FEDERAL ENERGY REGULATORY COMMISSION

WASHINGTON, D.C. 20426 September 14, 2011

OFFICE OF ENERGY PROJECTS

Project No. 2149-152—Washington Wells Hydroelectric Project Public Utility District No. 1 of Douglas County

OVERNIGHT MAIL

Jessica L. Gonzales
Assistant Project Leader
U.S. Fish and Wildlife Service
Washington Fish and Wildlife Office
Central Washington Field Office
215 Melody Lane, Suite 119
Wenatchee, WA 98801

Reference: Request for Formal Consultation under the Endangered Species Act

Dear Ms. Gonzales:

On April 12, 2011, your office received our letter asking for concurrence with the finding in our draft Environmental Impact Statement (EIS) that relicensing the Wells Hydroelectric Project No. 2149 would be "not likely to adversely affect" the Columbia River bull trout Distinct Population Segment (DPS) and its designated critical habitat, and would have no effect on the Ute ladies'-tresses, marbled murrelet, gray wolf, Canada lynx, northern spotted owl, grizzly bear, pygmy rabbit, Wenatchee Mountains checkermallow, or showy stickweed.

By letters filed on May 9, 2011, and August 8, 2011, you state that your agency could not concur with our determination for bull trout. You also state that Douglas PUD's draft Biological Assessment (BA) and FERC's draft EIS do not include an analysis of bull trout critical habitat, and that analysis of the project's effects on the primary constituent elements (PCE) of bull trout critical habitat should be included in a final BA.

On August 29, 2011, Douglas PUD filed an updated draft BA that includes the requested analysis of project effects on bull trout critical habitat PCEs. Commission staff has reviewed Douglas PUD's updated draft BA and agree with its findings in section

4.2.4.10 regarding project effects on bull trout critical habitat and critical habitat PCEs. We also agree with Douglas PUD's finding that relicensing the Wells Hydroelectric Project with staff's recommended measures and mandatory conditions is not likely to adversely affect bull trout critical habitat. This is the same conclusion Commission staff reached in the draft EIS.

Please give us your biological opinion on our findings no later than 135 days from receipt of this request, as required by 50 CFR § 402.14(e). If we don't hear from you within 30 days of this letter, we will assume that you have sufficient information to initiate consultation and will provide us with your biological opinion by January 26, 2011. Any requests for extensions of time should be submitted to the Commission and the applicant in a timely manner that allows for sufficient time for a mutual agreement to extend the 90-day formal consultation period as per section 402.14(e) of your regulations.

Should you need to informally discuss concerns before making your determination, please contact Matt Cutlip at (503) 552-2762 to indicate your interest in initiating a teleconference with all parties on this issue. Please file your response electronically via the Internet. See 18 C.F.R. 385.2001(a)(1)(iii) and the instructions on the Commission's website (http://www.ferc.gov/docs-filing/efiling.asp). For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov; call toll-free at (866) 208-3676; or, for TTY, contact (202) 502-8659. Although the Commission strongly encourages electronic filing, your response may also be paper-filed. To paper-file, mail an original and seven copies to: Kimberly D. Bose, Secretary, Federal Energy Regulatory Commission, 888 First Street, NE, Washington, D.C. 20426. Please put the docket number p-2149-152 on the first page of your response.

If you have any questions, please call Matt Cutlip at (503) 552-2762.

Sincerely,

Jennifer Hill, Chief Northwest Branch Division of Hydropower Licensing

cc: Public Files, Service List

See Douglas PUD's updated draft BA filed on August 29, 2011 at 121-132.