

PUBLIC UTILITY DISTRICT NO. 1 OF DOUGLAS COUNTY WELLS HYDROELECTRIC PROJECT – FERC NO. 2149



RELICENSING UPDATE APRIL – JUNE 2006

BACKGROUND

The Wells Project includes the Wells Reservoir, forebay, tailrace, dam, project lands and two 230 kV transmission lines. Wells Dam is the principal component of the Wells Project. It is located at river mile 515.6 on the Columbia River in the State of Washington, 30 river miles downstream of the Chief Joseph Project, owned and operated by the US Army Corps of Engineers, and 42 miles upstream of the Rocky Reach Project, owned and operated by Chelan PUD. Wells Dam includes ten generating units with a nameplate rating of 774.3 MW and a peaking capacity of 840 MW. The design of Wells Dam is unique in that the generating units, spillways, switchyard and fish passage facilities are combined into a single structure referred to as the hydrocombine. The Wells Reservoir is 29.5 miles long. The Methow and Okanogan rivers are tributaries of the Columbia River within the Wells Reservoir. The Wells Project Boundary extends 1.5 miles up the Methow River and 15.5 miles up the Okanogan River and includes approximately 2,140 acres of shoreline lands above the ordinary high water mark. The FERC license to operate the Wells Project expires on May 31, 2012.

RECENT ACTIVITIES

Douglas PUD has been actively preparing for the relicensing of the Wells Project in accordance with FERC's Integrated Licensing Process (ILP). This process will formally begin for Douglas PUD when its Notice of Intent (NOI) and Pre-Application Document (PAD) are filed with FERC in December 2006. In preparation for the ILP, Douglas PUD has completed a series of baseline studies for the Wells Project. Douglas PUD is also participating in ongoing studies and monitoring activities. Video clips and study reports for these activities are available on the Wells Relicensing website at www.douglaspubd.org/relicensing. Douglas PUD began a series of Resource Work Group (RWG) meetings with stakeholders in August 2005. This voluntary effort was initiated to provide stakeholders with information about the Wells Project, to identify resource issues and to develop preliminary study plans prior to filing the NOI and PAD. Douglas PUD presented a draft PAD to FERC staff in May, which included a list of proposed studies for the two-year ILP study period. Douglas PUD intends to cooperatively develop study plans with the RWG stakeholders throughout July, August, September and October of 2006. Douglas PUD plans on including these study plans into the final PAD.