

North American Hydro Holdings, Inc.

116 State Street, P.O. Box 167, Neshkoro, WI 54960 USA

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December 08, 2008

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

**Re: *Flambeau Upper, Project No. 2640, Flambeau Hydro LLC
Article 412, Purple Loosetrife Inventory***

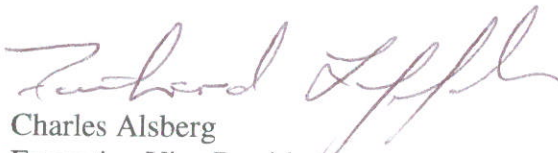

Dear Secretary:

On behalf of Flambeau Hydro, LLC, and in accordance with the Purple Loosetrife Monitoring Plan per license article named above, North American Hydro Holdings, Inc. submits the annual Purple Loosetrife Inventory for 2008 for the above named project. Copies of the inventory have been sent to the Wisconsin Department of Natural Resources and the US Fish & Wildlife Service.

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

Cc: FERC – CRO

08-10-10 CTM FLUP 2008 loosetrife survey to FERC.doc

**Flambeau Upper Project Purple Loosestrife Inventory
July 31 and August 2, 2008
FERC Project #2640 Article 412**

**Flambeau Hydro, LLC
116 State St.
Neshkoro, WI 54960**

Purple Loosestrife

On July 31 and August 2, 2008, Flambeau Hydro, LLC (FHLLC) performed an inventory of purple loosestrife plants at the Flambeau Upper Project in Price County, Wisconsin. The method of inventory as approved and modified by Federal Energy Regulatory Commission (FERC) Order of June 18, 2003 was defined as follows:

While Purple Loosestrife is blooming in mid July to early August, the inventory should be conducted using a boat to survey the impoundment above the dam within the Project Boundary and on foot or by boat 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) inventorying 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, percent cover, stem density, plant density, and location with reference to established GPS coordinates. Photos and/or videotape will be taken of the largest occurrences.

Example:

#1 6' tall plants; 4' X 20'; 30% cover; 4 – 5 stems per plant; 4 plants; on shoreline N45° 56.183' W90° 26.748'; no photo

#2 5' - 7' tall plants; 10' X 10'; 25% cover; 4 – 5 stems per plant; 10 plants; in marsh ~50 feet bearing 25° from N45° 56.256' W90° 26.710'; photo No. 1

The area to be inventoried shall be the shoreline of the impoundment to elevation 1487.4 feet NGVD and lands owned by FHLLC within the Project

Boundary as indicated on the Project Maps 1 & 2, dated November 1991, included in Exhibit G of Flambeau Paper Corp. Application For A Subsequent License for the Upper Hydroelectric Project FERC Project #2640.

General Observations:

The Flambeau Upper Project Boundary was divided into three different areas; *the impoundment* (from just downstream of the last rapids before the impoundment to the dam), *the power canal/bypassed reach* (the power canal from the dam to the powerhouse, and the bypassed reach area from the dam to the single lane service bridge just upstream of the HWY 182 bridge), and *the tailrace* (from the single lane service bridge just upstream of the HWY 182 bridge to the HWY 182 bridge).

The tailrace was surveyed by boat and no purple loosestrife plants were observed.

The power canal/bypassed reach was surveyed on foot and no purple loosestrife plants were found. One occurrence of purple loosestrife was observed in 2006 and 2007, which was inventoried and pulled and could not be located in 2008. No other occurrences of purple loosestrife were observed.

The impoundment was surveyed by boat. One suspected occurrence of purple loosestrife plants had been observed in this area and is noted on the lake map and survey comments at the end of this report. In 2002, the landowner was sent an informational brochure published by the WDNR and was encouraged to contact the WDNR for identification and control procedures. During the 2003 inventory, specimens from these plants were taken to the Wisconsin Department of Natural Resource Service Center in Wautoma, Wisconsin for identification. Analysis revealed that the plants are winged loosestrife (*Lythrum alatum*) and not purple loosestrife (*Lythrum salicaria*). In 2004, the owner removed these plants. In 2007, plants were observed in this location once again. No purple loosestrife plants were observed in the impoundment in 2008.

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

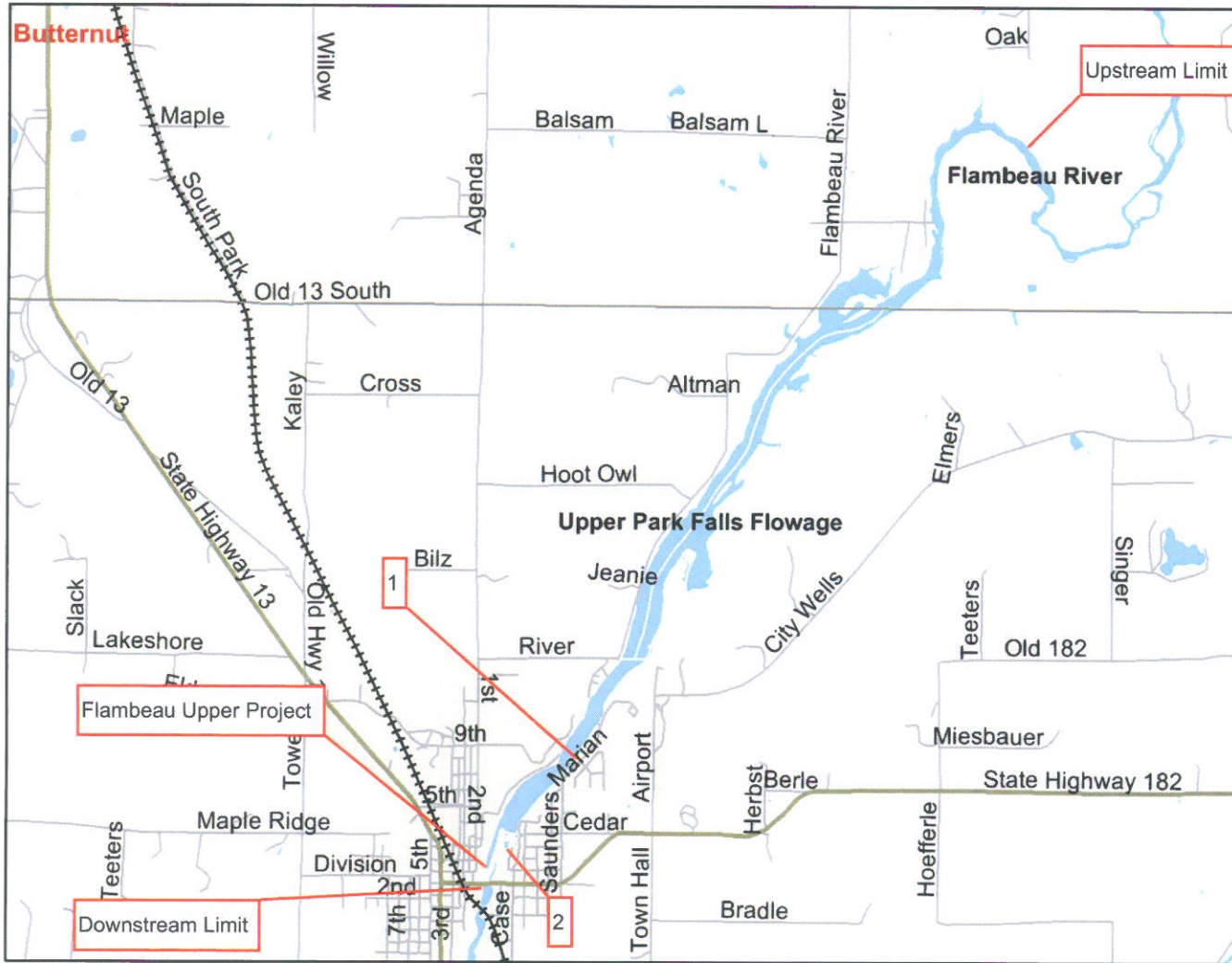
Purple Loosestrife Survey

Project: Flambeau Upper #2640
Date: 7/31 and 8/2/2008
Crew: RAL & CTM

Datum: WGS 84
Page: 1 of 1

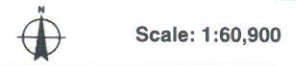
Sighting #	GPS point	Latitude	Longitude	Plant Height	Stand Area	Comments
1	2 FLUPPL001	N45°56.807'	W090°26.043'	3' - 4'	~4' x 8' 2 - 3 Plants	Located ~3 yards bearing 90° (east) of GPS point on residence shore. When first observed in 2002, appeared to be quite a number of plants, ~15 - 25, growing close together. Plants appeared to have ~3 - 5 stems per plant. The landowner was sent an informational brochure published by the Wisconsin Department of Natural Resources (WDNR) and was encouraged to contact the WDNR for identification and control procedures. This occurrence recorded on video tape in 2002. In 2003 samples were taken of this occurrence along with a recording on video tape. Analysis revealed that the plants are winged loosestrife (<i>Lythrum alatum</i>) and not purple loosestrife (<i>Lythrum salicaria</i>). In 2004, the land owner removed these plants. In 2005 and 2006, no purple loosestrife occurred at this location. In 2007 and 2008 plants occurred at this location and were photographed.
2	246 FLUPPL002	N45°56.157'	W090°26.607'	N/A	N/A	Located on the waypoint in the cattails at the northwest corner of the electrical sub-station fence. This occurrence was first observed in 2006. In 2006 and 2007 plants at this location were photographed and pulled. In 2008, no purple loosestrife plants could be located at this site.

Flambeau Upper #2640 Purple Loosestrife Survey 2008

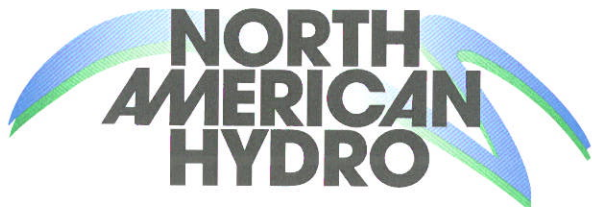


Legend

- County Boundaries
- Railroads
- Major Highways
 - Interstate
 - US Highway
 - State Highway
 - Local Roads
- Civil Towns
- 24K Open Water
- Cities and Villages
 - Village
 - City



This map is a user generated static output from an Internet mapping site and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION.



North American Hydro Holdings, Inc. — Plant Operations:

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Engineering & Manufacturing:

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October 27, 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

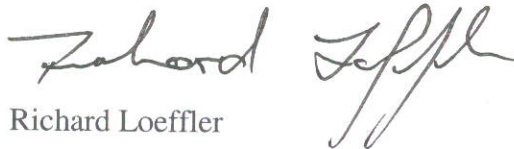
**Re: *Flambeau Upper Project, No. 2640, Flambeau Hydro, LLC
Article 412, Purple Loosestrife Inventory***

Dear Mr. Scheirer 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: 08-10-10 CTM FLUP 2008 Loosestrife Survey to Agencies.doc

Document Content(s)

081210 FLUPRPT2008.PDF.....1-6