

Final Notes
Bear River License Implementation
Environmental Coordination Committee Meeting
August 18-19, 2004
Grace, Idaho

| Decisions/Commitments Made at the August 18-19, 2004 ECC Meeting | |
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| Monte Garrett (With Deb Mignogno and Frank Wilson*) | <ul style="list-style-type: none"> • Speak with Idaho Governor's Office and/or Water Resource Board: Communication/Clarification on the state's interest in Cove decommissioning* • Discuss with PacifiCorp the use of ECC funds on Bear Lake and areas outside the action area • Submit Cove Feasibility Study to FERC. Cover letter will indicate that a recommendation from the ECC is pending. • Provide ECC with a cost values for different Black Canyon flow alternatives for Cove decommissioning discussion. |
| Deb Mignogno | <ul style="list-style-type: none"> • Draft criteria for use of matching funds and distribute to the ECC by Friday, September 10. |
| Greg Mladenka and Michelle Weidner | <ul style="list-style-type: none"> • Draft Black Canyon Monitoring Plan and distribute to the ECC by September 30. ECC members will review by October 10. |
| All | <ul style="list-style-type: none"> • Review letter to FERC regarding Implementation Plan. Get signature sheets to Monte Garrett by September 1: <div style="text-align: center;"> Monte Garrett PacifiCorp 825 NE Multnomah, Suite 1500 Portland, OR 97232 Fax – (503) 813-6633 </div> • Come to the September meeting prepared to make a decision on Cove. |
| Lynn Van Every and Greg Mladenka | <ul style="list-style-type: none"> • Talk with Jim Mende and Dexter Pittman about flows. |

Thursday, August 18

The Wednesday meeting was called to order by Facilitator TracyLee Clarke, SWCA Environmental Consultants, with the following ECC members and others present:

ECC Members

Monte Garrett – Environmental Coordinator, PacifiCorp
 Patrick Koelsch – Bureau of Land Management
 Jim Mende – Idaho Department of Fish and Game
 Marv Hoyt – Greater Yellowstone Coalition
 Deb Mignogno – U.S. Fish and Wildlife Service
 Warren Colyer – Trout Unlimited
 Jim Capurso – U.S. Forest Service
 Lynn Van Every – Idaho Department of Environmental Quality
 Hunter Osborne, Shoshone-Bannock Tribes

Others

TracyLee Clarke - SWCA
Tim O'Conner– PacifiCorp
Eve Davies – PacifiCorp
Scott Pratt – PacifiCorp
Miriam Hugentobler – Project Coordinator
Jeff Seamons – Citizen of Preston
Scott Christensen, Greater Yellowstone Coalition
Dan Tomich – Idaho Department of Water Resources

Participating By Phone

Jack Kolkman – PacifiCorp
Connely Baldwin – PacifiCorp
Susan Rosebrough – U.S. Park Service

ECC Members Not Attending

Mary Lucachick – Idaho Department of Parks and Recreation
Charlie Vincent – American Whitewater, present by proxy to Marv Hoyt
Jena Borovansky – Idaho Rivers, present by proxy to Marv Hoyt

The meeting began with introductions and a review of the day's agenda. Notes were approved with changes from Jim Mende, Jim Capurso, and Marv Hoyt.

Update from Monte Garrett, Environmental Coordinator

Garrett said that although the ECC was scheduled to make a decision on Cove decommissioning at this meeting, the group may delay its decision until the next meeting if time was necessary to reach a prudent decision. Garrett said PacifiCorp must still submit the Cove Feasibility Study (CFS) to FERC on September 1 as required by the implementation schedule. He said the CFS can be submitted to FERC noting that a recommendation from the ECC will be forthcoming, and give a projected date for the decision. Garrett said he felt that it was not in the group's best interest to rush a decision.

Pros and Cons of Cove Feasibility Study Alternatives - TracyLee Clarke, SWCA

Clarke began a discussion of the pros and cons of CFS alternatives, as presented at the July meeting.

Dan Tomich, Idaho Department of Water Resources (IDWR), arrived and was introduced to the ECC. Marv Hoyt asked what interest the IDWR had in the Cove decommissioning discussion. Tomich said that while he cannot speak for the Water Resources Board on this issue, the IDWR would not like to see any hydro project taken out of service. He indicated that if decommissioning were chosen, the IDWR may conduct a feasibility study on Cove and would look for someone to take it over.

Marv Hoyt (Greater Yellowstone Coalition) said this position by the IDWR could make further discussion of decommissioning pointless.

Garrett suggested that the IDWR does not control the decision.

Jim Mende (Idaho Department of Fish and Game) said he would be reluctant to spend mitigation funds on decommissioning only to have another state agency oppose it.

Hoyt said he is troubled by this conversation because Idaho Fish and Game and U.S. Fish and Wildlife Service have veto power over ECC decisions. He said he has heartburn over the possibility that the Water Resources Board, which is not a party to the Settlement Agreement, could direct Idaho Fish and Game to use its veto power in the decommissioning decision.

Patrick Koelsch (Bureau of Land Management) noted that the ECC cannot vote to decommission Cove. The ECC can only vote on whether to use ECC funds for decommissioning.

Tomich said he is at the meeting primarily to listen and take notes.

Garrett said he was not clear as to where the State if Idaho stands on decommissioning and asked for a round robin.

Mignogno said she is researching other possible sources of funding for decommissioning. She also asked about the possibility of altering minimal flows as a source of funding for decommissioning.

The round robin was taken, with ECC members being asked to present their position on decommissioning, as well as any requests for additional discussion.

Warren Colyer, Trout Unlimited

Colyer stated that he was still in favor of decommissioning, based on ecological benefits. He said he would like to talk more about Bonneville cutthroat trout and decommissioning, and whether this would be the best way to spend ECC funds. He said he agrees with other ECC members that the group should not spend \$3 million in ECC funds for decommissioning, but believes the ECC should be willing to put up some dollar amount, which is open for debate. Colyer said that ecological benefits would include invertebrates, hydrology, and connectivity.

Lynn Van Every, Idaho Department of Environmental Quality

Van Every said he believes decommissioning would result in overall benefits to the ecological system. Currently, there is not adequate flow to provide connectivity. Van Every said he would support spending some ECC funds for decommissioning, but considerably less than the \$3 million proposed.

Van Every told the group that a conference call was conducted with Harriet Hensley of the Idaho State Attorney General's Office. He said it was recommended that the state agencies were not prepared to vote on decommissioning. Van Every asked for a 30-day

delay in decision, saying that further discussion within the state agencies was needed, and a unified state position is pending.

Jim Mende – Idaho Department of Fish and Game

Mende asked about the function of the Water Resources Board. It was noted that the Water Resources Board is separate from the Idaho Department of Water Resources. Tomich said the Water Resources Board can own and operate hydroelectric projects. It was noted that the Water Resources Board was the governmental entity which loaned money to Twin Lakes for their recent feasibility study.

Mende said he apologizes to ECC members outside the state agencies. He said the state may seem disorganized, but has a vested interest in Cove decommissioning. He said he does not know what the state's ultimate position will be on decommissioning.

As for his position on Cove decommissioning, Mende said Idaho Fish and Game would be willing to spend some ECC funding for decommissioning, with that amount likely being in the hundreds of thousands of dollars, spread out over the life of the project. He noted that was Idaho Fish and Game's position, not a unified position of the state.

Tomich said the Water Resources Board was not party to the Settlement Agreement because it functions as an outside administration. He identified himself as the Water Resources Board's FERC coordinator.

Hoyt said that the current Idaho governor signed onto the Settlement Agreement full well knowing that decommissioning would be considered. If the state agencies vote to veto decommissioning, then the decision would not be based on Bonneville cutthroat trout, but on outside influences. Hoyt said he believed this would set a bad precedent, and it was not what ECC members thought they were signing on to. Hoyt said the ECC should find out about this before spending time on things that may not be acceptable to outside parties that can wield strong influence on ECC members with veto power.

Deb Mignogno (U.S. Fish and Wildlife Service) said the ECC is being asked to use its expertise and questioned whether outside influences should override that expertise. Mignogno suggested writing a letter to ask for dispute resolution. Mignogno said she was concerned that the Settlement Agreement is not being adhered to. She said outside concerns should come up only during public review of ECC decisions.

Hoyt said that Hensley sat in on the meetings where Cove decommissioning was being considered and said nothing. He said perhaps the ECC should have them (State Attorney General's Office) go through the Settlement Agreement. Hoyt said he did not want to waste a lot of time over the next few years on things that can't happen.

Garrett said he feels we all negotiated the Settlement Agreement in good faith, settlement conditions are in the license and PacifiCorp is committed to it; now the nature of our decision-making process may be in doubt. He said that a time extension will be necessary now to sort this all out.

Mende said a letter to the Governor's Office may be needed, asking him to honor the intent of the Settlement Agreement. He said it was possible to envision a scenario in which future decisions by the ECC are continually impacted by priorities other than those based on biology.

Hoyt said the Governor has already signed the Settlement Agreement and should not have a problem with an ECC letter re-affirming his support of it. Hoyt said he worries that this will all be a waste of time.

Garrett urged ECC members to stay on the course of deciding on decommissioning based on benefits to Bonneville cutthroat trout. If the ECC decides to recommend decommissioning, FERC will conduct an environmental analysis and any party, including the Water Resources Board, may intervene in the process.

Hoyt said he would not be willing to stake out a position on the CFS at this meeting because state the agencies will not be asked for a position for 30 days, and it may not be worthwhile anyway.

Mignogno said PacifiCorp wants to hear the ECC's concerns. She said she believed the ECC as a whole is in favor of decommissioning, and it would be valuable for PacifiCorp to hear the ECC's concerns. She added that there was a NEPA process conducted during relicensing, based on the Settlement Agreement that included the CFS, and she would like to know what the state's comments were at that time.

Break

Mende noted that the Water Resources Board meets every other month. Since the ECC has an interest in their thoughts on Cove decommissioning, Mende asked whether an ECC person should be put on their agenda to listen to and discuss our projects. Mignogno agreed, but said she still supports writing a letter to the Governor. Hoyt suggested Garrett be selected to attend Water Resources Board meeting. Tomich said the next meeting is two months from now, and at this time Cove decommissioning is not on the next agenda. He said he thought it would be a benefit for the Water Resources Board to add Cove to their next agenda.

Garrett said PacifiCorp will communicate with the Governor's office about the ramifications of all this and that communication will need to begin before the next Water Resources Board meeting.

It was decided that Garrett (with Mignogno and Frank Wilson) would speak to Governor's Office and Water Resources Board and that clarification would be sought on the State of Idaho's interest in the Cove project.

Clarke suggested continuing with the discussion pursuant to the ECC decision, and the round robin continued.

Deb Mignogno – U. S. Fish and Wildlife Service

Mignogno said she supports decommissioning, but now she is concerned that someone else will move in or another diversion will be allowed if we decommission. Another of her concerns was cost. Mignogno said she would like the ECC to fund breaching of the dam only, not buildings, etc. She said she would like the ECC to focus on portions of the project that would benefit fish passage. She would also like to spread spending out over time. Mignogno also said she would support Idaho Fish and Game's position on any change in the minimum flow in Black Canyon. Mignogno also said an accounting similar to a cost-benefit analysis would help with decision making.

Koelsch asked whether the cost of decommissioning would be commensurate with resource values gained and noted that the ECC would need to decide that within the next 30 days.

Jim Capurso (U.S. Forest Service) said the ECC needed to come up with some natural resource value gained by decommissioning and base the funding amount on that.

Koelsch said he doesn't want decommissioning to hold up habitat restoration. He said he would like to get those studies underway and get contracts let for the work.

Jim Capurso – U.S. Forest Service

Capurso said that decommissioning may affect the ECC's ability to do other things (e.g., irrigation diversions, fish screens and spawning diversion), and may suck the ECC into one portion of the river. From a Bonneville cutthroat trout perspective, he said, this probably isn't the most important part of the river and may not be the place to focus on. Capurso said the ECC should be doing basin-wide planning. At this point he opposes decommissioning but if the price was right, he could support it. Currently, he does not think the price is right.

Hoyt asked about the possibility of PacifiCorp rebuilding the flume.

Garrett said that if PacifiCorp has to spend a great deal of money on decommissioning, then operating the project (i.e., rebuilding the flume) makes more sense. If mitigation funds are used, decommissioning begins to look more attractive.

Marv Hoyt, Greater Yellowstone Coalition

Hoyt said he supports decommissioning, citing benefits to overall ecological health and long-term survival of Bonneville cutthroat trout. However, he wants to know how much the ECC would be expected to contribute.

(Marv Hoyt speaking on behalf of) Charlie Vincent, American Whitewater

Hoyt said Vincent feels that the 80 cfs (minimum flows) was pulled out of the air and he would consider altering that flow if it would help to fund the project. Hoyt said Vincent supports decommissioning.

Hunter Osborne, Shoshone-Bannock Tribes

Osborne said he agrees with Mignogno, and added that the Tribes would support decommissioning. He thinks decommissioning would be a big step forward, focusing on the main stem. Osborne said he supports natural riverine ecosystems that support native species.

Susan Rosebrough, U.S. Park Service

Rosebrough said decommissioning looked promising, but she was concerned about the cost.

Monte Garrett, PacifiCorp

Garrett reiterated that this is the last chance to decommission the project. If the flume is rebuilt, PacifiCorp will probably not consider decommissioning again. Garrett said he favors decommissioning personally, but on behalf of PacifiCorp, he does not have a preference. Garrett indicated that PacifiCorp would be willing to provide certainty of cost, and said that the ECC should look for ways to creatively fund the project. Garrett said PacifiCorp would consider cost-sharing and added that it may be worthwhile to look at flows in Black Canyon as a source of funding.

Colyer proposed using modeling of flows to find the point of diminishing returns in Black Canyon.

Lunch Break

ECC Afternoon Agenda Outline

- 1) Discuss cost/benefit analysis
 - Goals
 - Process
 - Responsibility

- 2) Discuss Funding Options
 - Cost Sharing
 - Grants
 - Needed Information
 - Amortization
 - Timing

1) Cost-Benefit Analysis

What are the goals/objectives of cost/benefit analysis (date completed?)

- To get the most resource benefit value for the money
- Identify amount willing to pay for decommissioning dam, based on resource benefit
- Identify opportunities lost and gained.

What factors need to be addressed in cost/benefit analysis (direct, indirect)

- Bonneville Cutthroat Trout
- Recreation opportunities
- Habitat enhancement
- Public involvement & goodwill
- Cost share opportunities
- Ecosystem integrity

What methods (components) will be used (process)?

- Connectivity
- Riparian health
- Water quality
- Population viability
- Flows
- Potential for new opportunities lost
- Macroinvertebrates
- Hydrological
- Other projects: land acquisition, restoration, water acquisition, screening, fish passage (tributaries & main stem), spawning.

Methods

- 1) Review of EIS and comments
- 2) Look at other similar documents to view approach/assessments
- 3) Develop series of scenarios to come up with alternatives-funding.

Who is responsible for what elements of methodology?

What/how will the results be used?

Clarke suggested polling ECC members for a dollar figure for potential ECC funding for decommissioning. A caucus was called by PacifiCorp. When ECC members returned, it was decided to proceed with a discussion on potential ECC priorities on the Bear River.

Van Every led a discussion of the Bear River drainage, with diagram of the watershed on the whiteboard, including connectivity issues (Attachment B).

Hoyt said based on the discussion, the potential for the reach below Grace is as good as any.

Mende said he believes that Stauffer/Skinner/Pearl creeks are highest priority. He said he knows fish are present there. Mignogno agreed.

Colyer said he thinks other areas have important features as well, including Cottonwood Creek and Mink Creek. He would like to see priorities in all three sections of the river. Mignogno agreed. Colyer said he would like to see a focus on main stem work, rather

than on isolated tributary populations. He said he views preservation/restoration of migratory fish habitat as a priority. Capurso agreed.

Capurso said there may be debate on greatest threat to Bonneville cutthroat trout, and the ECC should be cognitive and address them. The problem in identifying threats, he said, is that there is little available data.

Koelsch said he feels that the potential for Cottonwood Creek to be restored is pretty good. It's big and there's lots of water. He suggested working on Cottonwood Creek, then Whiskey, Trout, and Williams.

Capurso said there are a lot of rainbow trout in Williams Creek, which could be a problem.

Van Every said a potential problem with fluvial work is that in Utah, the Bear River is classified as a warmwater fishery, so management would not be the same.

Mignogno said she would like to focus on the reach above Alexander Reservoir. Hoyt said others may not feel that way. Capurso said he does not have enough information to say where the focus should be, in particular to say that the Cove reach is worth spending \$3.2 million on.

Mende referred to Van Every's email to the group prior to this meeting (See Attachment A-1) and agreed that \$700,000 is an upper number for ECC spending for decommissioning, adding that he'd like to see the amount much lower than that.

Garrett pointed out that the company would likely rebuild the flume and operate the project if significant expenditure for decommissioning resulted in a financial analysis favoring project operation. As a potential solution to the cost issue, Garrett suggested that a reduction of the minimum flow requirement in Black Canyon by only 30 cfs would likely fund the entire decommissioning project. The ECC could also use other cost-sharing measures and funding sources. Colyer said that if the point of taking out the dam is to provide winter habitat, and flows are reduced so that there is not sufficient winter habitat, then there is no point in decommissioning.

Van Every said he has been working on modeling the effects of different flows, and could have it done by the next day's meeting. Mende asked whether anyone has objections to reductions in flows. No one objected.


Discussion of the Cove Feasibility Study was tabled until Thursday morning. Meeting adjourned at 4:30 p.m.

Thursday, August 19

ECC Members Present

Jim Capurso – U.S. Forest Service
Lynn Van Every – Idaho Department of Environmental Quality
Monte Garrett – PacifiCorp, Environmental Coordinator
Patrick Koelsch – Bureau of Land Management
Marv Hoyt – Greater Yellowstone Coalition
Deb Mignogno – U.S. Fish and Wildlife Service
Warren Colyer – Trout Unlimited

Others Present:

Eve Davies, PacifiCorp
Scott Pratt, PacifiCorp
Tim O’Conner, PacifiCorp
Kelly Holt, PacifiCorp
Scott Christensen, Greater Yellowstone Coalition
Dan Tomich, Idaho Water Resources Board 
Jeff Seamons – Citizen of Preston
Michelle Weidner, SWCA

Participating by Phone:

Mary Lucachick, Idaho Department of Parks and Recreation
Conelly Baldwin, PacifiCorp
Jack Kolkman, PacifiCorp
Hunter Osborne, Shoshone-Bannock Tribe

ECC Members Not Present

Jim Mende, Idaho Department of Fish and Game
Susan Rosebrough, U.S. Park Service
Jena Borovansky, Idaho Rivers
Charlie Vincent, American Whitewater

The meeting began with a review of Wednesday’s meeting and the day’s agenda

FERC Letter

Monte Garrett passed out a draft letter to FERC regarding that agency’s Additional Information Request (AIR) regarding the Implementation Plan (Attachment A-2). ECC members were asked to review the letter and were provided with signature sheets to return to Garrett if they wished to be included in the AIR response.

Criteria for Use Fund Matching

The ECC then moved on to a discussion aimed at developing criteria for making decisions of the use of fund matching proposals from outside groups.

Brainstorming List

- Give preference to projects within the agreement/action area.
- Project intends to improve aquatic and riparian ecosystems
- Continue with options outside the action area if they benefit aspects within the area.
- Oriented towards management (not research for research sake)
- Ensure that other actions don't negate our focus
- Want 50 percent minimum
- Landscape scale – fits with our priorities
- Bonneville cutthroat trout guidance on decision
- Focus on projects we otherwise could not fund or do to increase our range or reach.
- Focus on related species (other than BCT)
- Granting entity – solicit proposals? Focused and guided by the ECC
- Any project we match funds has to be permanent in nature
- High priority given to those who do all the documentation.

Mignogno agreed to take the brainstorm list and bring draft criteria back to the ECC. She will distribute the draft by email prior to the next meeting.

Michelle Weidner - Black Canyon Monitoring Plan Subcommittee

Weidner (SWCA Environmental Consultants) passed out notes from the last Black Canyon Monitoring Plan subcommittee meeting (Attachment A-3).

Weidner said the subcommittee is in the process of deciding on a study area and methods to be used for sampling. Greg Mladenka (Idaho Department of Environmental Quality) and Weidner will draft the study plan in September. However, field methods are scheduled for testing in October. The draft monitoring plan will be distributed to the ECC by email September 30, 2004. Comments will be due from ECC members by October 10. ECC will discuss the plan at the October meeting.

Deb Mignogno – USU Ecosystem Management Class

Mignogno spoke with ECC members about the possibility of a graduate-level class from Utah State University taking on the Bear River as a class project, and working with the ECC to accomplish common goals. She passed out an example of a project the class has done in the past (Attachment A-4). This class would start in January 2005. She asked whether the ECC would like a representative to come speak to the ECC at the September meeting. Garrett said he thought it may be premature to work with the class this year. Hoyt said he would have many questions. Koelsch said he's uncomfortable, as the ECC is not focused enough to oversee their work. Colyer said he feels outreach will be important sooner than later, as Bonneville cutthroat trout studies will be starting soon, and landowners should be engaged from the beginning. Eve Davies (PacifiCorp) said students may lack the overall project view/goals/intents, and she feels strongly that initial outreach should be the job of the ECC. Students need very specific, targeted objectives, which we don't have yet, she said, and the ECC would need time to develop guidance and background information for students. Garrett said he thought that with the necessity for

planning, the ECC was not yet ready to work with the class. He suggested that a representative come in and talk, and perhaps the ECC could work with them in two years (when the class is taught again). He also suggested an ECC dialogue on public outreach efforts over the next couple of months.

Cove Feasibility Study – Lynn Van Every

Water Trading (Minimum Flows in Black Canyon)

Van Every passed out flow modeling data for Black Canyon (Attachment A-5) using a model called HEC-RAS. Van Every stressed that these are draft results, and that DEQ will be firming up the data and modeling. For discussion purposes, Van Every showed modeling results for Station T2 at 15, 50, 65, 80, 95 cfs. Differences in water surface depth between 50-65 cfs were 0.11 ft; between 65-80 cfs, 0.11 ft; and between 80-95 cfs, 0.09 ft. Van Every said modeling will improve as more data are available. Van Every said that at this time he is not prepared to offer an opinion on what the data mean. Koelsch said it appeared that velocity may not be an issue. Colyer agreed.

Mignogno asked whether it would be possible to get someone to interpret flow data and find out whether we can run P-HabSim with the available data. Hoyt said he would like to know the biological implications for different flow scenarios.

Van Every stressed that the data he presented are for given stations only. In different places, flow scenarios may look quite different.

Capurso suggested that a dialog be opened with Jim Mende and Dexter Pittman and a PacifiCorp fishery biologist to see how they feel about this. It was agreed that Van Every and Mladenka would talk with them.

Hoyt said he thinks the ECC will have to make decisions based on less-than-perfect data. He requested that PacifiCorp tell the ECC how much the flows are worth (a dollar value for various flow scenarios), so the group will know how much they are bargaining away.

Garrett said that regardless of what Idaho Department of Fish and Game decides, ECC members need to settle in their own minds where they stand and be prepared to vote at the September meeting. Garrett agreed to obtain information from PacifiCorp on the dollar value for different instream flows and distribute it to the group by email as soon as possible.

Garrett also updated the ECC on funding for the genetic study. He said the study description has been drafted as a work scope for IDFG review, but that that IDFG has not yet completed their review (has not responded to the draft work scope). Upon agreement of the work scope by IDFG and PacifiCorp, the contract can be finalized so that funding can be provided to the agency for their ongoing genetics work.

Next Meeting

The next ECC meeting is scheduled for September 15 in Grace with the following agenda items:

ECC Matching Funds – Deb Mignogno – 1 hour

BCMP – Field Day – 15 minutes

Cove – 5 hours

Update on all plans – 1 hour (telemetry, photography, and genetics)

The Thursday meeting was adjourned at 11:45 a.m.

Attachment A: Handouts

- A-1 Email from Lynn Van Every: Discussion Points Regarding Cove Feasibility and Potential Decommissioning, IDEQ Pocatello Regional Office, July 26, 2004**
- A-2 Letter to FERC from the ECC regarding the Implementation Plan: Bear River Hydroelectric Project, FERC No. 20, Additional Information Request regarding Article 401, Implementation Plan.**
- A-3 Black Canyon Monitoring Plan Subcommittee Meeting Notes**
- A-4 USU Graduate-Level Class, Project Example: Proposal, Cinnamon Creek Area as a Study Site for NR 5000, Ecosystem Management**
- A-5 Draft Black Canyon Flow Data: HEC-RAS. Undated draft. Spreadsheets and graphs.**

Attachment B: Diagram of Bear River Watershed

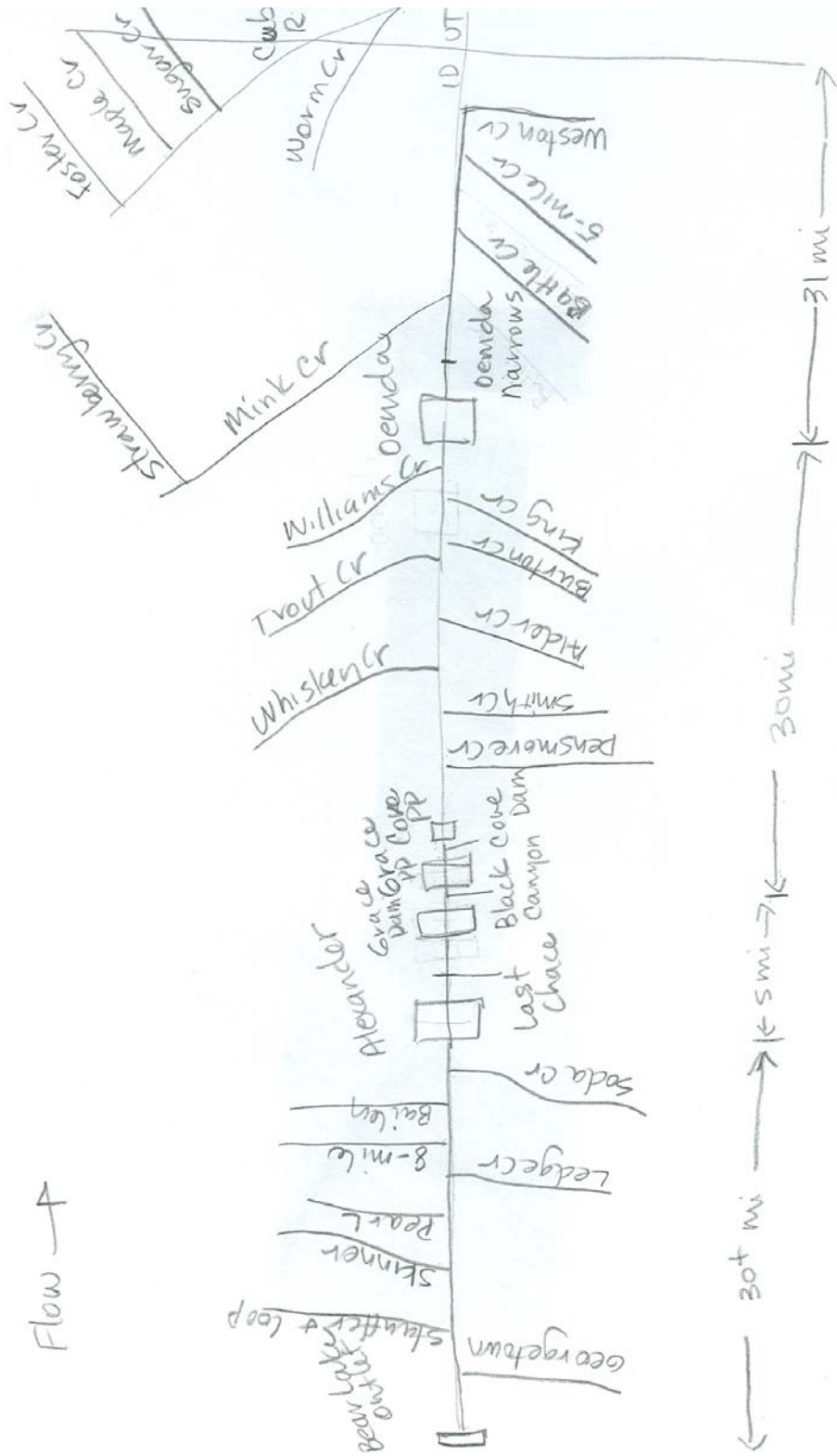


Diagram of Bear River Watershed
(From whiteboard)