

WAOR 19795  
WAOR 19854  
WAOR 53911  
2200/2300  
(958.1)

FEB 27 2004

Mark Hooper, LLE  
Federal Energy Regulatory Commission  
Office of Energy Projects  
Hydropower Administration & Compliance  
Mail Code: PJ-12.2  
888 First Street, N.E.  
Washington, D.C. 20426

Dear Mr. Hooper:

The Wenatchee Field Office, Spokane District, Bureau of Land Management (BLM) is pursuing Phase II of the Central Washington Assembled Land Exchange (CWALE; WAOR 53911), cumulatively involving approximately 3,772 acres of BLM-administered land in Chelan, Douglas, Grant, Kittitas, Klickitat, and Okanogan Counties, Washington. The assembled land exchange is being facilitated by a private firm, Clearwater Land Exchange of Orofino, Idaho. The exchange will involve disposal of 42 scattered tracts of Federal land and acquisition of six tracts totaling approximately 5,612 acres of non-federal land.

Of those Federal tracts identified for disposal, portions of the following are presently withdrawn in BLM's Power Site Classification No. 349 (WAOR 19854), and/or FERC Project No. 2149 (WAOR 19795):

Willamette Meridian, Washington  
T. 30 N., R. 24 E.,  
Sec. 13, Lot 2.

T. 30 N., R. 25 E.,  
Sec. 18, Lots 1 and 2.

These tracts are adjacent to each other and collectively are referred to as Tract O4 of the CWALE, encompassing a total of approximately 13.55 acres. The lands lie about one mile east of Brewster, Washington, along and above the north bank of Lake Pateros, which is the reservoir

formed behind Wells Dam on the Columbia River. Their locations, with respect to topography, are depicted on the Brewster and Bridgeport, Washington U.S. Geological Survey (USGS) 7½-minute topographic quadrangles. Altitudes on the lands range from approximately 779 feet, the normal reservoir pool altitude of Lake Pateros, to about 920 feet. The reservoir pool level of Lake Pateros has an operating range from about 767.5 to 784.5 feet. The 840-megawatt Wells hydroelectric project is owned and operated by PUD No. 1 of Douglas County, Washington, and is licensed as FERC Project No. 2149, for which license expires in 2012.

BLM's main goals for the proposed land exchange are Federal land consolidation, and acquisition of lands with important shrub-steppe and riparian values. The Federal tracts to be disposed of are all within the Spokane District's Scattered Tracts Management Area, and the non-Federal lands to be acquired are in the Spokane District's Moses Coulee and Yakima Canyon Management Areas. The proposed exchange is in conformance with the land tenure adjustment policy stated in the Spokane Resource Management Plan, as amended (December 1992), which is to promote efficient management of the public land resources, protect and improve valuable wildlife habitat, enhance recreational opportunities, and provide access to public lands.

The facilitator for this exchange, Clearwater Land Exchange, has facilitated the completion of several exchanges for BLM's Spokane District, including Phase I of CWALE. Clearwater Land Exchange locates buyers for various Federal tracts as well as contacts sellers of non-Federal tracts that BLM wishes to purchase. With respect to the subject Tract O4, the PUD No. 1 of Douglas County, Washington, licensee for the Wells project, wishes to purchase this tract because portions of it are within its project boundary, and in fact has signed an agreement with Clearwater Land Exchange to do so through this proposed BLM land exchange, assuming its approval and FERC's concurrence.

Power Site Classification No. 349, effective June 22, 1944, originally withdrew lands that might be used in conjunction with reservoir development along the Columbia River, between the now-existing Grand Coulee and Priest Rapids Dams. The withdrawal included T. 30 N., R. 25 E., Sec. 18, Lots 1 and 2. Although this withdrawal has not yet been revoked, BLM did recommend revocation of the withdrawal in its entirety in 1985, for which FERC concurred (DVWA-251), and re-affirmed that concurrence on December 15, 2003. Revocation of this withdrawal is now proceeding toward approval and publication of a public land order.

Small portions of each of the three subject lots, totaling about 4.5 acres, lie within the current project boundary for FERC Project No. 2149. The lands were originally withdrawn pursuant to the filing of an application for preliminary permit on January 12, 1954. The following FERC exhibits sequentially depict the boundary as it relates to the subject lots: FERC Drawing Nos. 2149-29 and 2149-30, superseded by 2149-142 and 2149-143, superseded by 2149-298 and 2149-299, superseded by 2149-343 and 2149-344. The project boundary generally follows the contour of the maximum pool altitude of 784.5 feet in this vicinity.

A January 16, 1959 finding and determination (DA-153-Washington) by the Federal Power Commission (now FERC) approved opening to entry the subject lots withdrawn in Power Site Classification No. 349, subject to the provisions of Section 24 of the Federal Power Act, and

subject to the condition that the United States, its permittees or licensees shall not be held liable for any damage to improvements on these lands resulting from the construction, operation, and maintenance of power project works on the lands. You will note that this additional stipulation actually conflicts with the stipulations in Section 24 of the Federal Power Act, which provides for payment of any damages to crops, buildings, or other improvements. We believe that these conflicting stipulations were likely requested in error. In any event, on September 21, 1959, Public Land Order (PLO) 1987 restored these lands to the requested conditional entry accordingly. However, DA-153-Washington and PLO 1987 did not include the subject lot in T. 30 N., R 24 E. Given the age of this determination, and the fact that it did not include one of the subject lots, we request that your response address all of the subject lots.

Inasmuch as Power Site Classification No. 349 has been approved for revocation in its entirety, and is proceeding toward that goal, we believe that any additional restrictions or stipulations that FERC might require beyond the provisions of Section 24 of the Federal Power Act should be confined to those portions of the subject lots that lie within the boundary of FERC Project No. 2149.

We would appreciate your prompt consideration and approval of this request. Please also send a copy of your response to the Wenatchee Field Office, Spokane District. If any questions arise, please contact our State Office Waterpower Specialist, Ken St. Mary, at 503-808-6168.

Sincerely,



Robert D. DeViney, Jr.  
Chief, Branch of Realty and Records Services

Enclosures – 2 Master Title Plats and 2 Maps

cc:  
Bill Schurger, Wenatchee Resource Area Office