

**Final Notes  
ECC Conference Call  
Caucus Proposal Regarding  
Cove Decommissioning  
October 13, 2004**

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**ECC Members Participating:**

Monte Garrett, PacifiCorp's Environmental Coordinator  
Marv Hoyt, Greater Yellowstone Coalition  
Deb Mignogno, US Fish and Wildlife Service  
Mary Lucachick, Idaho Department of Parks and Recreation  
Jim Capurso, US Forest Service  
Jenna Borovansky, Idaho Rivers United  
Lynn Van Every, Idaho Department of Environmental Quality  
Scott Yates, Trout Unlimited  
Charlie Vincent, American Whitewater  
Jim Mende, Idaho Department of Fish and Game  
Patrick Koelsch, Bureau of Land Management

**Others Participating**

Scott Pratt, PacifiCorp  
Eve Davies, PacifiCorp  
Miriam Hugentobler, Project Coordinator  
Claudia Conder, PacifiCorp  
Harriet Hensley, Idaho Attorney General's Office  
Kelly Holt, PacifiCorp  
Glenn Pond, PacifiCorp  
Connely Baldwin, PacifiCorp

The conference call was convened as planned at 10 a.m. for members of the agency and NGO caucus to present an offer to PacifiCorp in support of Cove decommissioning. Jim Mende (Idaho Department of Fish and Game) was chosen to speak for the caucus. Mende said the caucus would like to present an amount of water, but no mitigation funding. He said the agreed-upon amount of water was 10 cfs, adding that there had been discussion that 10 cfs was generous. He also stated that there was no way the amount of water would get to 20-23 cfs in our lifetime.

Deb Mignogno (US Fish and Wildlife Service) offered to help find cost sharing for removal of the dam.

Mende told Garrett he wanted him to know it's a good faith effort. Consensus among the caucus was that they do not want to spend any mitigation funds and limit their ability to fund other mitigation actions.

Garrett noted that, from the data available, there did not seem to be a real difference between 10 and 20 cfs in terms of fish habitat quality or quantity. He reiterated that if the cost of decommissioning were not provided, it would make better business sense for PacifiCorp to operate the project, and that the offer of 10 cfs would likely tip PacifiCorp's decision towards operation of Cove.

Mignogno said she had spoken with FERC about decommissioning, and they would require removal of buildings, etc.. as part of decommissioning, so the cost of actually removing the dam would be less. She also said that according to her reading on estimated costs of decommissioning dams, costs are more often less than estimated rather than more.

Garrett said in his experience cost overruns are more likely than underruns.

Vincent suggested indexing cost as a form of risk sharing between PacifiCorp and the ECC, (i.e., if there is a significant risk of overruns, cost could be indexed and the ECC could share the risk with PacifiCorp).

Garrett said he had talked with Black and Veatch (the consultant who prepared the Cove Feasibility Study). He said it was estimated that the cost of decommissioning could be reduced by \$500,000 if PacifiCorp could get breaks on facilities to be removed and stream contouring. This would save some money, but not a lot, he said. That would bring the total amount to \$2.6 or \$2.7 million.

Scott Yates (Trout Unlimited) said the offer from the caucus is the first firm offer on the board, and it was meant to represent a 50 percent cost share. He asked Garrett to present the offer to PacifiCorp and then continue talks at the next ECC meeting (October 20, 2004, in Grace, Idaho).

A roll call vote of ECC members was taken on support of the offer by the caucus. The vote was unanimous in support of the 10 cfs offer, but Vincent added that while his vote was in favor of the offer, he did not feel the ECC was negotiating in good faith. He said he wants the dam removed and he feels the negotiations are not in the spirit of the Settlement Agreement.

Yates responded to Vincent's comment regarding "good faith" by stating that such a comment was uncalled for and has no factual basis. He noted that all of the groups have been working together to develop a proposal for dam removal from a negotiating standpoint.

Once the voting was complete, Garrett told ECC members that the proposal would likely weigh towards operation of Cove.

Mignogno asked Garrett if PacifiCorp would be interested if cost sharing (60/40 from the Corps of Engineers) could be obtained for removal of the dam.

Yates asked whether the caucus could expect a counter offer from PacifiCorp. Garrett said yes, the caucus could definitely expect that. He said PacifiCorp's next offer could be a cost share of the actual cost of decommissioning.

Yates said he was looking forward to continuing the conversation at the next ECC meeting.

Mignogno asked whether a 50/50 cost share would be acceptable to PacifiCorp. Garrett said it could be, as conservation is one of PacifiCorp's goals, but he reminded the caucus that financial considerations are the primary criteria.

Mende said the caucus had reached consensus that all would like to see the dam at Cove removed, but that all agreed on the need to be good stewards of the mitigation monies. Regarding flow negotiations, he said fish need water to live in. And in working towards decommissioning, the caucus doesn't want to give away what they have fought for all these years.

Garrett said he fears good business sense is going to carry the day. He added that using mitigation funds to remove the dam could be the best possible use of the money and could be a good compromise.

Lynn Van Every (Idaho Department of Environmental Quality) said he looks forward to continuing talks at the next ECC meeting. Yates asked whether ECC members need to come to the October meeting prepared to make a decision on Cove. Garrett said that would be best, because a decision needs to be filed with FERC.