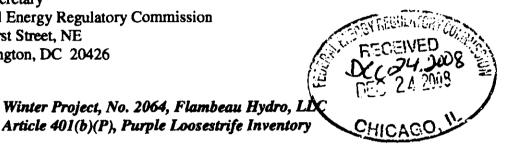


North American Hydro Holdings, Inc. 116 State Street, P.O. Box 167, Neshkoro, WI 54960 USA Tel 920-293-4628 Fax 920-293-8087 Email nah@nahydro.com Web www.nahydro.com

December 22, 2008

The Secretary Federal Energy Regulatory Commission 888 First Street, NE Washington, DC 20426



Dear Secretary:

Re:

On behalf of Flambeau Hydro, LLC, and in accordance with the Purple Loosestrife Monitoring Plan per license article named above, North American Hydro Holdings, Inc. submits the annual Purple Loosestrife Inventory for 2008 for the above named project. Copies of the inventory have been sent to the Wisconsin Department of Natural Resources, US Forest Service, and the US Fish & Wildlife Service and no comments have been received to date.

If you have any questions regarding this submission, please contact Mr. Richard Loeffler at 920-293-4628.

> Sincerely, NORTH AMERICAN HYDRO HOLDINGS, INC.

Charles Alsberg Executive Vice President

FERC - CROCc:

08-11-05 CTM WNTR 2008 loosestrife survey to FERC.doc

Winter Project Purple Loosestrife Inventory July 31, 2008 FERC Project #2064 Article 401(b)(P)

Flambeau Hydro, LLC 116 State St. Neshkoro, Wi 54960

Purple Loosestrife

On July 31, 2008, Flambeau Hydro, LLC (FHLLC) performed a baseline inventory of purple loosestrife plants at the Winter Project in Sawyer County, Wisconsin. The method of inventory was defined as follows:

While Purple Loosestrife is blooming in August, the inventory should be conducted using a boat to survey the impoundment above the dam within the Project Boundary and on foot below the dam within the Project Boundary. County wetland maps may be used to determine other areas where Purple Loosestrife could be found on lands owned by FHLLC within the Project Boundary. Lands owned by FHLLC within the Project Boundary will be surveyed on foot. A pair of binoculars should be used to search for the purple flowered spikes of the plant. When plants are located, the person(s) inventorving should get close enough to make a positive identification without disturbing the plants or the immediate area around the plants as this could cause them to spread. A GPS receiver will be used to establish a GPS coordinate for the location of the plants. If it is not possible to get close enough to establish an accurate location, an approximate location will be established with reference to an established GPS coordinate. The plants should be inventoried by marking and numbering the location on a Project map along with notes approximating size of plants, stand area, stem density, plant density, and location with reference to established GPS coordinates. Photos and/or videotape may be taken of the largest occurrences.

Example:

GPS point CLRVPL001; Location Lat N45° 54.493' Lon W92° 31.128'; Plant height 2' – 6'; Density ~5' X 50' ~40 plants single & multi-stem; Comments Insect damage observed. Seed heads removed. Photos. No Video.

The area to be inventoried shall be the shoreline of the impoundment and lands owned by FHLLC within the Project Boundary as indicated on the Project Boundary Map G-1, as filed with the Federal Energy Regulatory Commission. **General Observations:**

The Winter Project Boundary was divided into three different areas; *the impoundment* (from the Winter powerhouse to the upstream project boundary, approximately 2.10 miles upstream), *FHLLC owned property within the project boundary* (FHLLC owned property adjacent to the dam and powerhouse), *the tailrace/bypass reach* (from the powerhouse to a point approximately 595 feet downstream, including the 3,028-foot long bypass reach area from the spillway to the downstream project boundary).

The tailrace/bypass reach was surveyed on foot and no purple loosestrife plants were observed.

The FHLLC owned property within the project boundary was surveyed on foot and no purple loosestrife plants were observed.

The impoundment was surveyed by boat and three areas of purple loosestrife (WNTRPL001, WNTRPL002, & WNTRPL003) were found within the project boundary. The sightings were within 100 yards of each other and located in a wet low lying peninsula of land adjacent to the river. Only limited access to the effected area was available. The survey crew then proceeded upstream and outside of the project boundary to explore if any plants existed that may be contributing to the infestation by spreading seeds downstream into the impoundment, and three blooming plants (WNTRPLNA01) with previous year's cane were found approximately 920 feet upstream from the end of the project boundary.

All occurrences were found on land not owned by FHLLC.

These purple loosestrife plants were inventoried and have been noted on the survey sheet(s) and map(s) at the end of this report. No other occurrences of purple loosestrife were observed.

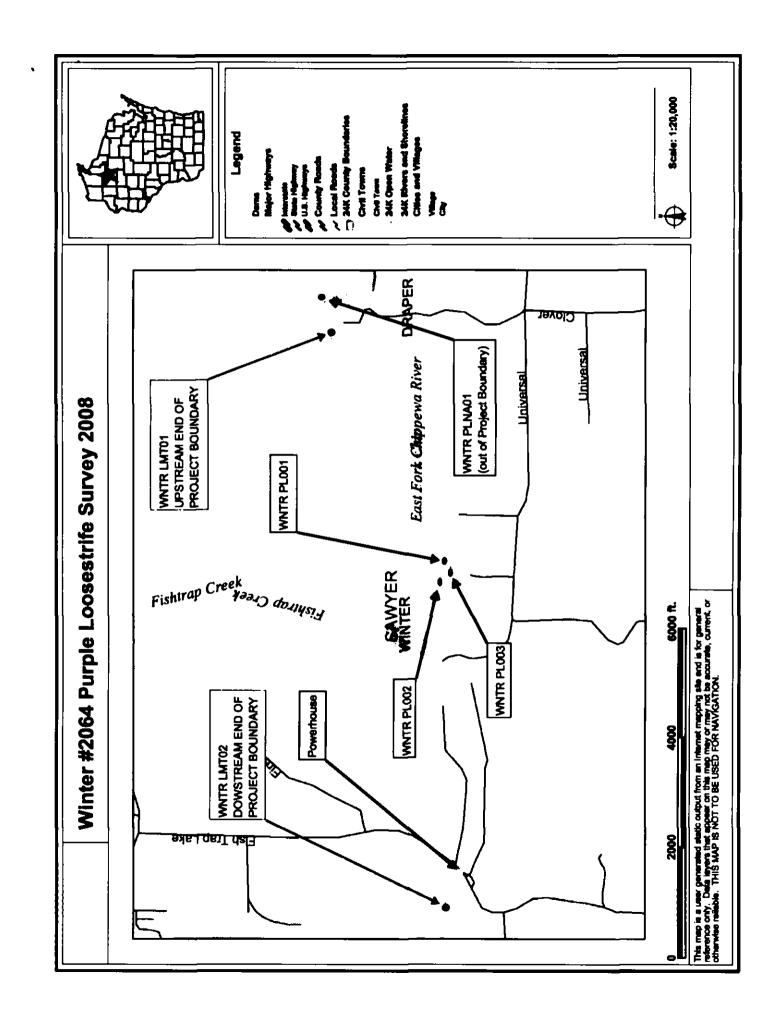
During the inventory, a digital camera and/or video camera was used to document occurrences of purple loosestrife as noted in the survey comments at the end of this report.

A vegetation survey dated 1999 and included in Exhibit E of the Application for New License for the Winter Hydroelectric Plant and filed with the Federal Energy Regulatory Commission (FERC) was used as an aid in the 2008 baseline purple loosestrife survey.

Purple Loos	estrife Survey			08-11-05 CTM WNTR 2008 Loosestrife Invote
Project:	Winter #2064	Datum:	WGS 84	
Date:	7/31/2008			
Crew:	GRR & CTM			
		Longitudo	Dient Height Stand Area	Comments

Sighting #	GPS point	Latitude	Longitude	Plant Height	Stand Area	Comments
1	WNTRPL001	N45°55.827'	W90°56.572'	4'	plants	First observed in 2008. This sighting is located on the right side of the river. Old cane could not be located and no beetle damage visible. Plants were in full bloom. No treatment due to its location in a low lying area. No photo's or video.
2	WNTRPL002	N45°55.868'	W90°56.650'	3'-4'	plants	This site is slightly downstream of PL001 and on the right side of the river. First observed in 2008. No old cane present and no beetle damage.
3	WNTRPL003	N45°55.851'	W90°56.628'	3'-4'	plant	This site was first observed in 2008 and located on the right side of the river. No old cane. No beetle damage visible. No treatment and no photo's or video. This plant was in mid to full bloom when surveyed.
N/A	LMT01	N45*56.225' estimated location	W90°55.392' estimated location	3' to 5'	plants	First observed in 2008. This sighting is upstream of the project limits and cannot be reached by boat due to rapids. Old cane was visible, but the crew could not get close enough to determine beetle damage, if any.

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North American Hydro Holdings, Inc. 116 State Street, P.O. Box 187, Neehkoro, WI 54960 USA Tel 920-293-4828 Fax 920-293-8087 Email nah@nahydro.com Web www.nahydro.com

November 19, 2008

Mr. Jeffrey Scheirer Northern Region FERC Manager Wisconsin Department of Natural Resources 875 South 4th Avenue Park Falls, WI 54552 Ms. Louise Clemency Field Supervisor U.S. Fish and Wildlife Service 2661 Scott Tower Drive New Franken, WI 54229

Ms. Jeanne M. Higgins Forest Supervisor USDA Forest Service Cheguamegon Nicolet NF 1170 4th Ave. South Park Falls, WI 54552

Re: Winter Project, No. 2064, Flambeau Hydro, LLC Article 401(b)(P), Purple Loosestrife Inventory

Dear Mr. Scheirer, Ms. Higgins, and Ms. Clemency:

Attached is a copy of the Flambeau Hydro, LLC "Purple Loosestrife Inventory" for 2008. This annual report has been prepared to comply with the federal hydropower license of the project and article named above and is being filed with the Federal Energy Regulatory Commission.

Please contact me at 920-293-4628 if you wish to discuss or have any questions.

Sincerely, NORTH AMERICAN HYDRO HOLDINGS, INC.

Richard Loeffler

Attachment

File: 08-11-04 CTM WNTR 2008 Loosestrife Survey to Agencies.doc