

Final Notes
ECC Conference Call
Debriefing on PacifiCorp's Conference Call
with Idaho Water Resources Board
September 21, 2004

ECC Members Participating:

Monte Garrett, PacifiCorp's Environmental Coordinator
Marv Hoyt, Greater Yellowstone Coalition
Deb Mignogno, US Fish and Wildlife Service
Mary Lucuchick, Idaho Department of Parks and Recreation
Jim Capurso, US Forest Service
Jenna Borovansky, Idaho Rivers United
Lynn Van Every, Idaho Department of Environmental Quality

Others Participating

Scott Pratt, PacifiCorp
Eve Davies, PacifiCorp
Miriam Hugentobler, Project Coordinator

Prior to the Start of the Conference Call

Deb Mignogno told the group about a possible source of matching funds for habitat restoration, called 206 Funding, which is administered by Army Corps of Engineers. Under 206, ACOE pays 65 to 75 percent of a project and the nonfederal match is 25 to 35 percent. Mignogno also said she has been checking on dam decommissioning projects across the country, and when they estimate cost for decommissioning it is usually high.

PacifiCorp's Conference Call with Idaho Water Resources Board

The purpose of this conference call was to debrief ECC members about a conference call between PacifiCorp and the Idaho Water Resources Board on September 20, 2004. Participating in that call were engineers and a financial analyst from PacifiCorp, staff of Idaho Water Resources Board, including Hal Anderson, Bill Endrichen, Dan Tomich, and Phil Rassier (legal counsel). Others participating were Harriet Hensley (State Attorney General's Office), and ECC members Jim Mende (Idaho Department of Fish and Game) and Lynn Van Every (Idaho Department of Environmental Quality).

The Idaho Water Resources Board (WRB) is a water development agency with a policy of no net loss of hydroelectric resources. Garrett said they had limited understanding of Cove Decommissioning and wanted more information from PacifiCorp, which was the purpose of that call.

The WRB inquired about maintaining generating capacity at Cove, or “mothballing” the dam rather than decommissioning. Garrett said he told the WRB that mothballing was an untested option and would not meet the ECC’s accompanying goal of establishing connectivity in the Bear River.

The WRB then asked about establishing connectivity with the dam in place. Garrett said that option was included in the feasibility study, but would be significantly more expensive and PacifiCorp would rather not implement an option that may complicate operations of the accompanying Grace plant.

The group then reviewed economic considerations in operating Cove. Garrett told the WRB that the Cove Development alone operates in the red. Given its age and limited capacity, it is not a profitable business case. A rebuild of the flume would not pay for itself. However, decommissioning the project is an even worse economic proposition. But, if mitigation funds were used to decommission, the choice between operation and decommissioning is about a wash with decommissioning slightly more favorable in a customer cost-benefit analysis. PacifiCorp engineers indicated to the WRB that the cost of rebuilding the flume is estimated to exceed \$8 million, which is more than twice as much as the cost of decommissioning.

The WRB asked what the decommissioning process would entail, process-wise. Garrett told them decommissioning would likely be an open, public process in which any party may intervene. If decommissioning is the preferred alternative backed by a large contingent of public agencies and private parties (e.g., the ECC), then environmental analysis would likely result in a decision to favor that preferred alternative (e.g., it’s in the public interest).

The WRB told Garrett they will not interfere with the ECC process, they just wanted more information. Garrett told the WRB they may attend ECC meetings at any time.

Lynn Van Every added that it was evident from the tone of the conversation that the WRB in no way was asserting undue influence over the state agencies involved in the ECC. He said Harriet Hensley said the state agencies should all work within their mandates. Van Every also said he believes the WRB won’t sit on their hands during the public process. The WRB has a mandate to assure that no good generating capacity is lost.

Van Every said the WRB seemed interested in something besides breaching the dam or getting rid of it completely, such as mothballing, but rebuilding the project later does not really make sense.

Garrett added that later rebuilding of the project would not be in the interest of PacifiCorp’s customers or contribute to the goals of the ECC.

Marv Hoyt left the conference call.

Mignogno said she has been talking with her solicitor about decommissioning. He researched decommissioning projects across the country and found that in general, it looks like rivers recover more quickly than imagined.

Garrett said he expects American Fork to recover well and looks forward to completing that project.

Mignogno asked whether dam decommissioning would affect the Settlement Agreement.

Garrett said PacifiCorp has no intention of changing the Settlement Agreement.

Facilitation of ECC Meetings

Garrett brought up the issue of using a facilitator at future ECC meetings. The ECC agreed to use a facilitator through September and Garrett asked whether they would like to continue.

Jim Capurso said he thought the ECC would be okay without a facilitator and would like to try meeting without one. Mary Lucachick, Deb Mignogno, and Lynn Van Every agreed.

Garrett said he felt the group still needed some help with the Cove process. He told ECC members that Scott Pratt, a PacifiCorp employee, is a trained facilitator. Garrett asked Pratt if he would be willing to facilitate meetings. Pratt said he would if everyone agreed.

Jenna Borovanksy said she would feel comfortable with Pratt. Lucachick said she thought there was not a lot of facilitation going on at the last meeting, and that it was more a matter of keeping the meetings on track. Mignogno agreed. It was generally agreed by ECC members attending the conference call that Scott Pratt would facilitate the next meeting. Future facilitation needs may be addressed after that time.

Garrett thanked ECC members for their participation and said if any concerns arise, please contact him.