

FOR IMMEDIATE RELEASE

March 15, 2010
(number of pages 4)

Grant PUD Commission Addresses Future of Crescent Bar Island March 29 Review of Technical Compliance Analysis and Recommendation

EPHRATA, WA – Grant PUD commissioners will consider options for future use of Crescent Bar Island on March 29. The meeting scheduled for 2:00 p.m. will include presentation of a technical compliance analysis and recommendations for meeting license obligations for the utility-owned island. The Grant PUD-owned island is currently leased to the Port of Quincy that, in turn, holds subleases allowing occupancy of approximately 400 recreational vehicle sites and condominium units. The Port of Quincy lease expires in June of 2012.

Grant PUD commissioners approved the Shoreline Management Plan (SMP) for the Priest Rapids Project and submitted it to the Federal Energy Regulatory Commission (FERC) the first week of March. While FERC will post the SMP for public comment, the federal agency's initial response to the plan centered on Crescent Bar Island.

On March 10, Grant PUD received a letter from FERC stipulating the need for "a better understanding of ... intended proposals with respect to improving public recreation access and use, and protecting and enhancing wildlife habitat and scenic quality of Crescent Bar Island upon expiration of the existing leases." The FERC-issued letter (attached to this release) cites concerns about residential development and occupancy of project lands, because such uses violate FERC's policy of maximizing public recreation development. FERC staff asked Grant PUD to file a plan and schedule for Crescent Bar Island that meets the license requirements by April 30 of this year.

The March 29 meeting will open a 14-day comment period when members of the public can submit written comments on the recommendation for future use of the island, allowing commissioners to consider comments and file the plan and schedule with FERC by late April.

Bob Bernd, Grant PUD commission president shared the sentiments of the board, "While this letter from FERC accelerates our time line to some degree, we have known for some time that difficult decisions regarding Crescent Bar Island were coming. After considering broad public input, amending our recreation plan and filing the SMP, we can now provide a path forward beyond 2012. We know it is impossible to fully please every interest, but are unanimous in our commitment to reach a solution that benefits future generations of Grant County residents and the recreating public."

The SMP, the March 10 FERC-issued letter and background information on Crescent Bar Island can now be accessed on the Grant PUD Web site:

<http://www.gcpud.org/resources/resLandWater/shoreline.html>

Written comment on the recommendation will be accepted via the Web site, by email and by postal mail beginning March 29.

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Grant County Public Utility District is a Washington state municipal corporation that began electric service in 1942. Owned by the people it serves, Grant PUD generates and sells electricity to Grant County residents and millions of customers throughout Central Washington and the Pacific Northwest. The Priest Rapids Project, comprised of Priest Rapids and Wanapum Dams, produces nearly 2,000 megawatts of clean, renewable and reliable electricity – enough to supply a city the size of Seattle. A leader in science based technology; Grant PUD is committed to finding effective measures for the protection, mitigation and enhancement of salmon, steelhead and other natural and cultural resources.

MEDIA CONTACT:

Dorothy Harris

(509) 793-1516 / dharris@gcpud.org

Attachment: March 10 FERC Letter: Article 419 - Shoreline Management Plan - Crescent Bar Island

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

OFFICE OF ENERGY PROJECTS

Project No. 2114-208—Washington
Priest Rapids Hydroelectric Project
Public Utility District No. 2 of
Grant County, Washington

Ms. Kelly Larimer
Public Utility District No. 2
of Grant County
P.O. Box 878
Ephrata, WA 98823

MAR 10 2010

Re: Article 419 – Shoreline Management Plan – Crescent Bar Island

Dear Ms. Larimer:

This letter is in reference to your shoreline management plan (SMP) filed on March 2, 2010, pursuant to article 419 of the license for the Priest Rapids Hydroelectric Project (FERC No. 2114).¹ The project is located on the mid-Columbia River, in portions of Grant, Yakima, Kittitas, Douglas, Benton, and Chelan Counties Washington, and occupies approximately 3,052 acres of federal lands managed by the U.S. Bureau of Land Management, U.S. Department of the Army, U.S. Fish and Wildlife Service, and U.S. Department of Energy.

Article 419 of the project license requires you to file, for Commission approval, and SMP to protect the scenic quality of the mid-Columbia River. Among other things, article 419 requires that provisions for the following be included in the SMP to protect and enhance Crescent Bar Island: (1) a trail; (2) dredging the existing boat channel and lengthening the existing boat launch; (3) removing six existing recreational vehicle campsites; (4) a directional sign; (5) picnic tables; (6) a vault toilet; and (7) a map that clearly identifies the location of project recreation sites, including the trail and its length, as well as the existing disturbed footprint. You are also required to include a construction schedule, cost estimates for construction and maintenance of the facilities, provisions for soil erosion and sediment control measures as required by license article 303, and a discussion of how the universal accessibility has been considered in the planning and design of the facilities. Article 419 requires that Crescent Bar Island be managed under the Planned Development and Conservation land use classifications, and that no further development, except for the trail, shall occur beyond the existing disturbed footprint.

¹ See Order Issuing New License (123 FERC ¶ 61,049), issued April 17, 2008.

Your filing indicates (page 4) that the measures required by article 419 to improve public recreation access, and protect and enhance wildlife habitat and scenic quality at Crescent Bar Island would occur after the final lease with the Port of Quincy expires in 2012. Further, the proposed SMP indicates that you plan to implement the recreation enhancements at Crescent Bar Island under the recreation resource management plan (RRMP) required by article 418, and have submitted an application with the Commission proposing to amend the RRMP accordingly.²

Upon review of your filing, we have determined an immediate need for information necessary to complete our review of your application. Specifically, we need a better understanding of your intended proposals with respect to improving public recreation access and use, and protecting and enhancing wildlife habitat and scenic quality of Crescent Bar Island upon expiration of the existing leases in 2012. In this regard, please note that the Commission does not condone residential development and occupancy of project lands, since such residential use is inconsistent with the Commission's policy of maximizing public recreational development.³ Consequently, your plan must demonstrate compliance with the Commission's policies on this issue. To address this issue, you should file a plan and schedule which outlines how you will accomplish the goals set by article 419 with regard to Crescent Bar Island.

Please file an original and 8 copies of the requested information by April 30, 2010, with:

The Secretary
Federal Energy Regulatory Commission
Mail Code: DHAC PJ-12.1
888 First Street NE
Washington, DC 20426

Thank you for your cooperation in this matter. If you have any questions, please contact Christopher Yeakel at (202)-502-8132.

Sincerely,



Robert J. Fletcher
Chief, Land Resources Branch
Division of Hydropower
Administration and Compliance

² See SMP at p. 4. The application to amend the RRMP was filed on February 26, 2010, and will be addressed in a separate proceeding.

³ 18 C.F.R. § 2.7