

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



RELICENSING UPDATE OCTOBER – DECEMBER 2007

BACKGROUND

The Public Utility District No. 1 of Douglas County's (Douglas PUD) federal license to operate the Wells Project expires on May 31, 2012. The Wells Hydroelectric 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.

INTEGRATED LICENSING ACTIVITIES

On September 14, 2007, Douglas PUD filed its Revised Study Plan (RSP) document with FERC. There was only 1 stakeholder comment filed with FERC related to the RSP. On October 11, 2007, FERC issued their Study Plan Determination. FERC's Study Plan Determination required Douglas PUD to complete 10 of the 12 studies proposed in the RSP. Due to information requirements for the 401 water quality certification, Douglas PUD plans on completing all 12 of the studies proposed in the RSP.

All of the RSP studies are now underway and will continue through most of 2008. Results from these studies will be shared with the resource work groups as the reports become available. The next ILP deadline is October 15, 2008 with the filing of the Initial Study Report.

RELICENSING RELATED ACTIVITIES

On September 17, 2007, the National Marine Fisheries Service (NMFS), on behalf of Douglas PUD, requested that the Wells Habitat Conservation Plan (HCP) be accepted by FERC as a comprehensive plan. On October 16, 2007, FERC approved the HCP as a qualifying comprehensive plan under section 10(a)(2)(A) of the Federal Power Act (FPA). The Wells HCP contains all of the HCP parties (NMFS, USFWS, WDFW, Colville Tribes and Yakama Nation) proposed protection, mitigation and enhancement measures for anadromous salmonids. These measures have been included in Douglas PUD's license to operate Wells Dam and will be included in the license application for the Wells Project. Now that the Wells HCP is considered a comprehensive plan under the FPA, it will have equal consideration to other federal, state and tribal comprehensive salmon recovery plans for the Columbia River Basin.

Information on Wells Project Relicensing is available at www.douglaspud.org/relicensing.