



UPPER SKAGIT INDIAN TRIBE

25944 Community Plaza Way • Sedro Woolley, WA 98284
Phone (360) 854-7000 • Fax (360) 854-7004

ORIGINAL

FILED
OFFICE OF THE
SECRETARY
2004 DEC 27 A 11:20
FEDERAL ENERGY
REGULATORY COMMISSION

December 22, 2004

Honorable Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington DC, 20426

Re: Comments on the Notice of Settlement Agreement dated December 3, 2004 for the Baker River Project (P-2150-033)

Dear Ms. Salas:

The Upper Skagit Indian Tribe ("Tribe") has been an active participant in the Alternative Licensing Procedure for the Baker River Project. The project area is in the Tribe's historic homeland, and impacts its Treaty rights.

The Tribe believes that the applicant, Puget Sound Energy, has expended substantial efforts in this process, balancing numerous interests in an inclusive and responsive manner. The Comprehensive Settlement Agreement ("Agreement") reached by all parties is fully supported by the Tribe. The Agreement represents significant protection, mitigation and enhancement measures to the effected natural resources and citizens.

In regards to the issues raised by FERC staff during the technical conference of December 8, 2004 the Tribe believes that license Article 107 represents the intent of the parties as it relates to the proposed additional 29,000 acre feet of storage for flood control. It was the Tribe's understanding that all of the parties to the Agreement would work together in order to achieve the additional 29,000 acre feet of extra flood storage. The main concern as it related to this goal from the Tribe's perspective was the effect that such storage would have on the down stream flow regime. After reviewing the proposal it was determined by all parties that the additional flood control would not have a negative impact on the proposed down stream flow regime and as such the Tribe's concerns were satisfied.

As it relates to the funding limits and the nexus of the proposed license articles to the project, the Tribe believes that all of the proposed license articles and the manner in which they are to be funded meets the requirements of 16 U.S.C § 797(e).

The Comprehensive Settlement Agreement adequately protects the Tribe's interest in the project and the Tribe strongly urges the Commission to accept the Offer of Settlement without material modification to the proposed license articles.

Sincerely,

A handwritten signature in cursive script that reads "Doreen Maloney".

Doreen Maloney
Director Natural Resources
Upper Skagit Indian Tribe