

# Lewis River Hydroelectric Projects

*FERC Project Nos. 935, 2071, 2111, 2213*



North Fork Lewis River Mile 13.5

## 2019 Annual Report

*Lewis River Aquatic Fund Projects*



March 2019

## Introduction

This 2019 Annual Report prepared by PacifiCorp and the Public Utility District No. 1 of Cowlitz County, Washington (“Cowlitz PUD”) (collectively the “Utilities”) is provided to the Lewis River Settlement Agreement Parties to fulfill the reporting requirement in Article 7.5.3.2 (5) of the Lewis River Settlement Agreement (SA). This report identifies the actions and selection of Aquatic Resource Projects (Resource Projects) to be funded from the Lewis River Aquatic Fund established under terms of the SA (Article 7.5, see **Appendix A**). Although the funding process was managed by the Utilities, the Aquatic Coordination Committee (ACC) provided final approval of funded projects. This report includes only Resource Projects selected from the 2018/2019 funding process, additional projects are expected to be selected and funded annually following the process established by the ACC.

This 2019 report is available to the Public on PacifiCorp’s website at:

<http://www.pacificorp.com/es/hydro/hl/lr.html#>

License Implementation > Reports > Lewis River Aquatic Fund Annual Reports

Copies of this report are available from PacifiCorp upon request.

## Background

PacifiCorp owns the Merwin, Yale, and Swift No. 1 hydroelectric projects on the Lewis River in southwest Washington. Cowlitz PUD owns the Swift No. 2 hydroelectric project, also located on the Lewis River. These projects are operated as a coordinated system by PacifiCorp. On November 30, 2004, the Lewis River Settlement Agreement established the Lewis River Aquatics Fund (Fund). The purpose of the Fund is to support resource protection measures through funding aquatic related projects in the Lewis River basin.

As identified in the SA:

*“Resource Projects may include, without limitation, projects that enhance and improve wetlands, riparian, and riverine habitats; projects that enhance and improve riparian and aquatic species connectivity that may be affected by the continued operation of the hydroelectric projects; and projects that increase the probability for a successful reintroduction program upstream of Merwin Dam. Species that are targeted to benefit from Resource Projects include Chinook, steelhead, coho, bull trout, chum, and sea-run cutthroat.”*

Under the direction of the SA, the Utilities in Consultation with the ACC developed the “Aquatics Fund -- Strategic Plan and Administrative Procedures” (September 2005 – Revised January 2009, September 2013, August 2016 and August 2017). This strategic plan provides: (a) a guide to Resource Project development, solicitation, and review; and (b) provides administrative procedures to guide implementation of the Aquatics Fund.



The strategic plan is available to the Public on PacifiCorp's website at: [http://www.pacificorp.com/content/dam/pacificorp/doc/Energy\\_Sources/Hydro/Hydro\\_Licensing/Lewis\\_River/li/acc/08252017\\_LR\\_FINAL\\_Rev\\_AQ\\_Process\\_Doc.pdf](http://www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/Hydro/Hydro_Licensing/Lewis_River/li/acc/08252017_LR_FINAL_Rev_AQ_Process_Doc.pdf)

On August 31, 2018, PacifiCorp announced the availability of calendar year (CY) 2018/2019 funds for aquatic related projects in the Lewis River Basin (Letter to interested parties from T. Olson, PacifiCorp, see **Appendix B**). The letter requested that individuals or parties interested in obtaining project funding submit a Pre-Proposal to PacifiCorp. Pre-Proposals were due by September 28, 2018.

In response to the announcement letter, one entity provided the following one (1) project Pre-Proposal.

Applicant	Project Title
USDA Forest Service	Lewis River 21 Phase III

On October 1, 2018, PacifiCorp requested the ACC representatives each submit an Evaluation Criteria document by the due date of October 10, 2018, (Email to ACC from McCune – PacifiCorp, see **Appendix C**).

On October 11, 2018, the ACC selected the USDA Forest Service - Lewis River 21 Phase III project to move forward to full proposal, however, a number of ACC representatives were not in attendance. To accommodate those ACC representatives not in attendance, the Utilities provided an additional 7-day comment period until October 19, 2018, see **Appendix D**. Shortly thereafter, PacifiCorp notified the project sponsor and requested additional information to be included with the full proposal by February 1, 2019, see **Appendix E**.

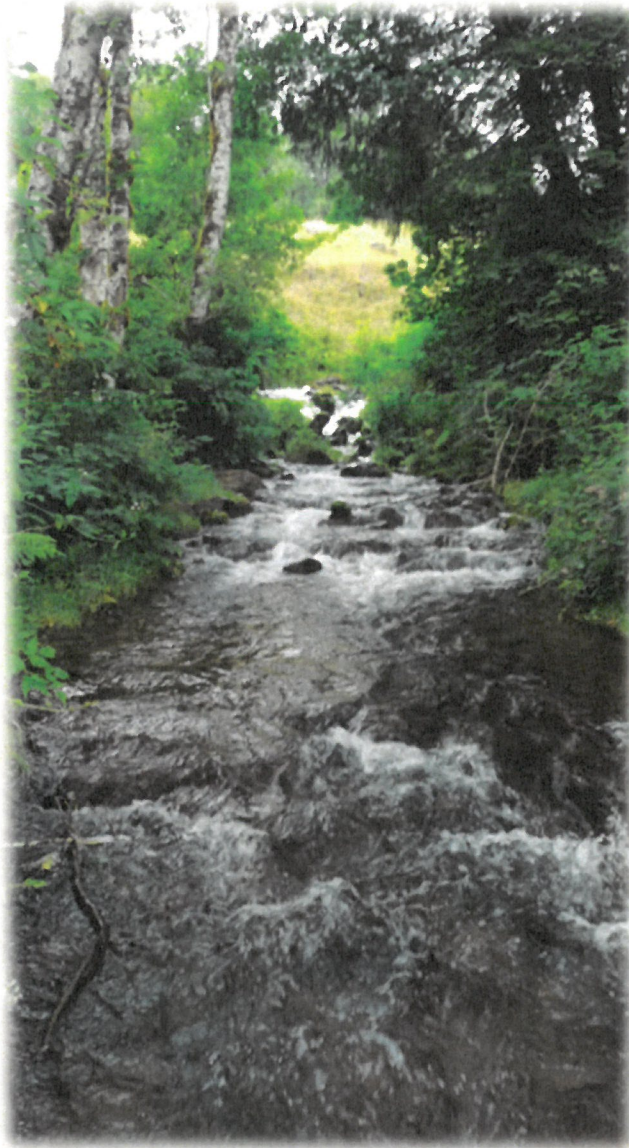
Shortly thereafter, the project sponsor was invited to provide a PowerPoint presentation and opportunity to address and additional ACC and TCC questions at the December 12, 2018 ACC meeting.

On December 6, 2018 the ACC received an email from the USDA Forest Service stating they would like to withdraw their Lewis River 21 Phase III project proposal for the 2019 Aquatic Funding cycle, see **Appendix F**.

The Utilities followed up with the ACC attendees at the December 13, 2018 ACC Meeting and the ACC agreed that the USDA Forest Service project titled, Lewis River 21 Phase III will be considered a new project if there is a resubmittal for the 2019/2020 funding cycle. The ACC decisions have been captured in the December 13, 2018 ACC Meeting Notes.

## **Conclusion**

According to SA article 7.5.3.2 (5), any ACC member may initiate the Alternative Dispute Resolution Procedures to resolve disputes relating to Resource Projects 30 days after receiving this final report. If no disputes are identified, PacifiCorp and Cowlitz PUD will provide funds to the identified project owners to implement Resource Projects per SA article 7.8.





**APPENDIX A**  
**LEWIS RIVER SETTLEMENT AGREEMENT ARTICLE 7.5**

7.5 Aquatics Fund. PacifiCorp Energy and Cowlitz PUD shall establish the Lewis River Aquatics Fund ("Aquatics Fund") to support resource protection measures ("Resource Projects"). Resource Projects may include, without limitation, projects that enhance and improve wetlands, riparian, and riverine habitats; projects that enhance and improve riparian and aquatic species connectivity that may be affected by the continued operation of the Projects; and projects that increase the probability for a successful reintroduction program. The Aquatics Fund shall be a Tracking Account maintained by the Licensees with all accrued interest being credited to the Aquatics Fund. PacifiCorp Energy shall provide \$5.2 million, in addition to those funds set forth in Section 7.1.1, to enhance, protect, and restore aquatic habitat in the Lewis River Basin as provided below. Cowlitz PUD shall provide or cause to be provided \$520,000 to enhance, protect, and restore aquatic habitat in the Lewis River Basin as provided below; provided that Cowlitz PUD's funds may only be used for Resource Projects upstream of Swift No. 2, including without limitation the Bypass Reach. The Licensees shall provide such funds according to the schedules set forth below.

7.5.1 PacifiCorp's Contributions.

a. PacifiCorp shall make funds available as follows: on each April 30 commencing in 2005, \$300,000 per year until 2009 (a total of \$1.5 million).

b. For each of the Merwin, Yale, and Swift No. 1 Projects, PacifiCorp shall make one-third of the following funds available as follows after the Issuance of the New License for that Project: on each April 30 commencing in 2010, \$300,000 per year through 2014 (a total of \$1.5 million); on each April 30 commencing in 2015, \$100,000 per year through 2018 (a total of \$400,000); and on each April 30 commencing in 2019, \$200,000 per year through 2027 (a total of \$1.8 million); provided that, for any New License that has not been Issued by April 30, 2009, the funding obligation for that Project shall be contributed annually in the same amounts but commencing on April 30 following the first anniversary of Issuance of the New License for that Project.

c. PacifiCorp shall contribute \$10,000 annually to the Aquatics Fund as set forth in Section 7.1.1.

7.5.2 Cowlitz PUD's Contributions. Cowlitz PUD shall make or cause to be made funds available as follows: \$25,000 per year on each April 30 following the first anniversary of the Issuance of the New License for the Swift No. 2 Project through the April 30 following the 20<sup>th</sup> anniversary of the Issuance of the New License for the Swift No. 2 Project (a total of \$500,000); and a single amount of \$20,000 on the April 30 following the 21<sup>st</sup> anniversary of the Issuance of the New License for the Swift No. 2 Project.

7.5.3 Use of Funds. Decisions on how to spend the Aquatics Fund, including any accrued interest, shall be made as provided in Section 7.5.3.2 below; provided that (1) at least \$600,000 of such monies shall be designated for projects designed to benefit bull trout according to the following schedule: as of April 30, 2005, \$150,000; as of April 30,



2006, \$100,000; as of April 30, 2007, \$150,000; as of April 30, 2008, \$100,000; and on or before the April 30 following the fifth anniversary of the Issuance of all New Licenses, \$100,000; and such projects shall be consistent with bull trout recovery objectives as determined by USFWS; (2) fund expenditures for the maintenance of the Constructed Channel (Section 4.1.3) shall not exceed \$20,000 per year on average; (3) if studies indicate that inadequate “Reservoir Survival,” defined as the percentage of actively migrating juvenile anadromous fish of each of the species designated in Section 4.1.7 that survive in the reservoir (from reservoir entry points, including tributary mouths to collection points) and are available to be collected, is hindering attainment of the Overall Downstream Survival standard as set forth in Section 3, then at least \$400,000 of such monies shall be used for Resource Projects specifically designed to address reservoir mortality; and (4) \$10,000 annually shall be used for lower river projects as set forth in Section 7.1.1. Projects shall be designed to further the objectives and according to the priorities set forth below in Section 7.5.3.1.

7.5.3.1 Guidance for Resource Project Approval and Aquatics Fund Expenditures.

a. Resource Projects must be consistent with applicable Federal, State, and local laws and, to the extent feasible, shall be consistent with policies and comprehensive plans in effect at the time the project is proposed. These may include, but are not limited to, Washington’s Wild Salmonid Policy, the Lower Columbia River Bull Trout Recovery Plan, and the Lower Columbia River Anadromous Fish Recovery Plan.

b. The Aquatics Fund shall not be used to fund Resource Projects that any entity is otherwise required by law to perform (not including obligations under this Agreement or the New Licenses for use of the Aquatics Fund), unless by agreement of the ACC.

c. The Licensees shall evaluate Resource Projects using the following objectives:

(1) benefit fish recovery throughout the North Fork Lewis River, with priority to federal ESA-listed species;

(2) support the reintroduction of anadromous fish throughout the Basin; and

(3) enhance fish habitat in the Lewis River Basin, with priority given to the North Fork Lewis River.

For the purposes of this Section 7.5, the North Fork Lewis River refers to the portion of the Lewis River from its confluence with the Columbia River upstream to the headwaters, including tributaries except the East Fork of the Lewis River.

The Licensees shall also consider the following factors to reflect the feasibility of projects and give priority to Resource Projects that are more practical to

implement:

- (i) Whether the activity may be planned and initiated within one year,
- (ii) Whether the activity will provide long-term benefits,
- (iii) Whether the activity will be cost-shared with other funding sources,
- (iv) Probability of success, and
- (v) Anticipated benefits relative to cost.

#### 7.5.3.2 Resource Project Proposal, Review, and Selection.

(1) By the first anniversary of the Effective Date, the Licensees shall develop, in Consultation with the ACC, (a) a strategic plan consistent with the guidance in Section 7.5.3.1 above to guide Resource Project development, solicitation, and review; and (b) administrative procedures to guide implementation of the Aquatics Fund. Both may be modified periodically with the approval of the ACC.

(2) Any person or entity, including the Licensees, may propose a Resource Project. In addition, the Licensees may solicit Resource Projects proposals from any person or entity.

(3) The Licensees shall review all Resource Project proposals, applying the guidance set forth in Section 7.5.3.1. The Licensees shall provide an annual report describing proposed Resource Project recommendations to the ACC. The date for submitting such report shall be determined in the strategic plan defined in subsection 7.5.3.2(1) above. The report will include a description of all proposed Resource Projects, an evaluation of each Resource Project, and the basis for recommending or not recommending a project for funding.

(4) The Licensees shall convene a meeting of the ACC on an annual basis, no sooner than 30 days and no later than 60 days after distribution of the report set forth in Section 7.5.3.2(2), for Consultation regarding Resource Projects described in the report.

(5) Licensees shall modify the report on proposed Resource Projects, based on the above Consultation, and submit the final report to the ACC within 45 days after the above Consultation. Any ACC member may, within 30 days after receiving the final report, initiate the ADR Procedures to resolve disputes relating to Resource Projects. If the ADR Procedures are commenced, the Licensees shall defer submission of the



final report on Resource Projects to the Commission, if necessary, until after the ADR Procedures are completed. If the ADR Procedures fail to resolve all disputes, the Licensees shall provide the comments of the ACC to the Commission. If no ACC member initiates the ADR Procedures, the Licensees shall submit the final report to the Commission, if necessary, within 45 days after submission of the final report to the ACC.

**APPENDIX B**

MEMORANDUM DATED AUGUST 31, 2018

LETTER TO INTERESTED PARTIES FROM T. OLSON, PACIFICORP  
AVAILABILITY OF FUNDS FOR AQUATIC RELATED PROJECTS



August 31, 2018

**Subject: Availability of Funds for Aquatic Related Projects in the Lewis River Basin**

Dear Interested Party:

PacifiCorp owns the Merwin, Yale, and Swift No. 1 hydroelectric projects on the Lewis River in southwest Washington. Public Utility District No. 1 of Cowlitz County, Washington (Cowlitz PUD) owns the Swift No. 2 hydroelectric project, also located on the Lewis River. These projects are operated as a coordinated system. On November 30, 2004, the Lewis River Settlement Agreement established the Lewis River Aquatics Fund (Fund). On June 26, 2008, the Federal Energy Regulatory Commission acknowledged this fund as a stipulation of project operating licenses. The purpose of the Fund is to support resource protection measures via aquatic related projects (Projects) in the Lewis River basin. The Projects are evaluated for funding according to the following objectives as specified in the project operating licenses and the SA:

- (1) *Benefit to fish recovery throughout the North Fork Lewis River, with priority to federal ESA-listed species;*
- (2) *Support of the reintroduction of anadromous fish throughout the Basin; and*
- (3) *Enhancement to fish habitat in the Lewis River Basin, with priority given to the North Fork Lewis River.*

This letter is to provide you the opportunity to submit proposals for Resource Project funding. The total Fund amount available this year is limited to \$2,136,009.17 for Resource Projects and \$748,666.30 for Bull Trout Projects. If you know of other entities that may have an interest in seeking funding, please forward this opportunity to them.

The Aquatic Fund Subgroup to the Aquatic Coordination Committee completed a Lewis River Aquatic Fund Priority Reaches (Priority Reaches, **Attachment B**) document which provides priority rankings for stream reaches within the Lewis River watershed. The Priority Reaches document is aligned with the Lower Columbia Fish Recovery Board (LCFRB) Interactive map which is found on their website at [www.lowercolumbiasalmonrecovery.org/mappage](http://www.lowercolumbiasalmonrecovery.org/mappage). The interactive maps provide a wealth of information that should help project proponents in selecting areas to focus their habitat improvement efforts. For consideration of funding the proponent must demonstrate that they have reviewed both the Priority Reaches and the LCFRB Interactive map and selected appropriate projects/reaches from those two tools. Additionally, proponent must show how proposed project is consistent with fund objectives and priorities. Projects proposed in reaches other than those identified in the Priority Reaches document or high priority reaches in the LCFRB habitat strategy (Tier 1 and Tier 2) are unlikely to advance to the full proposal stage without clear explanation of why they still support Lewis River Aquatic Fund goals.

To be consistent with certain comprehensive plans such as the *Lower Columbia Salmon Recovery Plan* and the *Washington Department of Fish & Wildlife Subbasin Plan (LCFRB 2010)* relating to Lewis River reintroduction efforts and the recovery of ESA listed threatened salmon and steelhead species, higher priority will be given to Resource Projects that provide benefits to Recovery Plan priority fish species and stocks reintroduced to or originating from upstream of Merwin Dam, with emphasis on Spring Chinook. Resource Projects must have specific objectives and expected outcome(s) that help attain the purposes of the Aquatic Fund.

Bull Trout Project funding is available this year and we invite you to review the December 2017 Bull Trout project identification assessment. Proposals will be evaluated according to alignment with the assessment.

[http://www.pacificorp.com/content/dam/pacificorp/doc/Energy\\_Sources/Hydro/Hydro\\_Licensing/Lewis\\_River/li/acc/Bull\\_Trout\\_LewisRiver\\_ACC\\_Distributed.pdf](http://www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/Hydro/Hydro_Licensing/Lewis_River/li/acc/Bull_Trout_LewisRiver_ACC_Distributed.pdf)

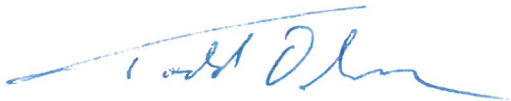
The selection of Resource Projects will be conducted in two phases. To be considered, applicants must submit a completed Pre-Proposal Form (see **Attachment A** for Form) by close of business **September 28, 2018** and obtain acknowledgement from all owners of land needed to access the proposed Resource Project. Landowner(s) must sign a Landowner Acknowledgement Form (**Attachment C** for Form) indicating they are aware that the project is being proposed on their property.

Pre-Proposals will be evaluated for further consideration using **Attachment D, Section A** for evaluation criteria. If selected, applicants will be notified in early November, and be requested to submit a Full Proposal by **February 1, 2019**. Full Proposals will be evaluated using Attachment D, Sections B – E, and should address any comments or concerns noted by the ACC during the Pre-Proposal evaluation. Should concerns be noted regarding the fit of the Resource Project to goals and objectives, it is at the risk of the proponent to continue on after review of evaluator feedback. The proponent should also be prepared to respond to each comment in the final proposal. The Utilities and representatives of the Lewis River Aquatic Coordination Committee will finalize the list of successful Resource Projects in mid-March 2019. Shortly thereafter the Utilities will submit the final list to the Federal Energy Regulatory Commission to meet the submittal deadline of April 15, 2019 (see **Attachment E** for Funding Process Timeline) and notify proponents.

Please give attention to this excellent opportunity. If you have any questions please contact Mr. Erik Lesko, PacifiCorp (503) 813-6624.

We look forward to your response in September.

Sincerely,



Todd Olson  
Director, Compliance Hydro Resources



<b>Encl:</b>	Attachment A – Pre-proposal Form
	Attachment B – Lewis River Aquatic Fund Priority Reaches
	Attachment C – Landowner Acknowledgement Form
	Attachment D – Evaluation Criteria
	Attachment E – Funding Process Time Line

**APPENDIX C**

EMAIL DATED OCTOBER 1, 2018

EMAIL TO ACC FROM K. McCUNE – PACIFICORP

2018/2019 AQUATIC FUND PREPROPOSAL EVALUATION DUE OCTOBER 1, 2018

## McCune, Kimberly

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**From:** McCune, Kimberly  
**Sent:** Monday, October 01, 2018 11:13 AM  
**To:** Adam Cole; Amanda Froberg; Amelia Johnson; Asher, Eli; Bob Rose; Brice Crayne; Bryce Glaser; Bryce Michaelis; Daniel Rawding; David Howe; Denise Smee; Doyle, Jeremiah; Ed Meyer; Ferraiolo, Mark; Greg Robertson; Hudson, Michael; James Byrne; James H Malinowski; Jonathan Stumpf; Joshua Ashline; 'Kale Bentley'; Karchesky, Chris; Kelley Jorgensen; Lesko, Erik; Mariah Stoll-Smith Reese; Morgan, David; Nathan Reynolds; Olson, Todd; Peggy Miller; Pienovi, Levi; Rhidian Morgan; Roberts, Aaron; 'Ruth Tracy'; Sam Gibbons; Samuel Kolb; Serdar Carol; Steve Manlow; Steve West; Taylor Aalvik; Tim Romanski; Tom Wadsworth; Weatherly, Briana; Wendy McDermott; Whitesel, Timothy  
**Subject:** RESPONSE REQUESTED: 2018/2019 Aquatic Fund Preproposal Evaluation due October 10, 2018  
**Attachments:** 08312018 LR - E\_Attachment E Aquatics Fund Process Timeline.docx; 09282018 LR21\_PhaseIII\_PreProposal\_Final.pdf; 10012018 - ACC Lewis River AQ Fund evaluation (208-2019).xls; 08312018 LR - D\_Attachment D Eval Criteria.doc  
**Importance:** High

Attn: ACC Representatives

Please be advised that the Utilities received one (1) Pre-proposal (attached) by the due date of September 28, 2018.

In accordance with the Process Timeline, we request that Utility and ACC representatives each submit an Evaluation Criteria document via email to my attention **no later than close of business Wednesday, October 10, 2018**. At the ACC Meeting Thursday, October 11, 2018 we will discuss the evaluations and select if the pre-proposal goes forward for further consideration.

Thank you.

**Kimberly McCune**  
Sr. Business Administrator  
PacifiCorp – Hydro Resources  
825 NE Multnomah St., Suite 1500  
Portland, OR 97232  
Ph: (503) 813-6078



**APPENDIX D**

EMAIL DATED OCTOBER 11, 2018

EMAIL TO ACC FROM K. McCUNE – 2018/2019 AQUATIC FUND

7-DAY REVIEW PERIOD

## McCune, Kimberly

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**From:** McCune, Kimberly  
**Sent:** Thursday, October 11, 2018 2:51 PM  
**To:** Adam Cole; Amanda Froberg; Amelia Johnson; Asher, Eli; Bob Rose; Brice Crayne; Bryce Glaser; Bryce Michaelis; Daniel Rawding; David Howe; Denise Smee; Doyle, Jeremiah; Ed Meyer; Ferraiolo, Mark; Greg Robertson; Hudson, Michael; James Byrne; James H Malinowski; Jonathan Stumpf; Joshua Ashline; 'Kale Bentley'; Karchesky, Chris; Kelley Jorgensen; Lesko, Erik; Mariah Stoll-Smith Reese; Morgan, David; Nathan Reynolds; Olson, Todd; Peggy Miller; Pienovi, Levi; Rhidian Morgan; Roberts, Aaron; 'Ruth Tracy'; Sam Gibbons; Samuel Kolb; Serdar Carol; Steve Manlow; Steve West; Taylor Aalvik; Tim Romanski; Tom Wadsworth; Weatherly, Briana; Wendy McDermott; Whitesel, Timothy  
**Subject:** RE: RESPONSE REQUESTED: 2018/2019 Aquatic Fund - LR 21 Phase III; 7-day review period  
**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Attn: ACC Representatives

Please be advised that the ACC representatives listed below selected the USFS Lewis River 21 Phase III project to move forward to full proposal (posted to the Lewis River website at the following link)

[http://www.pacificorp.com/content/dam/pacificorp/doc/Energy\\_Sources/Hydro/Hydro\\_Licensing/Lewis\\_River/li/acc/LR21\\_PhaseIII\\_PreProposal\\_Final.pdf](http://www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/Hydro/Hydro_Licensing/Lewis_River/li/acc/LR21_PhaseIII_PreProposal_Final.pdf)

PacifiCorp & Cowlitz PUD – Yes  
WDFW – Yes  
USFS – Yes  
Cowlitz Tribe – Yes  
Trout Unlimited - No

Please note that for those ACC representatives who were *not* present at the meeting today the ACC decisions may not represent a consensus in all cases (see SA definition below).

*“Consensus” means that all Parties participating in a committee or other decision-making group consent to a decision. Consent does not necessarily imply that a Party agrees completely with a particular decision, just that the Party is willing to go along with the decision rather than block the action.*

The ACC agreed that an additional 7-day review period is appropriate. Please advise if you have any comments and respond accordingly to my attention **by close of business**

**Friday, October 19, 2018.**

Thank you.

**Kimberly McCune**  
Sr. Business Administrator  
PacifiCorp – Hydro Resources  
825 NE Multnomah St., Suite 1800

**APPENDIX E**  
EMAIL DATED OCTOBER 22, 2018  
EMAIL TO USFS FROM K. McCUNE – PACIFICORP  
LEWIS RIVER 21 PHASE III; REQUEST FOR FULL PROPOSAL



## McCune, Kimberly

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**From:** McCune, Kimberly  
**Sent:** Monday, October 22, 2018 8:37 AM  
**To:** Greg Robertson  
**Cc:** Adam Cole; Amanda Froberg; Amelia Johnson; Asher, Eli; Bob Rose; Brice Crayne; Bryce Glaser; Bryce Michaelis; Daniel Rawding; David Howe; Denise Smee; Doyle, Jeremiah; Ed Meyer; Ferraiolo, Mark; Hudson, Michael; James Byrne; James H Malinowski; Jonathan Stumpf; Joshua Ashline; 'Kale Bentley'; Karchesky, Chris; Kelley Jorgensen; Lesko, Erik; Mariah Stoll-Smith Reese; Morgan, David; Nathan Reynolds; Olson, Todd; Peggy Miller; Pienovi, Levi; Rhidian Morgan; Roberts, Aaron; 'Ruth Tracy'; Sam Gibbons; Samuel Kolb; Serdar Carol; Steve Manlow; Steve West; Taylor Aalvik; Tim Romanski; Tom Wadsworth; Weatherly, Briana; Wendy McDermott; Whitesel, Timothy  
**Subject:** Lewis River 21 Phase III; request for full proposal  
**Attachments:** 10222018 Request for full proposal\_USFS.pdf; 08312018 LR - C\_AQ Fund full proposal.doc  
  
**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Greg:

Please be advised that the ACC has selected your project titled, Lewis River 21 Phase III for full proposal. A hard copy of the attached document will follow via US Mail.

Thank you.

**Kimberly McCune**  
Sr. Business Administrator  
PacifiCorp – Hydro Resources  
825 NE Multnomah St., Suite 1800  
Portland, OR 97232  
Ph: (503) 813-6078

October 22, 2018

Mr. Greg Robertson  
USDA Forest Service  
Mount St. Helens National Volcanic Monument  
42218 NE Yale Bridge Road  
Amboy, WA 98601

**Subject: Lewis River Aquatics Fund 2018/2019 - Request for Full Proposal**

Dear Mr. Robertson:

On November 30, 2004 the Lewis River Settlement Agreement established the Lewis River Aquatics Fund (Fund). On June 26, 2008, the Federal Energy Regulatory Commission issued licenses for the Lewis River hydroelectric projects which stipulated establishment and operation of the Fund. The purpose of the Fund is to support resource protection measures via aquatic related projects (Resource Projects) in the Lewis River basin. Resource Projects may include, without limitation, projects that enhance and improve wetlands, riparian, and riverine habitats; projects that enhance and improve riparian and aquatic species connectivity that may be affected by the continued operation of the hydroelectric projects; and projects that increase the probability for a successful fish reintroduction program upstream of Merwin Dam. Species that are targeted to benefit from Resource Projects include Chinook, steelhead, coho, bull trout, and sea-run cutthroat.

This letter is to notify you that your Pre-proposal titled "**Lewis River 21 Phase III**" has been selected for further consideration by the Lewis River Aquatic Coordination Committee (ACC).

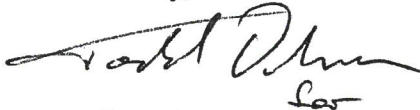
To provide the ACC with additional information on your proposed project, we request that you submit a full proposal by **February 1, 2019**. The full proposal information requirements are attached to this document (**Attachment 1**) and have been made available in electronic format. As you prepare the full proposal please consider questions on your project provided by the ACC (**Attachment 2**). We would also like to offer you the opportunity to provide a presentation of your proposal to the ACC on **December 13, 2018**. Please advise me if you would like to be placed on the ACC agenda.

Mr. Greg Robertson  
USDA FS, Mt. St. Helens National Volcanic Monument  
October 22, 2018  
Page 2

The Utilities and representatives of the Lewis River Aquatic Coordination Committee will finalize the list of projects to be funded in April 2019. Following this finalization, the Utilities will submit the project list to the Federal Energy Regulatory Commission.

If you should have any questions feel free to contact me at (503) 813-6624

Sincerely,

A handwritten signature in black ink, appearing to read "Erik Lesko", with a stylized flourish at the end.

Erik Lesko  
Senior Environmental Analyst

cc:	Amanda Froberg, Cowlitz PUD
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## Attachment 2

### **WDFW - written questions for USDA Forest Service, Lewis River 21 Phase III**

- Requesting funding for a project that would otherwise be required by law or mitigation requirement? – Need verification
- Verify that restoration is not a required activity by USFS or by Federal Law – not addressed in preproposal
- Are all the LWD complexes placed in Reach 22? Are there any benefits to Reach 22?
- Please identify Reach 21 and Reach 22 in all the relevant figures so we understand the spatial component and benefit locations of the project.
- Please clarify log complex placement and side channel locations. Are the side channels where log complexes are placed different than the side channels within the floodplain? Please mark the side channels in the floodplain in Figure 3.
- There was a statement in the proposal: “The LCFRB Plan (2010) summarized the limiting factors for Upper Lewis salmonid species, Spring Chinook, Coho, and Winter Steelhead life stages (LCFRB). The most critical life stage was egg incubation and the second most critical life stage was 0-age summer rearing for all three species.” Please identify if you are referencing limiting factors for the basin or for the reach. This information is different than the reach information at <https://www.lowercolumbiasalmonrecovery.org/mappage#b> Reach and individual species information are just as if not more valuable than the basin information when evaluating the proposed project.
- Please provide limiting factors for each species in Reach 21 and 22 from LCFRB website (see link above) and how this project addresses those factors. Also address reach potential for each species. Spring Chinook reach potential is low for Reach 21, so address why Reach 21 was chosen over a reach with a higher reach potential for Spring Chinook such as Reach 22.
- Please describe the project area. The description on page 3 appears to be all of Reach 21 rather than the 1600 ft of the project area. The recent log complexes that were formed in 2015 were also described in the Lewis River Reach 21 Phase 2 proposal.
- Project area is 1600 ft or 0.3 miles. Is this RM of the mainstem Lewis or does it include the linear distance of the side channels? Will the benefits occur in more than 0.3 miles of river? 0.3 miles doesn't seem like a lot of benefit for \$227,000 Aquatic Fund dollars.
- How much of the project 0.3 miles is in reach 22?
- Please provide “Final structure dimensions...determined using a 2D HEC-Ras model” in the final proposal.
- Please identify the type of log complexes in the text and the location on figure 3. The preproposal does not specify the type of log complexes other than mentioning apex jam in the bullet points on page 4. Will the other jams be anchored into the bank? This type of information would have helped connect the dots such as the jam will be anchored into the

bank which will address the erosion while moving water onto the floodplain. Please provide information so that we can conceptualize the project as well as understand the engineering component.

- The project is on Forest Service land but the signatories and Terrestrial Coordinating Committee negotiated that Cedars would not be cut on PacifiCorp and Cowlitz PUD Wildlife Habitat Mitigation Plan lands. Suggest that USFS avoid cutting/pushing over Cedars in the riparian zone of the project when Douglas Fir are available. Also, if trees must be taken from the riparian area, consider prioritizing smaller trees and leaving larger trees for wildlife habitat.
- Provide additional information on flows for inundating the floodplains, (cfs and depth such as water will over flow north floodplain by approximately 2 ft at flows of X cfs and provide the benefits such as dissipate water energy).
- Be clear on the reports/deliverables that will be provided to the ACC. It sounds like the ACC will receive one report for each year of post-project monitoring. Also include the baseline information.
- What has been the community involvement for this particular project other than Mt. St. Helens Institute involvement? Legislators, scientists, members, key individuals, agencies, academia, and local citizen groups are listed in a general context.
- Identify owl circles in relation to the project area and/or the log harvest unit. Is it a nesting or foraging circle?
- Should include plans to revegetate roads used for the project (as needed) and plant riparian areas (wherever reasonable) to create shade in the river
- Should explain the likelihood of success of keeping excavated side channels open subsequent to project completion.

**PacifiCorp & Cowlitz PUD – written comments for USDA Forest Service, Lewis River 21 Phase III**

- More explanation on how the north side channel is to be reactivated?
- Benefit is more likely to be coho spawning and juvenile rearing with less benefits to spring Chinook
- What is the current status of the substrate of the side channel (e.g., proportion of silt, sand, gravel, boulder, bedrock?). Is gravel augmentation considered?
- More description needed on excavation activity at side channel entrance. Will it fill back in on the first high flow event?

**USFS – written comments for USDA Forest Service, Lewis River 21 Phase III**

- The Pre-Proposal does not request budget be identified by work effort and information is not included.



**Cowlitz Tribe – written comments for USDA Forest Service, Lewis River 21 Phase III**

This proposed project is in a geographic area that should respond well to restoration treatments; engineered logjams may create improved habitat conditions for multiple species in the reach. This is the third phase of the project, with two previous phases funded by Aquatic Fund dollars. The proposal appears to rely heavily on those past applications, including cut-and-pasted text and figures. The proposal has been slightly improved over past iterations with the inclusion of existing-hydraulic model outputs, but still falls very far from an acceptable level of design to ensure acceptable risk to aquatic fund investment.

Despite detailed comments from many parties during the previous two grant rounds, the project sponsor has again failed to describe the overarching plan for the reach, or at a minimum, how the phases relate to each other. The sponsor has provided the same conceptual design typicals as the 2016 and 2017 applications, which are neither scaled nor apparently adapted to the hydraulic conditions on the site or the materials that are likely available for project implementation. With two previous phases with final design as part of the funded scope of work, the sponsor should have structure designs in hand as well as a more thoroughly fleshed-out plan for the reach. The pre-proposal states that the ACC requested a RAT review of the final proposal, but this review does not substitute for adequate design. In reviewing the 2017 RAT review of the Phase II proposal, the RAT members clearly promote a comprehensive, multi-reach treatment to achieve “Stage 0” conditions, which was not proposed then, nor is it being proposed now.

The Tribe suggested in reviewing the Phase I proposal that the sponsor should consider a comprehensive design for the reach(es), encompassing multiple phases and utilizing modern design techniques to ensure a high likelihood of success in achieving the desired outcomes of the project. This phase would put aquatic fund investment in the project over \$500,000 with little or no detailed design work apparently complete in support of the project.

These shortcomings cannot be addressed by language edits or minor adjustments to figures. If the proposal is not substantially technically stronger than those presented in previous years (and what is suggested in the pre-proposal), the Tribe will block funding for the project to minimize risk to aquatic funds as promised during the review of the Phase II proposal.



**APPENDIX F**  
EMAIL DATED DECEMBER 6, 2018  
EMAIL FROM USDA FOREST SERVICE TO THE ACC – PACIFICORP  
LEWIS RIVER 21 PHASE III

## McCune, Kimberly

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**From:** Tracy, Ruth -FS <rtracy@fs.fed.us>  
**Sent:** Thursday, December 06, 2018 4:44 PM  
**To:** McCune, Kimberly; Lesko, Erik  
**Cc:** Adam Cole; Amanda Froberg; Amelia Johnson; Asher, Eli; Bob Rose; Brice Crayne; Bryce Glaser; Michaelis, Bryce R -FS; Daniel Rawding; David Howe; Denise Smee; Doyle, Jeremiah; Ed Meyer; Ferraiolo, Mark; Hudson, Michael; James Byrne; James H Malinowski; Jonathan Stumpf; Joshua Ashline; Kale Bentley; Karchesky, Chris; Kelley Jorgensen; Mariah Stoll-Smith Reese; Morgan, David; Nathan Reynolds; Olson, Todd; Peggy Miller; Pienovi, Levi; Rhidian Morgan; HML LRN (Roberts, Aaron); Sam Gibbons; Samuel Kolb; Serdar Carol; Steve Manlow; Steve West; Taylor Aalvik; Tim Romanski; Tom Wadsworth; Weatherly, Briana; Wendy McDermott; Whitesel, Timothy; Robertson, Greg - FS  
**Subject:** [INTERNET] RE: Lewis River 21 Phase III; request for full proposal  
**Attachments:** Powers\_et\_al-2018-River\_Research\_and\_Applications.pdf

**\*\* STOP. THINK. External Email \*\***

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Hi Erik and Kim,

The Gifford Pinchot NF would like to withdraw their Proposal for the 2019 Grant Cycle. We need the year to conduct NEPA to assess the removal of large wood with root wads (greater than 20" DBH) from a stand within a reasonable transport distance to Lewis River Reach 21. FYI, large wood greater than 20" DBH necessitate a logging prescription that removes larger trees from a stand than what the GPNF is currently harvesting through stand thinning. Currently, the GPNF are managing second growth stands by removing smaller understory trees, most of which are less than 16" DBH.

The Gifford Pinchot NF would like an opportunity to respond and/or answer some of the broader questions (non project specific) that we received from our pre-proposal. Specifically, these three comments/questions: 1) requesting verification that the Forest Service is not 'required by law or mitigation requirement' to restore rivers and streams, 2) owl habitat considerations, and 3) why we are not proposing Stage 0. We would like an ACC agenda topic in January or February to present clarification and have time for discussion of these broader questions. Thank you for the consideration.

I have included a paper on the Stage 0 concept.

Ruth E Tracy  
Gifford Pinchot NF  
Soil and Water Program Manager  
360-891-5112  
rtracy@fs.fed.us

**From:** McCune, Kimberly [mailto:Kimberly.McCune@pacificorp.com]  
**Sent:** Monday, October 22, 2018 8:37 AM  
**To:** Robertson, Greg -FS <gregrobertson@fs.fed.us>  
**Cc:** Adam Cole <adam.cole@rco.wa.gov>; Amanda Froberg <afroberg@cowlitzpud.org>; Amelia Johnson <ajohnson@lcfbr.gen.wa.us>; Asher, Eli <easher@cowlitz.org>; Bob Rose <rosb@yakamafish-nsn.gov>; Brice Crayne <bricecrayne@outlook.com>; Bryce Glaser <glasebgg@dfw.wa.gov>; Michaelis, Bryce R -FS <bmmichaelis@fs.fed.us>; Daniel Rawding <Daniel.Rawding@dfw.wa.gov>; David Howe <David.Howe@dfw.wa.gov>; Denise Smee

<dsmee@lcfwb.gen.wa.us>; JEREMIAH.DOYLE@PACIFICORP.COM; Ed Meyer <ed.meyer@noaa.gov>; Ferraiolo, Mark <Mark.Ferraiolo@pacificorp.com>; Hudson, Michael <michael\_hudson@fws.gov>; James Byrne <byrnejim7@gmail.com>; James H Malinowski <jim.malinowski@icloud.com>; Jonathan Stumpf <jstumpf@americanrivers.org>; Joshua Ashline <Joshua.ashline@noaa.gov>; Kale Bentley <kale.bentley@dfw.wa.gov>; Karchesky, Chris <Chris.Karchesky@pacificorp.com>; Kelley Jorgensen <kjorgensen@pnfarm.com>; Lesko, Erik <Erik.Lesko@pacificorp.com>; Mariah Stoll-Smith Reese <mariah@lelooska.org>; Morgan, David <dmorgan@pnfarm.com>; Nathan Reynolds <nreynolds@cowlitz.org>; todd.olson@pacificorp.com; Peggy Miller <peggy.miller@dfw.wa.gov>; Pienovi, Levi <Levi.Pienovi@pacificorp.com>; Rhidian Morgan <rmmorgan@pnfarm.com>; HML LRN (Roberts, Aaron) <Aaron.Roberts@dfw.wa.gov>; Tracy, Ruth -FS <rtracy@fs.fed.us>; Sam Gibbons <sam.gibbons@dfw.wa.gov>; Samuel Kolb <samuel.kolb@dfw.wa.gov>; Serdar Carol <cser461@ECY.WA.GOV>; Steve Manlow <smanlow@lcfwb.gen.wa.us>; Steve West <swest@lcfwb.gen.wa.us>; Taylor Aalvik <taylor.a@cowlitz.org>; Tim Romanski <tim\_romanski@fws.gov>; Tom Wadsworth <Thomas.Wadsworth@dfw.wa.gov>; Weatherly, Briana <Briana.Weatherly@pacificorp.com>; Wendy McDermott <wmcdermott@americanrivers.org>; Whitesel, Timothy <Timothy\_Whitesel@fws.gov>

**Subject:** Lewis River 21 Phase III; request for full proposal

Greg:

Please be advised that the ACC has selected your project titled, Lewis River 21 Phase III for full proposal. A hard copy of the attached document will follow via US Mail.

Thank you.

**Kimberly McCune**

Sr. Business Administrator

PacifiCorp – Hydro Resources

825 NE Multnomah St., Suite 1800

Portland, OR 97232

Ph: (503) 813-6078

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