

June 9, 2006
PKWD-06-027

Ms. Magalie R. Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20427

Dear Secretary Salas:

Subject: **PACKWOOD LAKE HYDROELECTRIC PROJECT
FERC DOCKET NO. 2244-012
SPILL EVENT AND RETURN TO NORMAL OPERATIONS**

Reference: Order dated February 8, 2006, "Order Approving Packwood Lake
Drawdown Plan, Lake Creek Ramping Rate Plan, and Temporary Waiver
of Article 37"

On February 8, 2006, the Director of the Office of Energy Projects issued an order temporarily waiving Article 37 of the Packwood Lake Hydroelectric Project's license for the period May 1, 2006 through July 15, 2006 for purposes of conducting a spill event to implement requirements for four studies as provided in the revised study plan submitted on August 22, 2005.

On May 18, 2006 the spill event began as a result of high inflows produced by unseasonably warm temperatures. After experiencing a maximum flow of approximately 299 cfs for the 12 hours needed to comply with requirements in the gravel transport and large wood study plans, lake level was ramped down in accordance with the Packwood Lake Drawdown Plan and Lake Creek Ramping Rate Plan (the plans) to maintain flows between 100 to 150 cfs for measurements needed for the instream flow and fish passage barrier studies. Lake level reduction continued in accordance with the plans and decreasing inflows until the spill event was concluded on May 31, 2006.

With completion of the spill event, the Project has resumed normal operations in accordance with Article 37 of the license, and the waiver is no longer needed.

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If you have any questions or require additional information regarding this matter, please contact Ms. Laura Schinnell at (509) 372-5123.

Respectfully,

A handwritten signature in black ink, appearing to read "J.W. Baker". The signature is written in a cursive style with a large, looped initial "J".

J.W. Baker, Vice President
Energy/Business Services