

FEDERAL ENERGY REGULATORY COMMISSION
Washington, D. C. 20426

OFFICE OF ENERGY PROJECTS

Project No. 2506-139--Michigan
Escanaba Hydroelectric Project
Upper Peninsula Power Company

Mr. Terry P. Jensky
Upper Peninsula Power Company
P.O. Box 19001
Green Bay, WI 54307-9001

January 22, 2008

Subject: 2007 Fish Mitigation and Management Annual Report

Dear Mr. Jensky:

This letter acknowledges receipt of your 2007 Fish Mitigation and Management Annual Report, filed October 30, 2007, for the Escanaba River Project (FERC No. 2506), pursuant to the Commission's *Order Approving Ten-Year Mitigation and Management Plan Pursuant to Article 406* (order).¹ The order requires you to file, by November 1, annually, a report with the Commission, the Michigan Department of Natural Resources (MDNR) and the U.S. Fish and Wildlife Service (FWS) summarizing the yearly activities associated with the implementation of the plan. Your approved plan is a working document, where changes to the plan occur on a yearly basis based upon agency recommendations.

According to your filing, on April 11, 2007, at the annual land management meeting, members of the MDNR and FWS discussed the Fish Mitigation and Management Plan and set a date for an onsite meeting. You met with the MDNR and FWS on June 13, 2007, and reviewed the area below Boney Falls, fish habitat improvement areas and public access areas. You state you provided \$7,000 to the Escanaba River Association in May 2007 for the stocking of brown and rainbow trout into the Escanaba River.

According to your report, \$43,933 has been provided for fish habitat enhancement. The majority of the funding was used for stream habitat improvement, stream fish

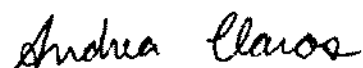
¹ 114 FERC ¶ 62,102 (2006).

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surveys and fish stocking in cooperation with the Escanaba River Association. You state that currently there is a balance of \$30,282 in the Fish Mitigation Fund.

Your filing fulfills the annual reporting requirement, pursuant to your approved Ten-Year Fish Mitigation and Management Plan. Your next report is due by November 1, 2008. Thank you for your cooperation. If you have any questions concerning this letter, please contact me at (202) 502-8171.

Sincerely,



Andrea Claros
Aquatic Ecologist
Division of Hydropower Administration
and Compliance