

**DRAFT ENVIRONMENTAL IMPACT STATEMENT
FOR HYDROPOWER RELICENSING**

BAKER RIVER HYDROELECTRIC PROJECT

FERC Project No. 2150-033
Washington

Puget Sound Energy, Inc.
10885 N.E. 4th Street
Bellevue, WA 98004-5591

**Federal Energy Regulatory Commission
Office of Energy Projects
Division of Hydropower Licensing
888 First Street, N.E.
Washington, D.C. 20426**

April 2006

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON D.C. 20426

TO THE PARTY ADDRESSED:

Attached is the draft environmental impact statement (EIS) for the Baker River Hydroelectric Project (FERC Project No. 2150-033), located on the Baker River in Whatcom and Skagit Counties, Washington.

The draft EIS documents the views of the Federal Energy Regulatory Commission (Commission or FERC) staff on relicensing the project. Before the Commission makes a decision on relicensing, it will take into account all concerns relevant to the public interest. The draft EIS will be part of the record from which the Commission will make its decision. An electronic copy of this document may be viewed on FERC's website at www.ferc.gov using the "Documents & Filing" link; select "eLibrary" and follow the instructions (call 866-208-3676 for assistance). The TTY number is 202-502-8659.

Agencies, organizations, or individuals are invited to file comments on the draft EIS pursuant to the requirements of the National Environmental Policy Act of 1969 and the Commission's Regulations Implementing the National Environmental Policy Act (18 CFR Part 380). Any comments, conclusions, or recommendations that draw upon studies, reports, or other working papers of substance should be supported by appropriate documentation. Your comments will be considered in the staff's preparation of a final EIS.

Comments on the draft EIS should be filed with: Magalie R. Salas, Secretary, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426. All comments should be filed within 45 days of the notice date in the Federal Register, and should reference "Baker River Project No. 2150-033." Comments on the draft EIS may also be filed electronically via the Internet in lieu of paper. See 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's website under the "Documents & Filing – eFiling" link.

COVER SHEET

- a. Title: Relicensing the Baker River Hydroelectric Project
FERC Project No. 2150-033
- b. Subject: Draft Environmental Impact Statement (EIS)
- c. Lead Agency: Federal Energy Regulatory Commission
- d. Cooperating Agency: U.S. Army Corps of Engineers
- e. Abstract: On April 30, 2004, Puget Sound Energy, Inc. (Puget) filed an application to relicense the existing Baker River Hydroelectric Project, located on the Baker River in Whatcom and Skagit Counties, Washington. The project consists of two developments, Upper Baker and Lower Baker. The two developments adjoin one another over a distance of about 18 miles on the Baker River. The project has a current installed capacity of 170.03 megawatts (proposed installed capacity is 200.03 megawatts) and occupies 5,207 acres of lands within the Mt. Baker-Snoqualmie National Forest. Currently, the project is operated as a multi-purpose facility for hydropower generation, federal flood control storage, recreation and fisheries.
- Puget proposes to relicense the project in accordance with a comprehensive Settlement Agreement that was developed under the Commission's alternative licensing procedures. The Settlement Agreement contains 50 proposed license articles containing various protection, mitigation, and enhancement measures.
- The staff's recommendation is to relicense the project as proposed, with certain modifications, and additional measures recommended by the agencies.
- f. Contact: Steve Hocking
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Office of Hydropower Licensing
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Washington, D.C. 20426
(202) 502-8753
- g. Transmittal: This draft EIS to relicense the existing Baker River Project is being made available for public comment in April 2006, as required by the

National Environmental Policy Act of 1969¹ and the Commission's regulations implementing the National Environmental Policy Act (18 CFR Part 380).

¹ National Environmental Policy Act of 1969, as amended (Pub. L. 91-190, 42 U.S.C. 4321-4347, January 1, 1970, as amended by Pub. L. 94-52, July 3, 1975, Pub. L. 94-83, August 9, 1975, and Pub. L. 97-258, § 4(b), September 13, 1982).

FOREWARD

The Federal Energy Regulatory Commission (Commission), pursuant to the Federal Power Act (FPA)² and the U.S. Department of Energy Organization Act,³ is authorized to issue licenses for up to 50 years for the construction and operation of non-federal hydroelectric developments subject to its jurisdiction, on the necessary conditions:

That the project adopted . . . shall be such as in the judgment of the Commission will be best adapted to a comprehensive plan for improving or developing a waterway or waterways for the use or benefit of interstate or foreign commerce, for the improvement and utilization of waterpower development, for the adequate protection, mitigation, and enhancement of fish and wildlife (including related spawning grounds and habitat), and for other beneficial public uses, including irrigation, flood control, water supply, and recreational and other purposes referred to in section 4(e) . . .⁴

The Commission may require such other conditions not inconsistent with the FPA as may be found necessary to provide for the various public interests to be served by the project.⁵

² 16 U.S.C. § § 791(a)-825(r), as amended by the Electric Consumers Protection Act of 1986, Public Law 99-495 (1986) and the Energy Policy Act of 1992, Public Law 102-486 (1992).

³ Public Law 95-91, 91 Stat. 556 (1977).

⁴ 16 U.S.C. § 803(a).

⁵ 16 U.S.C. § 803(g).