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PPL MONTANA, LLC

PPLM-2301-1898

Magalie R. Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Filing of Mystic Lake Project 2301 Final Study Plan per the
Commissions Integrated Licensing Process

March 1, 2005

Dear Secretary Salas:

PPL Montana filed a Mystic Lake Project Notice of Intent (NOI) and Pre-Application Document (PAD) on July 1, 2004 and a Mystic Project Proposed Study Plan on November 1, 2004 with the Commission per Integrated Licensing Process (ILP) rules. PPL Montana herein files a Mystic Lake Project Final Study Plan (Mystic FSP) with the Commission per the Mystic ILP process plan schedule. A summary of the 18 studies proposed to be conducted and completed in 2005 in the Mystic FSP appear below. Several of these 2005 studies include attached (supporting) 2004 study results reports.

The 2005 Mystic FSP has been developed in consultation with state (MDEQ, MFWP and MTSHP) and federal (USFS) agencies, Stillwater and Carbon Counties, Tribes, American Whitewater, and other interested public and private stakeholders. A copy of this filing letter and Mystic FSP Volume I will be posted on PPL Montana's Mystic Lake Project website at www.mysticlakeproject.com by March 2, 2005. Mystic FSP Volume II (containing cultural privileged information) will be filed with the Commission only.

Per the Mystic ILP process plan schedule, PPL Montana will provide 2005 Mystic FSP results to stakeholders on October 3, 2005 and convene a meeting with stakeholders to discuss Mystic FSP results on October 18 in Billings Montana. Study results and an agenda for this meeting will be posted on PPL Montana's Mystic Project ILP website at www.mysticlakeproject.com by October 4, 2005.

Mystic FSP Volume I Public Information

Study No.	Study Description
1	Archaeological Inventory on Potential Project Effects: Mystic Lake, West Rosebud Lake, and Plant Operating Area -attached Appendix I: Public Version Mystic Project Cultural Resource Study Plan Summary for Archeological Resources
2	Inventory and Evaluation of Mystic Plant Operating Facilities -attached Appendix II: Public Version Mystic Project Cultural Resource Study Plan Summary for Historic Plant Operating Facilities
3	Jurisdiction of West Rosebud Road to Mystic Project
4	Reliability of and Feasibility of Eliminating Redundant Mystic Project Transmission Line
5	Mystic Project Effects on West Rosebud Creek Bypass Reach Habitat and Fish Populations -attached report: 2004 West Rosebud Creek Bypass Reach Habitat and Fish Population Evaluation
6	Mystic Project Effects on Hydrologic Characteristics of West Rosebud Creek Bypass Reach between Dam and Powerhouse
7	Mystic Project Effects on water temperatures -attached report: 2004 Water Temperatures in West Rosebud Creek
8	Mystic Project Effects on Mystic Lake Spill Hydrology
9	Mystic Project Effects and Aerial Survey of Riparian Corridor
10	Mystic Project Effects on Shoreline Erosion at Mystic Lake
11	Mystic Project Effects on Sensitive Plants in the Mystic Lake Project Area
12	Mystic Project Flow Restoration and Flowline Shutoff Plan
13	Mystic Project Effects on Whitewater Flows
14	Mystic Project Effects on Recreation Use
15	Mystic Project Effects on Water Quality -attached reports: 1) 2004 Investigation of Total Dissolved Gases, 2) 2004 Investigation of Metals in Mystic Lake and the Effect of Mystic Flow Line on Metals in West Rosebud Creek, 3) 2004 Aquatic Macroinvertebrates in West Rosebud Creek, Montana, 4) 2004 Investigation of PCB's in Fish, 5) 2004 Survey for Tubifex Worms in West Rosebud Creek, and 6) 2004 Investigation of Resource Description of Mystic Lake.
16	Mystic Project Effects on Federally Listed Species
17	Mystic Project Effects on Forest Service Sensitive Species
18	Mystic Project Effects on Fish Populations and Habitat in West Rosebud Creek Downstream from Emerald Lake

Mystic FSP Volume II Privileged Information

Mystic Project Cultural Resource Plan (in support of Volume I Studies 1 and 2)

PPL Montana, in consultation with the USFS, has addressed January 31, 2005 comments filed by the USFS with the Commission on PPL Montana's November 1, 2004 Proposed Study Plan. PPL Montana has incorporated USFS objectives into Mystic FSP Study 3

(Jurisdiction of West Rosebud Road to Mystic Project), Study 8 (Mystic Project Effects on Mystic Lake Spill Hydrology) and Study 9 (Mystic Project Effects and Aerial Survey of Riparian Corridor).

PPL Montana addresses February 1, 2005 comments filed by Commission staff to the Commission on PPL Montana's November 1, 2004 Proposed Study Plan. PPL Montana has incorporated Commission staff objectives into Mystic FSP Volume I Study 1 (Archaeological Inventory on Potential Project Effects: Mystic Lake, West Rosebud Lake, and Plant Operating Area) and Study 2 (Inventory and Evaluation of Mystic Plant Operating Facilities). As requested by the Commission, PPL Montana provides the entire Mystic Project Cultural Resource Study Plan in Volume II (Privileged Information) of the Mystic FSP. Commission staff concerns on Studies 6 (Mystic Project Effects on Hydrologic Characteristics of West Rosebud Creek Bypass Reach between Dam and Powerhouse) and Study 7 (Mystic Project Effects on Water Temperatures) have been resolved through consultation between PPL Montana and the USFS. The USFS confirmed at the December 1, 2004 Proposed Mystic Study Plan meeting in Billings that PPL Montana's November 1, 2004 proposed plan for Studies 6 and 7 is acceptable. Relative to Commission comments on Study 12 (Mystic Project Flow Restoration and Flowline Shutoff Plan), PPL Montana will coordinate implementation of this study with the Commission's Portland Regional Office. As to Commission comments on Study 15 (Mystic Project Effects on Water Quality) requested by the Montana DEQ and on Study 16 (Mystic Project Effects on Federally Listed Species) requested by the USFWS, PPL Montana does not consider either Study 15 or 16 a "placeholder" per the Commission's interpretation of that term. PPL Montana proposes that Study 15 and 16 are required to gather pertinent information in 2005 which will help stakeholders determine whether Mystic Project induced impacts to water quality (Study 15) or federally listed species (Study 16) are occurring. Furthermore, information from Studies 15 and 16 will be used by PPL Montana, in consultation with resource agencies, to help define potential and appropriate Mystic Project PM&E measures for these resources if Project effects are identified. In response to Commission comments, PPL Montana has modified both Studies 15 and 16 to more adequately describe study goals and objectives and how each study will provide information about potential Projects resource effects.

If you have any questions regarding this Mystic FSP or PPL Montana's Mystic Lake Project ILP, please contact Jon Jourdonnais at 406-533-3443.

We appreciate your consideration of this Mystic FSP.

Sincerely,



Peter J. Simonich,
Manager Hydro Generation

Cc: PPL Montana will send Mystic stakeholders an email with directions to access the Mystic Project Final Study Plan at website www.mysticlakeproject.com