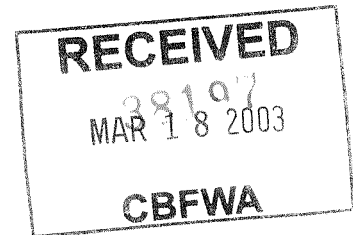




Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621



ENVIRONMENT, FISH AND WILDLIFE

March 13, 2003

In reply refer to: KEW-4

Dr. Jeff P. Koenings, Ph.D., Director
Washington Department of Fish and Wildlife
600 Capital Way N
Olympia, WA 98501-1091

Dear Dr. Koenings:

This is a follow-up to your letter of February 20, 2003, requesting concurrence with Washington Department of Fish And Wildlife's (WDFW) decision to allocate approximately \$3.6 million in Washington Interim Wildlife Agreement funds (MOA) to acquire property in the Asotin Subbasin known as the "Schlee Property." I enjoyed meeting with you and your staff on this issue as well as on the other agenda items.

We concur on your request to purchase the Schlee property and ask that you please factor into your timeline our need to review the property appraisal, fully comply with NEPA requirements, and conduct an Environmental Land Audit prior to committing funds for this purchase. Please have your staff work with Joe DeHerrera, our Bonneville Power Administration (BPA) Contract Officer's Technical Representative, for these project details.

Prior to acquiring any additional properties for wildlife mitigation, we would like to talk further about operation and maintenance activities in your proposed Wildlife Mitigation Operation and Maintenance (O&M) plan, obtain clarity on the fund balance for the MOA with our accountants, and explore the indirect costs listed within the O&M plan. We appreciate WDFW's eagerness to complete wildlife mitigation for construction and inundation losses due to the Federal Columbia River Power System. Considering BPA's dire financial condition, we would like to discuss further your ability to preserve the balance of the MOA account and dedicate as much of it for O&M funding through FY 2006, thereby lessening the impact of these O&M activities on the Fish and Wildlife Program budget.

Again I appreciated meeting with you and your staff in Olympia last week.

Sincerely,

A handwritten signature in cursive script that reads "Therese Lamb".

Therese Lamb,
Vice President, Environmental, Fish, and Wildlife

cc:

Mr. Doug Marker, Northwest Power and Conservation Council
Mr. Rod Sando, Columbia Basin Fish and Wildlife Authority
Mr. Brian Brown, NOAA Fisheries