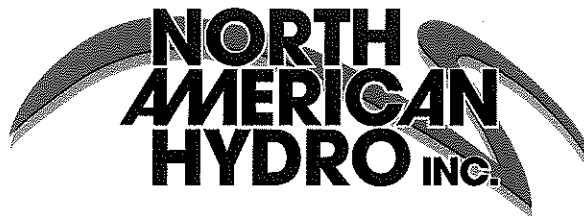


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October 28, 2002

Mr. Jeffrey Scheirer  
Northern Region FERC Manager  
Wisconsin Department of Natural Resources  
P.O. Box 220  
875 South 4<sup>th</sup> Avenue  
Park Falls, WI 54552

Ms. Janet Smith  
Fish & Wildlife Biologist  
U.S. Fish and Wildlife Service  
1015 Challenger Court  
Green Bay, WI 54311

**Re: *Flambeau Pixley Project, No. 2395, Flambeau Hydro, L.L.C.***  
*Article 410, Purple Loosetrife Inventory*

Dear Mr. Scheirer and Ms. Smith:

Attached is a copy of our "Purple Loosetrife Inventory" for 2002. This annual report has been prepared to comply with Article 410 of the project's federal hydropower license.

We invite you to review and comment, but we respectfully request that any written response be provided to us within thirty (30) days from the date of this letter.

Please contact me if you wish discussion or have any questions. Your cooperation is appreciated.

Sincerely,

*NORTH AMERICAN HYDRO, Inc.*

A handwritten signature in black ink, appearing to read "Loyal Gake", is written over the typed name.

Loyal Gake, P.E.  
Director of Development and  
Regulatory Compliance

Attachment

**Flambeau Pixley Project Purple Loosestrife Inventory  
August 3, 2002 & August 5, 2002  
FERC Project #2395 Article 410**

**Flambeau Hydro, L.L.C.  
116 State St.  
Neshkoro, WI 54960**

*Purple Loosestrife*

On August 2 and August 5, 2002, Flambeau Hydro, L.L.C. (FHLLC) performed an inventory of purple loosestrife plants at the Flambeau Pixley Project in Price County, Wisconsin. The method of inventory had not been approved by Federal Energy Regulatory Commission (FERC) at the time of the survey. In lieu of an approved plan, the following method was used:

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 1450 feet NGVD and lands owned by FHLLC within the Project Boundary as indicated on the Project Map 1, dated November 1991, included in Exhibit G of Flambeau Paper Corp. Application For A Subsequent License for the Pixley Hydroelectric Project FERC Project #2395.

#### General Observations:

The Flambeau Pixley Project Boundary was divided into three different areas; *the impoundment* (from HWY 13 bridge in Park Falls to the dam), *FHLLC owned property within the project boundary* (FHLLC owned property adjacent to the dam and powerhouse), and *the tailrace* (from the dam and powerhouse to approximately 500 feet downstream of the dam).

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

During the inventory, an 8mm camcorder was used to document new occurrences of purple loosestrife as noted in the survey comments at the end of this report.

