



Wisconsin River Power Company

(owners of the Petenwell & Castle Rock Hydroelectric Plants)

P.O. Box 19001

Green Bay, WI 54307-9001

July 7, 2008

FERC Project No. 1984

Ms. Kimberly Bose
Federal Energy Regulatory Commission
888 First St. NE
Washington, DC 20426

Dear Secretary:

June 23, 2008 Adaptive Management Plan Steering Committee Report

Per the Commission Letter dated May 1, 2008, Wisconsin River Power Company (WRPCO) is providing a report on the Adaptive Management Steering Committee meeting held on June 23, 2008.

The meeting established the members of the Steering Committee. Both the Wisconsin Department of Natural Resources (WDNR) and WRPCO were represented. The U.S. Fish and Wildlife Service (FWS) declined to attend this meeting, but wished to be involved in future meetings.

The Steering Committee Members are as follows:

Shawn Puzen - WRPCO (Chairperson)
Bruce Crocker - WRPCO
Virgil Schlorke - WRPCO
Scott Watson - WDNR
Bob Hujik - WDNR
Scott Provost - WDNR

One position was held open for future FWS participation.

After discussion, the Steering Committee determined the primary objective of the Adaptive Management Plan was to establish additional aquatic plant habitat.

In the meeting, the following operation modifications were discussed and considered for evaluation:

- Hold Spring Water Levels High During Pike Spawning
- Gradual Summer Drawdown
- Hold Fall Water Levels High
- Reduced and/or Late Winter Drawdown

- Water Level Manipulation to Increase the Density of Rooted Aquatic Plants and Woody Terrestrial Vegetation

Since the modification can only be considered for evaluation if there is a majority of public support, the discussions centered on both the ability to meet the primary objective and the public support for the modification.

The results of the operation modification discussions are as follows:

Hold Spring Water Levels High During Pike Spawning

This modification would benefit the pike spawning, but would not, in general, increase aquatic plant habitat throughout other times of the year. This modification also has the potential to decrease the safety of the project by decreasing flood storage and we believe to increase the potential of downstream flooding. As a result, this modification would not receive a majority of public support and will no longer be pursued by the Steering Committee.

Gradual Summer Drawdown

This modification would meet the primary objective of increasing aquatic plant habitat by allowing the lake to match the natural hydrograph more-closely. This modification may not need to be conducted every year, but may still benefit the primary objective if it was conducted every 3 to 5 years. This modification may have a limited impact upon safety.

At this time, the team is unsure of the public's reaction to this, but it is believed there may be public support for it. This modification shows promise for consideration, but the Steering Committee proposes to incorporate it into the final operation modification to be considered "Water Level Manipulation to increase the density of rooted aquatic plants and woody terrestrial vegetation."

Hold Fall Water Levels High

This modification would not meet the primary objective of increasing aquatic plant habitat. This modification also has the potential to decrease the safety of the project reducing flood storage and increasing the potential of downstream flooding. As a result, this modification would not receive a majority of public support and will no longer be pursued by the Steering Committee.

Reduced and/or Late Winter Drawdown

This modification could meet the primary objective of increasing aquatic plant habitat. Safety must be the primary factor to be considered when implementing the modification. We believe if the primary factor is safety, the concern for safety can be managed. The modification could not be implemented if a thorough evaluation of snow pack information and other available spring runoff indicators show it would not be safe. Even with the primary focus on safety, the

modification is believed to still provide benefit to the primary objective. It is believed this modification may yield a majority of public support if the appropriate controls are incorporated. This modification shows promise for consideration, but the Steering Committee proposes to incorporate it into the final operation modification to be considered "Water Level Manipulation to increase the density of rooted aquatic plants and woody terrestrial vegetation."

Water Level Manipulation to Increase the Density of Rooted Aquatic Plants and Woody Terrestrial Vegetation

This modification is composed of two methods:

1. Gradual Summer Drawdown
2. Reduced and/or Late Winter Drawdown

This modification could meet the primary objective of increasing aquatic plant habitat. Safety must be the primary factor to be considered when implementing the modification. We believe if the primary factor is safety, the concern for safety can be managed. It is believed this modification may yield a majority of public support if the appropriate controls are incorporated and the public is well-informed of its purposes. This modification has the support of WRPCO and the support of the Steering Committee if the measure does not significantly decrease the generation of electrical power. This modification needs more definition before it can be brought before the Stakeholders Panel, but it will be the operation modification evaluated as part of the Adaptive Management Plan. It is also believed the Gradual Summer Drawdown and the Reduced and/or Late Winter Drawdown can be completed within the elevations listed in the existing license requirements.

The expected outcomes of the modification were also discussed along with how to evaluate the success. The WDNR indicated it would attempt to locate resources to conduct annual review of actual test plots of aquatic vegetation along an established baseline to determine the effectiveness of the modification. A timeline of five years of evaluation with an annual review was also discussed.

Potential members of the Stakeholders Panel were also identified. The following individuals and their affiliations were identified:

Denny Caneff - Rivers Alliance
Todd Forsier - Petenwell Muskie Challenge
Bob Martini - Affiliation Unknown
Bruce Carlson - Petenwell and Castle Rock Stewards
Bob Stoiber - Walleye Days
Unidentified Individual - River Bay Campground
Unidentified Individual - City of Portage
Tim Radtke - City of Nekoosa
Representatives of Homeowners Associations on Petenwell and Castle Rock
Doug Hurd - Petenwell/Castle Rock Property Owners Association
Chris Murphy - Adams County
Greg Lowe - Juneau County

Ms. Kimberly Bose
July 7, 2008
Page 4 of 5

Jerry Storke - Wood County
Unidentified Individual - Holiday Shores Campground

For the groups where an individual is unidentified, WRPCO will contact the group and allow each group to choose the individual to participate. If an individual declines to participate for their group, the group will be allowed to designate another individual. Contact with each group will be made prior to September 1, 2008.

An additional meeting of the Steering Committee will be held to bring more definition to the operation modification and to develop exact operating scenarios by September 15, 2008.

The Stakeholders Panel will be convened no later than December 31, 2008 and any public outreach activities determined necessary by the Stakeholders Panel will be conducted during 2009.

A baseline of aquatic vegetation will be obtained during the summer or fall of 2009.

It is expected the operation modification will be implemented and monitored with an annual review beginning in 2010 and continuing through the end of year 2014. A summary report of each year's activities will be provided to the Commission annually by December 31 of each year beginning in 2010 and continuing through 2014.

Should you have any questions regarding this material, please do not hesitate to call Shawn Puzen at (920) 433-1094.

Thank you for your time and consideration.

Sincerely,



Terry P. Jensky
Vice President - Energy Supply Operations
for Wisconsin Public Service Corporation
Telephone: (920) 433-2900

syx

cc: Mr. David Harpole, WPSC - REG
Mr. Bruce Crocker, WPSC - D2
Mr. Gil Snyder, WPSC - D2
Mr. Scott Watson, WDNR
Mr. Robert Hujik, WDNR

Mr. Virgil Schlorke, WRPC - PET
Mr. Darrin Johnson, IBS - PET
Mr. Kerry Spees, IBS - A2
Ms. Louise Clemency, FWS
Mr. Scott Provost, WDNR

Homeowners Association Contacts

Archer Park Community Association	Rick	Georgeson
Barnum Bay Property Owner's Association	John	Beale
Big Bay Waterfront Community Association	Robyn	Tisch
The Bluffs at Barnum Bay Community Association	Mark	Fridley
Chester Creek Waterfront Community Association		Naterra Land Co.
Clearview Estates Waterfront community Association	Diane	Anderson
Copper Point Waterfront Community Association		Pavloski Investments
Dover Shores Community Association	Daniel	Mooney
Glacier Point Waterfront Community Association		Pavloski Investments
Grandview Shores Community Association	Stuart	Opfer
Halfmoon Bay Waterfront Association	Dave	Penn
Hall's Point Waterfront Community Association	Steve	Dolecell
Harbor Condominiums at O'Dells Bay	Jim	Fezatte
Hidden Bay Waterfront Community Association		Hidden Bay, LLC
High Ridge Waterfront Community association		Pavloski Investments
Kennedy Waters Waterfront Development	Dennis	Charles
Longview Point Waterfront Community Association	Mark	Levy
May's Point Neighborhood Association	Steve	Gillespie
O'Dells Bay Community Association	Jeff	Gramoll
O'Dells Bay Condominiums Association	Rich	Kalafut
Bend Waterfront Community Association		Naterra Land Co.
Petenwell Landing Homeowners Association	Gary	Achter
Petenwell Shores Community Association	Mart	McClellan
Pinewood Shores Homeowner's Association	Vicki	Semke
Southview Shores Waterfront Community Association	Nancy	Obert
Timber Bay Waterfront Community		Naterra Land Co.
The Timbers at Shipwreck Bay Association	Daniel	Berkos
Twin Lakes Waterfront Community Association		Naterra Land Co.
Waterstone Waterfront Community Association		Waterstone LLC
West Wind Shores Community Association	John	Beale
Village Homes at Barnum Bay	Bob	Radder