



**Federal Energy Regulatory Commission
April 19, 2007
Open Commission Meeting
Statement of
Commissioner Philip D. Moeller**

Item H-2: Public Utility District No. 1 of Chelan County, Washington (P-637-031)

Commissioner Philip Moeller, a Washington State native, announced his support for an order issued today by the Federal Energy Regulatory Commission. This order addresses issues that were raised on rehearing regarding license articles on funding caps and the recreation management plan, among others.

Last November, Public Utility District No. 1 of Chelan County (Chelan County PUD) was issued a new 50-year license for the continued operation and maintenance of the 48 MW Lake Chelan Hydroelectric Project located on the Chelan River in Chelan County, Washington. This project serves a dual purpose of generating power and regulating the level of the 50-mile-long beautiful Lake Chelan, the third deepest body of fresh water in North America. The license grant allows this project to continue to serve as an important source of renewable energy.

The Chelan County PUD began its relicensing effort in 1997 for a license that was due to expire in March of 2004. Until the receipt of the new license last year, the Chelan County PUD had been operating the dam with annual licenses. The new license is based on a settlement submitted by Chelan County PUD to the FERC in October 2003. The comprehensive settlement, which sought to balance various competing interests, was signed by Chelan County PUD, the U.S. Forest Service, the National Park Service, NOAA National Marine Fisheries Service, the U.S. Fish and Wildlife Service, the Washington State Department of Ecology, the Washington State Department of Fish and Wildlife, the Confederated Tribes of the Colville Reservation, the City of Chelan and American Whitewater. The new license contains requirements for operating the Lake Chelan Hydroelectric Project, including provisions for a year-round minimum flow in the Chelan River, maintaining existing parks, regulating lake levels, fish habitat enhancements in the Chelan River, adding a trail that improves access to the Chelan River, and a variety of other actions.