contact me or Gordon Brett, Douglas PUD's Property Supervisor (509) 884-7191.

Sincerely,



Shane Bickford
Natural Resources Supervisor

Enclosure (3):
Land Use Policy
Wells HCP, Reservoir as Habitat
Wells License Article No. 48

Cc: Mr. Charlie McKinney - Water Quality Section Manager