

6-18-08 Conference Call Summary – *Approved 7-16-08*
RESOURCE COORDINATION COMMITTEE (RCC)
NORTH UMPQUA HYDROELECTRIC PROJECT- FERC #1927-008

RCC Members or Alternates Present

Dave Harris (ODFW)
Pam Sichting (USDA-FS)
Craig Kohanek (OWRD)
Ed Meyer (NMFS)
Chris Stine (ODEQ)
Monte Garrett (PacifiCorp Energy)

Also Present

Beth Bendickson (PacifiCorp Energy)
Rich Grost (PacifiCorp Energy)
Mary Grainey (OWRD)

Absent

Craig Tuss (USFWS) – proxy given to Pam Sichting
Ariel Hiller (BLM)
John Ouimet (USDA-FS)

INTRODUCTIONS, AGENDA, OLD BUSINESS

Member Updates – *none noted.*

Public Information Opportunities - The video will be shown to the Rotary Club in August.

Soda Springs Alternative Evaluation Process

Monte Garrett provided a review of past communications and the planned process for evaluating a potential alternative to fish passage at Soda Springs dam. In December 2007, Stillwater Sciences provided a PowerPoint presentation consisting of a preliminary analysis of the benefits of providing passage at Soda Springs dam compared with on-site and off-site habitat enhancement actions. This was based on information collected prior to the settlement agreement as well as new information collected through studies and evaluations since implementation began in 2001. Stillwater argued that there were greater benefits accruing to fish and other species from habitat enhancement than building fish passage facilities at the dam. PacifiCorp management (Mark Sturtevant and Randy Landolt) provided direction to present this analysis to the settlement parties for the purpose of determining if a compelling case exists to modify the settlement agreement. PacifiCorp's goal in this is to make the 'right' decision. The company does not want to build the passage facilities if a better solution can be agreed upon. However, if a peer review of a detailed biological analysis results in a decision to continue building fish passage facilities, then fish passage at Soda Springs dam is the right thing to do. This process will demonstrate prudence and illustrate the company's best efforts in the use of ratepayer money for the purpose of a rate case to the PUC. While the process proceeds in evaluating and reaching a decision regarding this information, completion of the fish passage facility design and plans for construction on schedule will proceed, as agreed to by the settlement parties.

PacifiCorp presented this information first to certain Policy Group representative, because it was felt that direction was needed at that level. If there was not interest in pursuing this by parties with licensing conditioning authority (NMFS, USFS, USFWS, ODFW), then PacifiCorp intended to end the inquiry immediately. However, Policy Group representatives that were approached indicated their willingness to listen to an evaluation of this information. Although PacifiCorp first felt that this could be resolved by the settlement parties, the Policy Group confirmed during a conference call in May that the public must also be engaged in this review process. Therefore, the first step in this process is a public RCC meeting (July 14), facilitated by Lois Schwennesen, which will plan the process of conducting the peer review process and sanction a TWG to participate in the review of this information.

PacifiCorp is not advocating an alternative to fish passage at this point. PacifiCorp does not have a substantive proposal on the table; rather, PacifiCorp is proposing a process for peer review of information, conducted in a workshop (tentatively in August) and led by Stillwater Sciences. A biological analysis will be developed by Stillwater and distributed prior to the meeting. An independent panel of 3-4 scientists will evaluate the information at a two-day workshop and provide their suggestions and recommendations. A short report prepared by the science panel after the workshop will summarize the conclusions and serve as a basis for the TWG's recommendations to the RCC. Follow-up meetings will include the RCC's developing recommendations for the Policy Group, so that an informed decision can be reached regarding fish passage at Soda Springs dam or an alternative. The Policy Group will determine if there is a compelling case to change the Settlement Agreement. If so, the Policy Group will set a schedule for negotiation. Signatories to the settlement agreement and potentially any other interested parties will negotiate in good faith to develop this proposal that will be filed with FERC as a proposed amendment to the settlement agreement and license. Should the process get that far, it is anticipated that additional NEPA steps will be necessary, including a full public scoping. It should be noted that the process may end at any time, and the parties can resume implementing current requirements of the settlement agreement.

At the public meeting, the agenda will allow for RCC members to get up and speak about how they feel about the process. The meeting will be announced in local Roseburg paper. The USDA-FS provided several lists to notify of the public meeting. A mailing of the meeting announcement will go out from PacifiCorp to individuals and organizations in the basin that have shown an interest in these issues and may be able to provide meaningful input at the meeting. The contact list for that mailing will be distributed to the RCC prior to the mailing. PacifiCorp encourages other parties to make additional contacts that they feel may be important. The meeting agenda and proposed process will be distributed to the RCC soon.

Monte opened it up for RCC questions or comments. Pam Sichting asked clarifying questions regarding the two-day workshop. Monte repeated the workshop formation/description: Lois Schwennesen would be facilitating the workshop; 3-4 scientists would review the information provided. The science panel will prepare a report upon which the TWG would base their recommendations to the RCC. Due to limited space and logistics at the workshop, only one or two people from each party/group may be able to attend. Pam also inquired about Stillwater's biological analysis. Until the analysis is completed and distributed, substantive parts of the presentation are not clear and the RCC needs to understand the information to direct the TWG. Mary Grainey asked about the scope the biological analysis has - are they talking about just fish, or other parts of the ecological

system? Monte said mostly about fish, but Stillwater's PowerPoint presentation included benefits to wildlife and water quality as well. Mary requested to see the slide show. Ed Meyer asked how we're going to work out the proposal where FERC doesn't have jurisdiction outside the FERC project boundary. Monte mentioned that FERC may include it as they have other in other licenses, albeit FERC has been inconsistent in the manner of exerting jurisdiction over areas affected by license requirements. Ed said the scientific panel worries him because they may know nothing about the FERC process. It may be worthwhile to have a conference call with FERC (and any RCC interested parties) about an amendment that would include both in/out of project boundary. It may be good to have fish passage specialists on the in the TWG (not just biologists). Pam asked if the RCC was going to get to see the proposal beforehand (slide show) because not all RCC members have actually heard what was being proposed. Monte said yes. He also said that the focus of the public meeting is about the process, not about any substance. The substance will be the focus of the workshop and peer review process.

RCC Action: About a week prior to the meeting, Monte will send to the RCC the agenda, process paper, public announcement, and cover paper to the public announcement, along with a contact list for mailing.

RCC Action: Finalize and approve May 21 meeting summary

The summary will be considered finalized and approved pending review by Ed Meyer, who didn't have a chance to review it before the meeting. Ed will send comments, if any, to Beth Bendickson.

PUBLIC COMMENTS - *None at this time.*

CURRENT PROJECT UPDATES

Fish Creek (Screens and Canal Shutoff & Drainage)

The CSD test has been rescheduled to June 25 at 9:00 am. Hydraulic testing by R2 has begun. The biological evaluation will happen in 2009.

Macro-invert Ladder – No work can be done until snow melts off the access road.

Slide Creek Diversion Instream Flow Facility

There was another series of tests that have helped define operation parameters. An additional modification is being made after which the system is expected to be functional. If additional ramping modifications are necessary for further testing, the RCC will be notified in advance as usual.

Soda Springs Tailrace Barrier – Hydraulic evaluation is postponed again due to flows increasing beyond the appropriate range, but will occur when flows drop back into the target range.

TECHNICAL WORKING GROUP (TWG) PROJECT UPDATES

FHS (Fish Habitat Studies) – The TWG recently got a financial surprise from the ODFW that affects the 19.2 fund for 2007 and into the future, and required a hard look at the budget and personnel needs. In 2007, we had a \$237,000 RCC allowance (including two ODFW personnel for long term monitoring, etc.). The end of year balance was \$11,000 below the allowance, but unanticipated ODFW indirect costs of about \$25,000 more put us \$14,000 over budget. For 2008, the ODFW indirect costs are about \$35,000 and coupled with the 2007 overspend and some small estimating discrepancies, we've overextended the 2008 budget by about \$30,000 (after already dropping \$30,000 from the budget planned for using Stillwater this year for predator study support). We're appealing to ODFW to waive the indirect costs, with rationale including that this is a cooperative program, and that this fund has already donated a \$40,000 electrofishing boat to ODFW. Dave Harris said he was naive in setting up his budget and was only recently informed by his fiscal folks that he needed to add indirect costs. He spoke to his supervisor about waiving the indirect costs; it has been done in the past and may be able to be done however, it may be very difficult.

Rich Grost recommended that the RCC put together a joint request to ODFW to waive their indirect costs. This would get us back into the black. He considers it a virtual necessity to have at least one full-time ODFW position dedicated to the 19.2 project. He asked Dave if a joint request would help. Dave will research this a bit more to see what advice he can get. He'll make this a top priority. If it fails, the RCC will have to approve spending an additional \$14,000 for 2007 work by ODFW, and carefully re-evaluate the 2008 budget.

Rich said that the flip side of the budget crisis is that the SA 19.2 plan of work anticipated needing more people than are currently funded for several weeks of intense summer fish population estimates scheduled to start this summer.

RCC Action: Once Dave gets back to us on whether it would be useful to have a joint request in hopes of helping to get the indirect costs waiver, Monte will put something together to get to Dave.

FPD (Fish Passage Design)

Soda Springs Fish Passage Design: Permitting-wise, there is plenty of time but Bob Lobdell (DSL) indicated that a permitting decision would be made by the end of this month. Merina Christoffersen (ACoE) is awaiting the 404 certification from ODEQ.

The model of the bypass system transition will be ready for showing in early August (Aug 4-6, or Aug 13 as a back-up). Pam suggested Monte send note out to the TWG and he agreed to do so to schedule a TWG model visit to the ENSR lab in Redmond, WA.

F&R (Flows & Ramping) - FERC approved the revised Flow Monitoring Plan on June 4.

CSD (Canal Shut off & Drainage)

14.2 Clearwater 2: Construction is scheduled to start date mid August.

14.2 Lemolo 2: Monte suggested a kick-off site visit. He'll send out an invitation for the proposed date of July 17.

Lemolo Reservoir: The one-time experimental water management proposal for 2008 was discussed at the last TWG meeting. The TWG considers it a better water management option (in terms of improving water quality) than staying with the standard SA-required water management restrictions, and so requests that the RCC support the proposal.

RCC Action: The TWG-recommended Lemolo Reservoir Management Experimental Proposal was approved today by the RCC.

Mary Grainey asked if any other treatments for blue green algae were discussed. Rich Grost said that many alternatives were discussed and considered less useful or too expensive or slow to initiate this year. Examples include mechanical mixers and/or intake modifications which would require more money up front than what's available. Fertilization would likely require a multi-year NEPA and DEQ process for permitting.

Monitoring effort: The USDA-FS is doing standard public health blue green algae monitoring. In June, they found 96 cells per milliliter (a trace amount). 100,000 cells per milliliter (or visible scums along the shore) is the threshold that triggers a public health notice.

ODFW secured \$15,000 in funding for brown trout enhancement/monitoring and is using Lemolo Resort support staff for trap netting on the reservoir to monitor brown trout and tui chub. They're also actively removing the tui chub. The good news is it was set in thirty minutes. The bad news is they found about 2,500 large tui chub with males ready to spawn. No brown trout were seen. Scott Lamb has decided to set the net each day.

PacifiCorp and the USDA-FS are jointly funding a comprehensive program of water quality monitoring by MaxDepth Aquatics to learn more about the roles of reservoir hydrology, inflows, outflows, and weather on the dynamics of BGA blooms. The plan is for approximately equal contributions of \$20,000 each to cover field work, analysis, model revision, and scenario evaluations to aid in longer-term decisions regarding reservoir management.

The next RCC Conference Call is scheduled for July 16, 10:00 AM

Adjourn