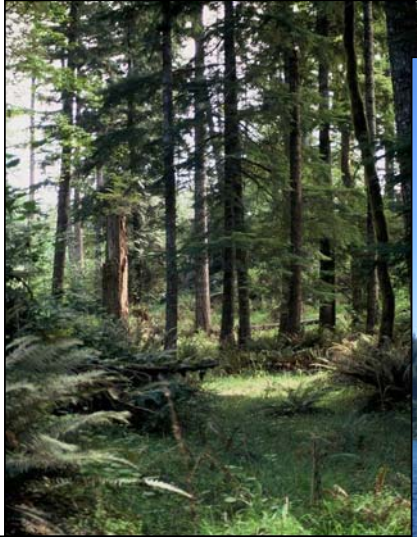


# Lewis River Hydroelectric Projects

FERC Nos. 935, 2071, 2111, 2213

Annual Summary of Settlement Agreement Implementation:  
Aquatic and Terrestrial Resources



Final 2006 ACC/TCC  
Annual Report  
May 4, 2007



**COWLITZ COUNTY**  
"CUSTOMER-OWNED for CUSTOMER BENEFIT"

**PACIFICORP ENERGY**  
A DIVISION OF PACIFICORP

# Lewis River Hydroelectric Projects

FERC Nos. 935, 2071, 2111, 2213

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Annual Summary of Settlement Agreement Implementation:  
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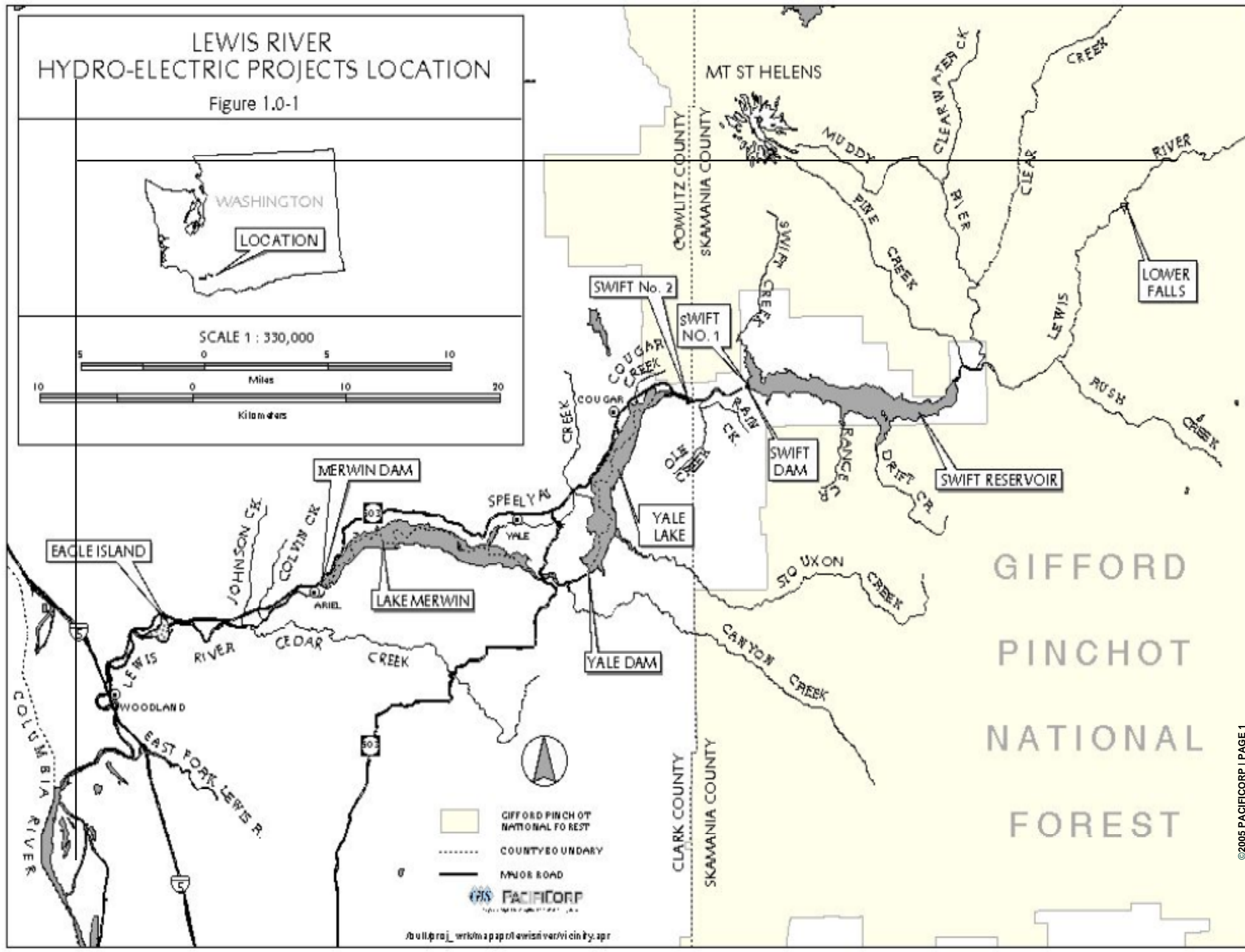
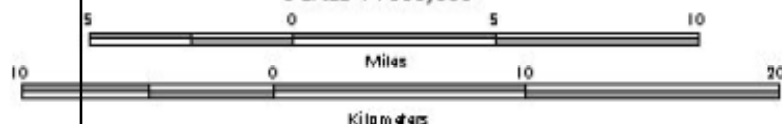


# LEWIS RIVER HYDRO-ELECTRIC PROJECTS LOCATION

Figure 1.0-1



SCALE 1 : 330,000



GIFFORD  
PINCHOT  
NATIONAL  
FOREST

- GIFFORD PINCHOT NATIONAL FOREST
- COUNTY BOUNDARY
- MAJOR ROAD
- 
- PACIFICORP

As of 10/1/01, written as part of environmental impact study.

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## 1.0 INTRODUCTION

This 2006 annual report prepared by PacifiCorp Energy and the Public Utility District No. 1 of Cowlitz County, Washington (“Cowlitz PUD”) is provided to the Federal Energy Regulatory Commission (FERC) and the Lewis River Settlement Parties to fulfill the reporting requirements in Article 14.2.6 of the Settlement Agreement (SA). It has been prepared in consultation with Terrestrial Coordination Committee (TCC) and Aquatic Coordination Committee (ACC) committee members. Period of record for this report is from January 1, 2006 to December 31, 2006.

To reflect the settlement Parties’ interest in continuing coordination and communication of the implementation of SA and new FERC licenses, Article 14.2.6 of the SA requires PacifiCorp Energy and Cowlitz PUD to prepare annual reports describing the activities of the TCC and the ACC. This SA Article stipulates that the Committee Coordinators for the TCC and ACC shall prepare and file with the FERC detailed annual reports on the fish and wildlife Protection, Mitigation, and Enhancement (PM&E) measures occurring during the prior year as well as plans for the coming year. The reports are to be prepared in consultation with committee members.

Per the Article language, any comments that were not incorporated into this final report are presented in Appendix C of this report.

This 2006 report is available to the Public on PacifiCorp Energy’s website at <http://www.pacificorp.com/Article/Article49195.html>. Copies of this report are available from PacifiCorp Energy.

### 1.1 BACKGROUND

Located on the North Fork of the Lewis River in southwestern Washington, the Lewis River Hydroelectric System consists of four coordinated projects. PacifiCorp Energy owns Swift No. 1 (FERC No. 2111), Yale (FERC No. 2071), and Merwin (FERC No. 935) projects which together generate 510 MW of electricity at full capacity. Public Utility District No. 1 of Cowlitz County, Washington owns the 70 MW Swift No. 2 Project (FERC No. 2213) which lies between Swift No. 1 and Yale. Currently, PacifiCorp Energy operates Swift No. 2 for Cowlitz PUD under contract.

The Lewis Hydroelectric System was developed over a period of approximately 30 years. The first development, the Merwin project, was completed in 1931. The Yale project was



completed next in 1953. The Swift No. 1 and Swift No. 2 projects were both completed in 1958.

#### 1.1.1 Yale Application

PacifiCorp initiated the federal licensing process for Yale in 1995 and filed the Application for New License in 1999 (PacifiCorp 1999a). Since May of 2001 when the license expired, Yale has operated under annual FERC licenses.

#### 1.1.2 Merwin, Swift No.1 and Swift No. 2 Applications

In January 1999, PacifiCorp and Cowlitz PUD asked the Federal Energy Regulatory Commission (FERC) to approve the Alternative Licensing Procedures (ALP) for the simultaneous and coordinated processing of the license applications for Merwin, Yale, Swift No. 1 and Swift No. 2 (PacifiCorp and Cowlitz PUD 1999). In that request, PacifiCorp asked the FERC to accelerate the license expiration date for Merwin from 2009 to 2006 to coincide with the expiration dates for the Swift No. 2 and Swift No. 1 licenses. On April 1, 1999, the FERC approved the ALP for the Lewis River projects and issued an order accelerating the expiration of the Merwin license to May 1, 2006 (FERC 1999). PacifiCorp and Cowlitz PUD initiated the collaborative ALP in April 1999 and held many public meetings to develop and reach consensus on relicensing studies and the Protection, Mitigation and Enhancement measures (PM&Es) in the new licenses. Cowlitz PUD filed an Application for New License for Swift No. 2 Project in April 2004 (Cowlitz PUD 2004). In the same month, PacifiCorp filed Applications for New License for Swift No. 1 and Merwin (PacifiCorp 2004a, PacifiCorp 2004b).

#### 1.1.3 Settlement Agreement

As a result of the collaborative process, on November 30, 2004, (Effective Date) 27 Signatories (including two Licensees, five federal agencies, two state agencies, eight local/county agencies, two tribes, two citizens-at-large, and five non-governmental organizations) signed the Lewis River Settlement Agreement (SA) (PacifiCorp et al. 2004). In December 2004, the Licensees filed with the FERC the SA along with a Joint Explanatory Statement and Supplemental Preliminary Draft Environmental Assessment (PacifiCorp and Cowlitz PUD 2004). The SA reflects the interests of all Parties; provides significant investments in fish and aquatic resources, wildlife and recreation; includes monitoring and evaluation and adaptive management; and includes ongoing coordination with the Parties through the Aquatics and Terrestrial Coordination Committees (ACC, TCC). The SA, includes support for 50-year licenses to allow the projects to continue to provide benefits to their customers. The Lewis River system allows PacifiCorp Energy to maximize the value of its generation assets and power purchases to provide customer benefits. Cowlitz PUD uses its Swift No. 2 power to serve primarily its residential load.

#### 1.1.4 Environmental Impact Statement

In September 2005 the FERC released the Draft Environmental Impact Statement for the Lewis River Hydroelectric Projects (DEIS) (FERC 2005) for public comment. The DEIS was generally consistent with the SA in that it included most of the SA terms. In November 2005,

the Parties filed comments on the DEIS. The FERC released the Final Environmental Impact Statement for the Lewis River Hydroelectric Projects on March 24, 2006.

#### 1.1.5 Draft License Articles

The Licensees, with the support of the Parties to the SA, filed consensus Draft License Articles in November and December 2005 (Cowlitz PUD 2005a, PacifiCorp 2005, and Cowlitz PUD 2005b).

#### 1.1.6 Agency Terms and Conditions

The USDA-Forest Service (USFS) submitted modified Terms and Conditions in November 2005 (USDA-FS 2005). The US Fish and Wildlife Service (USFWS) and National Oceanic and Atmospheric Administration - Fisheries (NOAA-Fisheries) filed fishway prescriptions on February 22 and February 14, 2006, respectively.

#### 1.1.7 Endangered Species Act Consultations

In January 2005, Cowlitz PUD and PacifiCorp filed with the FERC Biological Evaluations (BEs) covering listed fish and wildlife in the Lewis River basin (PacifiCorp and Cowlitz PUD 2005a, PacifiCorp and Cowlitz PUD 2005b). The FERC then modified the BEs into and included them in the Final EIS and submitted the documents to the Services. The Proposed Action in the BEs is the SA. On September 15, 2006 the USFWS issued a Biological Opinions covering bull trout, northern spotted owls and bald eagles. NOAA-Fisheries is expected to issue its Biological Opinion covering their respective listed species in mid 2007.

#### 1.1.8 Water Quality Certifications

Both Licensees applied to the Washington State Department of Ecology (Ecology) for Clean Water Act Section 401 Water Quality Certifications for their respective projects in February 2005. At Ecology's request, both Licensees withdrew and resubmitted those applications in December 2005. Ecology issued a Draft Certification Order for each of the Lewis River project on February 10, 2006. Section 401 Water Quality Certifications were issued to the Licensees and file with FERC on October 9, 2006. Subsequently, WDOE issued an Order Amendment for the Swift No. 2 project to on November 3, 2006. The Water Quality Certifications are available for viewing on PacifiCorp Energy's website at <http://www.pacificorp.com/Article/Article1143.html>. PacifiCorp Energy filed with the FERC an Objection to Inconsistent 401 Certificates Pursuant to Section 15.2 of the Lewis River Settlement Agreement on November 16, 2006 and conducted two Alternative Dispute Resolution meetings with SA parties on December 11, 2006 and December 15, 2006. Parties reached a resolution at the December 15, 2006 meeting. A copy of the filing can be viewed at <http://www.pacificorp.com/Article/Article1143.html>.

#### 1.1.9 New FERC Licenses

The Merwin, Yale, Swift No. 1, and Swift No. 2 projects are all currently operating on annual licenses. It is not known when the FERC will issue new licenses for the projects; however the Utilities estimate an issuance date sometime in the second quarter of 2007.

Nevertheless, the Licensees are implementing the terms of the Settlement Agreement as they relate to the Effective Date, and are conducting some design studies and planning efforts in anticipation of license issuance.

#### 1.1.10 2006 Annual Report and Consultation

PacifiCorp Energy and Cowlitz PUD prepared this 2006 Lewis River Hydroelectric Projects Annual Report (Annual Report) in consultation with the ACC and TCC. A draft report was provided to the ACC and TCC on March 13, 2007 for review and comment. Following a 30-day comment period ending on April 13, 2007 the Licensees reviewed the ACC/TCC comments and prepared this final Annual Report. On April 11, 2007 the Washington Department of Fish and Wildlife provided comments on the Draft Annual Report (see Appendix C). Responses to the agency's comments are also provided in Appendix C. This report was provided to the FERC and the Settlement Agreement Parties on May 4, 2007 to fulfill the requirements of Section 14.2.6 of the Settlement Agreement.

The period of record for the 2006 Annual Report is January 1, 2006 through December 31, 2006.

The following Plans and Reports were completed in 2006:

- Draft 2005 ACC/TCC Annual Report, April 2006
- 2006 Habitat Preparation Plan - North Fork Lewis River, April 2006
- Lewis River Spawning Gravel Evaluation – Final Year One Report, April 2006
- 2006 Final Annual Report – Lewis River Aquatic Fund Projects, May 2006
- 2005 ACC/TCC Annual Report, May 2006
- Lewis River Wildlife Management Habitat Plan Standards & Guidelines Documents, July 2006
- Lake Merwin and Swift Creek Reservoir Tributary Streams Bull Trout Limiting Factors Analysis – Final Study Plan, September 2006

A water quality section of this Annual Report has been prepared in cooperation with, and will be provided to, Ecology.

## **1.2 ANNUAL REPORT ORGANIZATION**

The 2006 Lewis River Annual Report provides the following information as required under Section 14.2.6 of the SA and the 401 Water Quality Certifications:

### **Section 2.0 Aquatics and Terrestrial Coordination Committees (ACC, TCC)**

#### Section 2.1 ACC and TCC Membership

### **Section 3.0 Aquatic Resources**

- Section 3.1 ACC Meetings
- Section 3.2 Engineering Subgroup Meetings
- Section 3.3 Aquatic Measures Implemented in 2006
- Section 3.4 Aquatics 2007 Annual Plan

### **Section 4.0 Water Quality**

- Section 4.1 PacifiCorp Energy Water Quality Measures Implemented in 2006
- Section 4.2 PacifiCorp Energy Water Quality 2007 Annual Plan
  
- Section 4.3 Cowlitz PUD Water Quality Measures Implemented in 2006
- Section 4.4 Cowlitz PUD Water Quality 2007 Annual Plan

### **Section 5.0 Terrestrial Resources**

- Section 5.1 TCC Meetings
- Section 5.2 Joint Terrestrial Measures
- Section 5.3 PacifiCorp Energy Terrestrial Measures Implemented in 2006
- Section 5.4 PacifiCorp Energy Terrestrial 2007 Annual Plan
  
- Section 5.5 Cowlitz PUD Terrestrial Measures Implemented in 2006
- Section 5.6 Cowlitz PUD Terrestrial 2007 Annual Plan

### **Section 6.0 Recreation - Lewis River Recreation Advisory Committee (LRC)**

- Section 6.1 LRC Meetings
- Section 6.2 PacifiCorp Energy Recreation Measures Implemented in 2006

### **Section 7.0 Funding Tables**

## 2.0 AQUATICS AND TERRESTRIAL COORDINATION COMMITTEES

Section 14 of the Settlement Agreement includes several measures that define the Parties' roles and obligations. The full text of Section 14 of the Settlement Agreement is provided in Appendix D. The structure and process of the ACC and TCC is intended to provide a forum to address time-sensitive matters, early warning of problems, and coordination of member organization actions, schedule, and decisions to save time and expense. The ACC and TCC make decisions based on consensus, while implementing the Settlement Agreement.

More specifically, Section 14:

- Establishes the Aquatics Coordination Committee (ACC) and Terrestrial Coordination Committee (TCC).
- Establishes the Licensees' ACC and TCC Coordinators (Coordinators).
- Describes the coordination and decision making roles of the ACC and TCC.
- Requires the ACC and TCC to coordinate and Consult on development of plans by the Licensees.
- Requires the ACC and TCC to review information and oversee, guide, and make comments and recommendations on implementation and monitoring of the terrestrial and aquatic Protection, Mitigation and Enhancement (PM&E) Measures, including plans.
- Requires the ACC and TCC to establish, among other things, (i) procedures and protocols for conducting committee meetings and deliberations to ensure efficient participation and decision making; (ii) rules for quorum and decision making in the absence of any member; (iii) alternative meeting formats as desired, including phone or teleconference; and (iv) the methods and procedures for updating committee members on interim progress of development and implementation of the terrestrial and aquatic PM&E Measures.
- Requires the ACC and TCC to establish subcommittees to carry out specified committee functions and responsibilities and establish the size of, membership of, and procedures for any such subcommittees.

- Requires the Licensees' Coordinators to prepare and file with the FERC detailed annual reports on the TCC and ACC activities; monitoring and evaluations under the Monitoring and Evaluation Plan (M&E Plan) described in SA Section 9; implementation of the terrestrial and aquatic PM&E Measures occurring during the prior year; and plans for the coming year.
- Requires the Licensees to consult with the ACC and TCC when preparing the Annual Report.

## **2.1 ACC and TCC MEMBERSHIP**

In December 2004 the Licensees appointed their respective ACC and TCC Coordinators. At the same time, the Licensees established the ACC and TCC, and invited the Parties to designate representatives (and alternates) for membership on these committees. Current Party representation for each committee is shown in the Tables 2.1-1 and 2.1-2. Sixteen Parties have designated representatives to the ACC and 11 Parties designated representatives to the TCC.

Committee meetings were conducted in nearly every month in 2006 (Table 2.1-3). During the year, the ACC (including its subcommittees) met (including conference calls) a total of 24 times and the TCC met 12 times.

The purposes of the Coordination Committee meetings were to:

- Develop study and monitoring plans.
- Discuss implementation strategies for PM&E measures.
- Oversee implementation of the PM&E measures.

Sections 3.1, 3.2, and 5.1 summarize the ACC, ACC Engineering Subgroup, and TCC meetings and actions.



**Table 2.1-1  
 ACC Members and Alternates**

<b>ACC Member</b>	<b>Organization</b>	<b>Alternate</b>
Tammy Mackey	American Rivers	Brett Swift
Public Works Director	City of Woodland	To be named
No representative at this time	Clark County	To be named
No representative at this time	Cowlitz County	To be named
Shannon Wills	Cowlitz Indian Tribe	To be named
No representative at this time	Cowlitz-Skamania Fire District No. 7	To be named
Jim Malinowski	Fish First	To be named
John Clapp	Lewis River Citizens at-large	To be named
Mariah Stoll-Smith Reese	Lewis River Community Council	To be named
Jeff Breckel	Lower Columbia River Fish Recovery	Steve Manlow
Michelle Day	National Marine Fisheries Service	To be named
No representative at this time	National Park Service	To be named
No representative at this time	North County Emergency Medical	To be named
Frank Shrier	PacifiCorp Energy	Erik Lesko
Diana M. Gritten-MacDonald	PUD of Cowlitz County	To be named
No representative at this time	Rocky Mountain Elk Foundation	To be named
Paul Pearce	Skamania County	To be named
Brett Swift	The Native Fish Society	To be named
Tammy Mackey	Trout Unlimited	Brett Swift
No representative at this time	US Bureau of Land Mgmt	To be named
LouEllyn Jones	US Fish & Wildlife	To be named
Karen Thompson	USDA Forest Service	Adam Haspiel
Curt Leigh	Washington Dept of Fish & Wildlife	Craig Burley and John Weinheimer
No representative at this time	Washington Interagency Committee	To be named
No representative at this time	Woodland Chamber of Commerce	To be named
George Lee	Yakama Nation	To be named

**Table 2.1-2  
 TCC Members and Alternates**

<b>TCC Member</b>	<b>Organization</b>	<b>Alternate</b>
No representative at this time	American Rivers	To be named
Public Works Director	City of Woodland	To be named
No representative at this time	Clark County	To be named
No representative at this time	Cowlitz County	To be named
Mike Iyall	Cowlitz Indian Tribe	Shannon Wills
No representative at this time	Cowlitz-Skamania Fire District No. 7	To be named
No representative at this time	Fish First	To be named
John Clapp	Lewis River Citizens at-large	To be named
Mariah Stoll-Smith Reese	Lewis River Community Council	To be named
No representative at this time	Lower Columbia River Fish Recovery	To be named
Michelle Day	National Marine Fisheries Service	To be named
No representative at this time	National Park Service	To be named
No representative at this time	North County Emergency Medical	To be named
Kirk Naylor	PacifiCorp	To be named
Diana M. Gritten-MacDonald	PUD of Cowlitz County	To be named
Bob Nelson	Rocky Mountain Elk Foundation	Tom Macy
No representative at this time	Skamania County	To be named
No representative at this time	The Native Fish Society	To be named
No representative at this time	Trout Unlimited	To be named
No representative at this time	US Bureau of Land Mgmt	To be named
LouEllyn Jones	US Fish & Wildlife	To be named
Mitch Wainwright	USDA Forest Service	Karen Thompson
Curt Leigh	Washington Dept of Fish & Wildlife	John Weinheimer and Brock Applegate
No representative at this time	Washington Interagency Committee	To be named
No representative at this time	Woodland Chamber of Commerce	To be named
Clifford Casseseka	Yakama Nation	Joanna Meninick

**Table 2.1-3**

Coordination Activity Status during the 2006 Reporting Period

<b>SA Article</b>	<b>Coordination Activity</b>	<b>Status</b>
<b>14.2</b>	<b>Coordination Committees</b> <ul style="list-style-type: none"><li>• Convene ACC and TCC</li><li>• Identify Committee Representatives</li><li>• Conduct meetings as necessary; minimum of at least 1 annual meeting</li><li>• Prepare and file Annual Report</li></ul>	Convened a total of 37 meetings with ACC, TCC, or related subgroups in 2006. Meeting notes from each meeting are available. The 2006 Annual Report to be finalized by the Committees in 2007.

## 3.0 AQUATICS RESOURCES

### 3.1 ACC MEETINGS

The purpose and role of the ACC, as defined in Section 14.1 of the SA is to facilitate coordination and implementation of the aquatic PM&E measures.

The structure and process of the ACC is intended to provide a forum to address time-sensitive matters, early warning of problems, and coordination of member organization actions, schedule, and decisions to save time and expense. The ACC makes decisions based on consensus, while implementing the Settlement Agreement.

#### 3.1.1 ACC Meetings and Conference Calls: Overview

This section summarizes the topics discussed and actions taken during ACC meetings and conference call(s) over the 12-month period.

##### **ACC Meeting No. 1 January 12, 2006**

- Reviewed, commented and updated *Lewis River Hatchery and Supplementation Plan* with particular emphasis on the definition of ocean recruits.
- Reported on the schedule for the *Lewis River Spawning Gravel Evaluation, Winter Steelhead Tagging Study, Merwin Tailrace Fish Behavior Study – Hydroacoustic Equipment, Bull Trout Limiting Factors Analysis, Aquatics Fund – Resource Projects, ACC/TCC 2005 Annual Report* and *Construction of Upper Release Point – Swift Canal*.
- Provided update of illegal ATV usage on PacifiCorp Energy's sensitive wildlife lands.
- Discussed acquisition of interests in lands for the protection of bull trout, elk and other species in certain areas of concern.

**ACC Meeting No. 2**  
**February 9, 2006**

- Discussed *Lewis River Hatchery and Supplementation Plan* and commented on the public comments received to date.
- Reviewed and commented on the *Lewis River Aquatics Fund – Resource Projects*. Preliminary review of the five final proposals was completed by the Utilities. The final projects were: 1) Nutrient Enhancement in the Muddy River, 2) Pine Creek Instream Structures, 3) Rush Creek Instream Structures, 4) Muddy River Road Decommission; and 5) Fish Culvert Replacement FR8322.
- Reported on the schedules for the *Lewis River Spawning Gravel Evaluation, Bull Trout Limiting Factors Analysis, Habitat Preparation Plan, Yale Entrainment Evaluation, Merwin Tailrace Fish Behavior Study* and the *Merwin Trap Facility Design Criteria Document* – recommendations from Engineering Subgroup to ACC.
- Provided updates on the Draft 401 Water Quality Certification process, and Modified Mandatory Conditions and Prescriptions requested extensions from the FERC.

**ACC Meeting No. 3**  
**March 9, 2006**

- Reviewed draft *Hatchery and Supplementation Plan* with consultant and addressed the following specific topics: 1) Hatchery Production Targets, 2) Integrated versus Segregated Hatchery Program, 3) Adult Hatchery and Natural Production Targets, 4) Ocean Recruits, 5) Adaptive management Draft Plan; and 6) Recommendations.
- Continued review of the *Lewis River Aquatics Fund – Resource Projects*
- Provided update on the FERC relicensing process.
- Reported update on the *Lewis River Spawning Gravel Evaluation, Yale Entrainment Evaluation, Merwin Trap Facility Design Criteria Document and the Bull Trout Limiting Factors Analysis*.

**ACC Meeting No. 4**  
**April 13, 2006**

- Reviewed *Hatchery and Supplementation Plan* and provided process update with ACC to express concerns, determine next meeting date, and determine approximate completion date of the document.
- Provided update of the Engineering Subgroup activities relating to the *Merwin Sorting Facility – Criteria Document*.

- Continued review of the *Lewis River Aquatics Fund – Resource Projects* to include Nutrient Enhancement on the Muddy River (now on Pine Creek), Pine Creek Instream and Floodplain Structures for Bull Trout and Steelhead, Rush Creek Instream Structures for Bull Trout and Steelhead, Fish Passage Culvert Replacement – Forest Road 8322 and Muddy River Tributary Road Decommission 8322700.
- Reviewed and discussed the *Habitat Preparation Plan (HPP)* and informed the ACC that they have a 30-day review period which ends on April 24, 2006.
- The ACC attendees agreed to fund the Fish Passage Culvert Replacement – Forest Road 8322 and the Muddy River Tributary Road Decommission 8322700.
- Reported updates on the *Constructed Channel, Spawning Gravel Evaluation, Yale Entrainment Evaluation, Merwin Tailrace Fish Behavior Study, Bull Trout Limiting Factors Analysis*, and the Lewis River Pond Upgrades (potential short term changes to operations).

**ACC Meeting No. 5**  
**May 11, 2006**

- Reported to ACC that PacifiCorp Energy is beginning the 30% design on the Merwin Upstream Collection and Transport Facility.
- Reviewed and discussed the Lewis River Hatchery & Supplementation Plan – Services Review Draft to include the supplementation strategy, broodstock origin, ocean recruits, and anadromous fish programs.
- Informed ACC via email on April 24, 2006 that the *Lewis River Spawning Gravel Evaluation - Final Year One Report* as prepared by Stillwater Sciences is complete.
- Informed ACC via email on April 28, 2006 that the *2006 Habitat Preparation Plan* is final.
- Provided hard copies of the *2006 Final Annual Report - Proposed LR Aquatic Fund Projects*.
- Reported updates on the *Yale Entrainment Evaluation, Merwin Tailrace Behavior Study, Bull Trout Limiting Factors Analysis, Spawning Gravel Evaluation* and the current flow conditions in the Lewis River.



**ACC Meeting No. 6**  
**June 8, 2006**

- Reviewed and discussed a PowerPoint overview presentation conducted by Stillwater Sciences regarding the *Lewis River Spawning Gravel Evaluation*.
- Reviewed and discussed the Lewis River Hatchery and Supplementation (H&S) Plan Subgroup activities specifically relating to the issue of integrated vs. segregated and hatchery reform implementation and the All-H Analyzer (AHA).
- Discussed the option of the H&S Subgroup participating in a site visit to the Cle Elum Hatchery on June 23, 2006 to further explore the issues of supplementation, and integration vs. segregation.
- Provided copies of the *Bull Trout 2005 Annual Report and 2006 Monitoring Plan*, which was submitted to the FERC on April 12, 2006.
- Informed ACC that the *2005 ACC/TCC Annual Report* was submitted to the FERC on May 16, 2006.
- Reported updates on the *Yale Entrainment Evaluation, Merwin Tailrace Fish Behavior Study, Bull Trout Limiting Factors Analysis* and hatchery upgrades.

**ACC Meeting No. 7**  
**July 13, 2006**

- Reviewed and discussed the Cle Elum Hatchery Tour which took place on June 23, 2006.
- Reviewed and discussed the hatchery upgrade proposed schedule to include Ponds 13, 14, 15 & 16.
- Reviewed and discussed the Draft Lewis River Spring Chinook Timeline of Hatchery & Supplementation Actions.
- Reviewed and discussed issues needing clarification for development of the Hatchery Genetics Management Plan (HGMP).
- Reported to ACC that PacifiCorp Energy is beginning the 30% design on the Swift Downstream Collection and Transport Facility (letter sent to Parties on July 6, 2006).
- Reported on status of the *Yale Entrainment Evaluation, Merwin Tailrace Behavior Study, Bull Trout Limiting Factors Analysis, Merwin Sorting Facility Design, Speelyai Hatchery Expansion* and the design update of the *Swift Downstream Collector*.

**ACC Meeting No. 8**  
**August 10, 2006**

- Reviewed and discussed the *Fish Reintroduction Efforts and Future Hatchery Operations under a Hatchery Integrated Approach* document to inform the ACC of PacifiCorp Energy's current assumptions and questions regarding a hatchery integrated approach for Spring Chinook and Coho.
- Reported on status of the *FERC Process, Yale Entrainment Evaluation, Merwin Tailrace Behavior Study, Bull Trout Limiting Factory Analysis, Lewis River Spawning Gravel Evaluation, Merwin Sorting Facility Design, Speelyai Hatchery Expansion, Swift Downstream Collector – Design Update*.
- Reviewed and discussed the draft *Potential Lewis River Acclimation Pond Sites and Decision Criteria* and clarified terms and assumptions for needed pond size.

**ACC Meeting No. 9**  
**September 14, 2006**

- Reviewed and discussed an analysis prepared by Cramer Fish Sciences, Inc. relating to *Adult Passage Modeling*.
- Reported on results of a sensitivity analysis of salmon population size above the Lewis River projects to differences in adult and juvenile trapping efficiency for upstream passage.
- Informed ACC that an Adult Trap Efficiency (ATE) Subgroup has been formed and their first meeting took place on September 7, 2006.
- Reviewed and discussed a PowerPoint presentation by R2 Resource Consultants relating to the *Merwin Tailrace Behavior Study, draft report* dated September 5, 2006, which summarized objectives and conclusions.
- Informed the ACC that the 2006/07 Aquatic Funding process was initiated on September 5, 2006 and discussed if revisions were needed relating to the Strategic Plan and Administrative Procedures.
- Review and discussion of the *Timeline of Hatchery & Supplementation Plan Actions Spreadsheets* for Spring Chinook, Coho and Steelhead to reach agreement on the activities and associated schedule within the spreadsheets.
- Presented and discussed a brief overview with more detailed explanation of the Swift Downstream Fish Handling Process Diagram and the process flow relating specifically to adults, smolts and fry.

- ACC approved the information within the *Biological Criteria for Swift Sorting and Transport Design* and the *Fish Handling Process Diagram* to be used for design of the Swift Downstream Fish Collector.
- Reported on status of *Yale Entrainment Evaluation*, *Bull Trout Limiting Factors Analysis*, and *Speelyai Hatchery Expansion*.

**ACC Meeting No. 10**  
**October 12, 2006**

- Review and discussion of preliminary WDFW results to the ACC relating to the Hatchery & Supplementation Plan – Spring Chinook, Coho and Steelhead, in accordance with a document provided by WDFW entitled, *2006 Spring Chinook scales from Merwin Dam Fish Collection Facility*.
- Review and discussion regarding a potential temporary acclimation pond site and use of USDA FS campgrounds.
- Provided brief overview of 2006/07 Aquatic Funding Pre-proposals submission deadline, which was October 6, 2006.
- Requested comments or questions regarding getting to 95% Adult Trap Efficiency (ATE) at the Merwin Trap so PacifiCorp Energy can submit feedback to the Engineering Subgroup on or before October 31, 2006.
- Informed the ACC that the Merwin Sorting Tank Configuration recommendations from the engineering design group is expected in the month of October, at which time the ACC will be requested to review and comment before PacifiCorp Energy proceeds with 30% design.
- Review and discussion regarding the Hatchery and Supplementation Timeline by fish Species.
- Reported updates on *Yale Entrainment Evaluation*, *Merwin Tailrace Behavior Study*, *Merwin Sorting Facility Design – Merwin Sorting and Handling Facility Holding Tank Configuration*, *Speelyai Hatchery Expansion* and the *Swift Surface Collector Design*.
- Discussion regarding the extended period of time required in Cowlitz County to acquire project permits and the affects on completion of SA requirements.

**ACC Meeting No. 11**  
**November 9, 2006**

- Notified the ACC that no additional comments or questions were received regarding the *Merwin Sorting and Handling Facility Holding Tank Configuration*, so PacifiCorp Energy will proceed with 30% designs.
- Reviewed and discussed the Utilities recommendations regarding the 2006/07 Aquatic Fund Pre-proposals and scheduled a conference call on November 30, 2006 to discuss the final project selection for full proposals.
- Reported that the ATE recommendations as to how to meet the 95% ATE was not yet complete, but the engineering subgroup is working diligently and will keep the ACC informed.
- Reviewed and discussed the *Lewis River Acclimation Pond Site Recommendations* with emphasis placed on the suitability of Crab Creek & Curly Creek.
- Informed the ACC that the Utilities received the 401 Water Quality Certifications on October 9, 2006.
- Reported updates on *Yale Entrainment Evaluation, Speelyai Hatchery Expansion, Swift Surface Collector Design, Bull Trout Limiting Factors Analysis, Constructed Channel* and NMFS Biological Opinion update.

**ACC Meeting No. 12**  
**November 30, 2006**

- Reviewed the ACC 2006/07 Aquatic Funding Pre-proposals.
- In preparation for consideration of the 13 Aquatic Funding Pre-proposals, the *Utilities Pre-proposal Evaluation, ACC Comment Evaluation* and the objectives from the *Aquatics Fund – Strategic Plan and Administrative Procedures* were reviewed.
- Agreed to proceed with request for full-proposal for following projects:
  - Dispersed Camping and Day Use Road Restoration
  - Muddy River Floodplain Nutrient Enhancement
  - Scotch Broom Removal on the Muddy River Floodplain
  - Pine Creek Nutrient Enhancement
  - PIT Tag Detectors for Bull Trout in Upper Lewis River
  - 9015 Culvert Replacement
  - Rush Creek Gravel Restoration
  - Martin Access Riparian Forest and Off-channel Habitat Enhancement

- Plas Newydd Riparian Forest Enhancement
- Two Forks Access Riparian Forest Enhancement
  
- Informed the ACC that the USFWS was not present so another meeting would be scheduled on December 5, 2006 to discuss each Pre-proposal project with this agency.

**ACC Meeting No. 13**  
**December 5, 2006**

- Reviewed the ACC 2006/07 Aquatic Funding Pre-proposals with the USFWS and provided the previous ACC results.
  
- USFWS expressed that they are in agreement with accepting the ACC Aquatic Funding Pre-proposal decisions on November 30, 2006, with the exception of two projects which will be discussed further at the December 14, 2006 ACC meeting.

**ACC Meeting No. 14**  
**December 14, 2006**

- Informed the ACC that full proposal request letters relating to the 2006/07 Aquatic Funding were mailed to the USDA Forest Service and Cowlitz Indian Tribe on December 13, 2006.
  
- Discussed a document entitled *Independent Scientific Review Panel (ISRP) Pre-proposal for a Pilot Project*, as submitted by the USFWS as an alternative to two Aquatic Funding Pre-proposals that were rejected by the ACC on November 30, 2006. In result, the USFWS proposal was rejected, however, the ACC requested PacifiCorp Energy to set up a *Lewis River - ACC Synthesis Workshop* to determine the process and criteria for prioritizing projects for funding.
  
- Reviewed and discussed a PowerPoint presentation as provided by WDFW entitled, *North Fork Lewis River late Winter Steelhead Program*. Presentation was a summary of the agency's Draft Winter Steelhead HGMP.
  
- Discussed the Statement of Qualifications of two potential consultants to conduct the *Large Woody Debris (LWD) Study*. The ACC selected the firm of Inter-Fluve.
  
- Discussed the preference of location for an acclimation pond site and determined further discussion is necessary with wildlife biologists and the TCC.
  
- Agreed to provide the USDA Forest Service \$2,500 of the total project monitoring funds for use in the 2005/06 Pine Creek Instream Pilot Project.

- Reported on *Yale Entrainment Evaluation, Merwin Tailrace Behavior Study, Merwin Sorting Facility Design, Speelyai Hatchery Remodel, Swift Surface Collector Design* and the Constructed Channel.
- Provided a financial report (as of November 30, 2006) on the Aquatics Fund including funds for Bull Trout.
- Agreed to schedule the 2007 ACC Meetings on the 2<sup>nd</sup> Thursday of each month, understanding dates are subject to adjustments from time to time as agreed upon by the ACC.

### 3.1.2 ACC Meeting Notes

The Licensees prepared draft notes for ACC meetings and conference calls. These notes were distributed to ACC members for review and comment approximately one week after the subject meeting. After review, revision and approval by the ACC, the final notes were entered in the public record maintained by both Licensees and posted on the PacifiCorp Energy web site (<http://www.pacificorp.com/Article/Article61655.html>).

## 3.2 ENGINEERING SUBGROUP MEETINGS

### 3.2.1 Engineering Subgroup Meetings: Overview

This section summarizes the topics discussed and actions taken during the ACC Engineering Subgroup meetings over the 12-month period.

#### **Subgroup Meeting No. 1 February 7, 2006**

- Reported on the FERC license schedule and WDOE's progress on the 401 Water Quality Certificate.
- Reviewed and discussed action items from last meeting to include *Facility Design Criteria*, upper release preliminary drawings, trap closure, fish trap safety interim measures, fish trap chamber, fish process flow diagrams and the *Siting Study Summary*.
- Reported on the status of the Swift Probable Maximum Flood (PMF) and Downstream Passage Project and the Swift Canal Upper Flow Release Project.
- Reviewed and discussed the updates made to the *Facility Design Criteria* document.
- Reviewed and discussed the update made to the *Technical Memorandum – Addendum #1: Merwin Trap, Fish Sorting Facility Design and Sorting Tank Sizing Calculations*.



- Reviewed and discussed the Fish Trap Safety Improvement project and proposed measures for the trap safety upgrades, and continued flow restrictions.
- Reviewed and discussed the *Facility Design Criteria* including but not limited to trap and sorting facility water supply, transport channel, fish ladder, fish trap, fish hopper, and conveyance flume.
- Reviewed and discussed the updates of the Merwin Fish Tracking Study, Merwin Trap Statistics and study methods used to evaluate the data.
- Reviewed and discussed the work underway to establish a protocol to address and quantify the trap capture efficiency.
- The Subgroup agreed to abandon the use of hydroacoustics as a means to determine trap capture efficiency and to review a report at the next meeting outlining additional recommendations on how to best evaluate the trap capture efficiency.
- Reviewed and discussed concerns about the preferred site for the sorting facility to include bridge access, fish entrance options and fish trap traffic projections.
- The Subgroup agreed that further development can begin on Site 1A, and provide updates at each future Subgroup meeting.
- Reviewed and discussed other topics of concern such as the need to develop an effective fish trap entrance, velocities in the fish conveyance flume, and the desired configuration for the surplus station at the sorting facility.

**Subgroup Meeting No. 2**  
**March 7, 2006**

- Reviewed and discussed the updates of the Swift Canal Upper Flow Release project, the flow regime, desired flows and the spawning gravel specifics.
- Reviewed and discussed the Settlement Agreement requirements for construction of a Modular Surface Collector to provide downstream passage at Swift Dam.
- Presented an overview of the *Merwin Fish Tracking Study* based on radio antennas and tagging.
- PacifiCorp Energy provided 30% fish trap safety improvements design drawings to Services on 2/21/06 and is currently waiting for comment.
- Reviewed and discussed the status of the fish trap safety improvements.

- Reviewed and discussed a status summary for the Facility Design Criteria documents to include a fish surplus protocol.

**Subgroup Meeting No. 3**  
**April 12, 2006**

- Reported on status of FERC license issuance.
- Reviewed and discussed the Swift Downstream Passage requirements to include familiarization of the project, biology studies, relicensing collection concepts, Settlement Agreement provision and available alternatives.
- Reported that the Swift Canal Upper Flow Release project is currently on hold until WDOE provides additional definition of the desired flows and spawning channel goals for the facility.
- Reported on status of the Merwin fish tracking study and trap efficiency standards.
- Provided a status summary for the Facility Design Criteria SA 4.2 Merwin Trap, and SA 4.3 Merwin Upstream Collection and Transport Facility.
- Provided a status summary of the Merwin fish trap safety improvements in conjunction with the 60% design drawings that were provided to representatives during the meeting.
- Reported on status of the Merwin Sorting Facility siting issues and evaluation of preferred sites.
- Provided a planning document for further review and comment entitled, *Merwin Fish Sorting Facility Scope Definition*.
- Agreed that future meetings will be scheduled at approximately 6-week intervals.

**Subgroup Meeting No. 4**  
**May 17, 2006**

- Reported on status of FERC license issuance.
- Reviewed and discussed revisions to the Merwin Facility Design Criteria document and to the Merwin Fish Handling Process Diagrams.
- Reviewed and discussed the Merwin Tank Loading Plan, Tank/Truck Loading Flow Chart and fish handling protocol and the Merwin Sorting Facility Scoping document.

- Agreed that the Merwin Upstream Collector Criteria Document can be finalized at the next engineering subgroup meeting once a performance standard for ATE has been established and future revisions can be addressed with meeting notes and special addendum's, if required.
- Reported on status of the Merwin fish trap safety improvements, which are currently near the 90% design level.
- Introduced representatives of R2 Resources, the consultant who will be performing the planning and engineering associated with the Lewis River Hatchery complex.

**Subgroup Meeting No. 5**  
**June 26, 2006**

- Reported on status of FERC license issuance, NMFS BiOp and the WDOE Water Quality Certifications.
- Reported on the status of the Merwin Upstream Collector Criteria Document, Technical Memorandum and Merwin Sorting Facility Scoping document to include fish number calculations, Tank/Truck Loading Diagram, Surplus Fish Handling Protocol, fishery equipment and features, civil-structural systems, access, and mechanical systems.
- Agreed that the design team could begin with laying out conceptual design of the Merwin Trap Adult Sorting facility.
- Reported on the status of the fish trap design schedule, which is nearing the 30% design stage.
- Reported that a memorandum and 90% design on the Fish Trap Safety Improvements was submitted to the ACC on June 7, 2006, with comments due on July 10, 2006.
- Reported on the status of the Merwin tailrace fish tracking studies and ATE standards.
- Reported that PacifiCorp Energy is close to agreement with WDFW regarding property issues on the site selected for the smolt release ponds.
- Reported that the ACC will visit potential acclimation pond sites next month and begin discussion on how many and where the preferred sites should be.
- Provided an overview and PowerPoint presentation of the progress since last April, and of future plans to address the Swift Probable Maximum Flow, and Downstream Fish Passage facility. The facility will be a Floating Surface Collector (FSC).

**Subgroup Meeting No. 6**  
**August 8, 2006**

- Reported that the Merwin Fish Trap Study Results are nearly complete, although ATE standards development cannot be finalized until the study is complete.
- Reported on the status of the Merwin Tailrace Fish Behavior Study.
- Provided a draft Engineering Subgroup meeting schedule and goals for the Subgroup review and comment.
- Reviewed and discussed a working document titled *Merwin Fish Sorting Facility Scope Definition*.
- Agreed that once finalized, the scoping document should become part of the 30% design submittal.
- Informed the Subgroup that a construction contractor has been selected to complete the fish trap safety improvements.
- Provided an overview and PowerPoint presentation to outline the factors affecting the *Swift Forebay Draft FSC Potential Locations Plan*.
- Provided a brief overview and PowerPoint presentation to update the Subgroup on the Computational Fluid Dynamics (CFD) modeling progress for the Swift FSC.
- Reviewed and discussed the *Draft Biological Criteria for Swift Sorting and Transport Design*, which will be presented to the ACC at their next meeting on August 10, 2006.
- Reviewed and discussed the *Swift Downstream Fish Passage – Fish Handling Process Diagram*, which will be presented to the ACC at their next meeting on August 10, 2006.
- Reviewed and discussed the Swift Reservoir and FSC tables and graphs, including Reservoir operating water level table and graphs, FSC Entrance Criteria Table, Swift Screen Criteria Table and FCS Fish Transport Channel Criteria Table.
- Summarized and discussed key points regarding the need to choose an initial entrance flow for the FSC to facilitate the design process.

**Subgroup Meeting No. 7**  
**September 18, 2006**

- Defined purpose of subgroup meetings, focused on hatchery upgrade issues and streamlined review and input on hatchery upgrade designs.
- Reviewed and discussed the Lewis River Hatchery Pond 15 design layout and technical memorandum.
- Reviewed and discussed the permitting impact on the Pond 15 construction schedule.
- Discussed the inspection schedule for 2007 and repair of hatchery water supply line in 2008, as required.
- Provided a construction update of the Speelyai Hatchery building expansion.
- Reviewed and discussed the Speelyai Hatchery Burrow Pond construction schedule and tight design.
- Reviewed and discussed the Merwin Hatchery pond improvements and Summer 2008 construction schedule.

**Subgroup Meeting No. 8**  
**September 25, 2006**

- Informed Engineering Subgroup that the USFWS BiOp was received on September 22, 2006.
- Reported on status of FERC license issuance, NMFS BiOp and the WDOE Water Quality Certifications.
- Provided a brief overview of the results of the Cramer's Population Model and the *Merwin Tailrace Fish Behavior Study*.
- Reviewed and discussed the changes in the *Merwin Trap Facility Design Criteria Document*.
- Provided conceptual drawings and discussed preliminary concepts for the *Merwin Sorting Facility – Criteria Document*.
- Provided an overview and PowerPoint presentation of the Swift Downstream FSC to familiarize all attendees with the design.

- Provided an overview and PowerPoint presentation of the CFD summary, which is expected to be complete enough by November 2006 to provide a relatively reliable forebay flow profile.
- Provided FSC preliminary layout drawings and presented the design concept for four operating conditions and one alternate layout involving an additional pair of primary dewatering pumps.
- Reviewed and discussed the updated tables and figures on FSC operating water levels, reservoir water levels, FSC entrance criteria, FSC screen criteria, FSC fish transport criteria, and fish holding criteria.

**Subgroup Meeting No. 9**  
**October 31, 2006**

- Reported on status of FERC license issuance, NMFS BiOp which is expected in approximately two weeks.
- Provided a preliminary review of the Merwin tailrace/entrance goals and discussed possible alternatives.
- Provided drawings illustrating preliminary concepts for the Merwin *Fishway Entrance – Alternative A: False Weir* concept.
- Presented a preliminary layout for the Merwin Fish Trap Sorting Facility to guide ongoing design and discussed primary siting issues and access restrictions.
- Reviewed and discussed a velocity analysis under the bridge during high flow conditions.
- Reviewed an updated version of the Merwin Fish Trap Sorting Facility design schedule and discussed the overall goal to complete 30% designs by April 2007.
- Presented a PowerPoint highlighting the Swift Downstream CFD model validation and baseline runs and discussed model assumptions and simplifications, results, conclusions and considerations.
- Reviewed a preliminary FSC layout drawing and discussed the key characteristics of the module.
- Reviewed and discussed the FSC Design Criteria tables which illustrated comparisons between the Swift FSC and other related facilities.



- Presented a PowerPoint presentation titled *Swift FSC Escape Analysis* which outlined the efforts in defining an adequate fish capture velocity for the FSC.
- Presented a PowerPoint presentation summarizing the Swift bypass Upper Release channel design work to date.

**Subgroup Meeting No. 10**  
**November 15, 2006**

- Reviewed and discussed the Lewis River Hatchery Pond 15 30% design, and Pond 13, 14, 16 criteria.
- Reported on status of the Speelyai Hatchery Building Expansion permitting and foundation construction.
- Reviewed and discussed the Speelyai Pond upgrades permitting, design and construction schedule.
- Discussed the October 12, 2006 site visit and design kickoff meeting held for Speelyai Hatchery Burrows Pond and Pond 14.

**Subgroup Meeting No. 11**  
**December 12, 2006**

- Reported on status of FERC license issuance, which is expected first quarter of 2007.
- Reported on status of Swift bypass Upper Release Channel design and discussed spawning habitat, in-stream flow conditions and design velocity.
- Presented a PowerPoint presentation on the CFD model runs and discussed possible solutions to the south shore current and other observations based on the CFD model.
- Informed the Subgroup that the design team is coordinating with the Monitoring and Evaluation team and will continue to do so throughout the design process.
- Reported on status of the Merwin Tailrace Study to include review of radio tracking study slides and Study conclusions.
- Reported on status of the fishway entrance design alternatives and expect to have an entrance alternative direction by February 2007.

**3.2.2 Engineering Subgroup Meetings Notes**

The Licensees prepared draft notes for Engineering Subgroup meetings and distributed the notes to Engineering Subgroup members for review and comment approximately one week after the subject meeting. After review, revision and approval by the Engineering Subgroup,

the final notes were entered in the public record maintained by both Licensees and posted on the PacifiCorp Energy web site (<http://www.pacificorp.com/Article/Article61655.html>).

### 3.3 Aquatic Measures Implemented in 2006

This section presents the actions taken during January 2006 through December 2006 toward Aquatic requirements in the Lewis River Settlement Agreement.

A discussion of the activities associated with each of the PM&E measures is presented below by SA Article for the report period (Table 3.3-1). A description of funding amounts deposited and disbursed during 2006 is provided in Section 7.0 – Funding.



**Table 3.3-1**

Aquatics Activity Status during the 2006 Reporting Period

SA Article	Aquatics Activity	Status
4.1.1	<b>Fish Passage Measures</b> <ul style="list-style-type: none"> <li>• Studies to Inform Design Decisions</li> </ul>	Draft Merwin Tailrace Fish Behavior Study to inform design of the Merwin upstream trap was issued to the ACC on September 6, 2006 and comments were received. The final report is scheduled for issue in January 2007.
4.1.4.c	<b>Fish Passage Measures - Adult Trap Efficiency for Salmonids</b> <ul style="list-style-type: none"> <li>• Develop an ATE performance standard</li> </ul>	This effort is dependent on the 4.1.1. study and a subtask for the Engineering sub-group. This work is ongoing.
4.2.a	<b>Merwin Trap - Fyke Repair</b> <ul style="list-style-type: none"> <li>• Repair fyke portion of the Merwin Trap</li> </ul>	Fyke was repaired as of April 29, 2005.
4.2.b	<b>Merwin Trap - Flow Restrictions</b> <ul style="list-style-type: none"> <li>• Limit river discharge at Merwin to 5,250 or less while personnel are in the fish trap</li> </ul>	PacifiCorp coordinated with WDFW to revise the flow criteria to 5,400 cfs and to establish new protocols for interim operation of the Merwin Trap.
4.2.c	<b>Merwin Trap - Merwin Trap Upgrades</b> <ul style="list-style-type: none"> <li>• Identify information needed to improve operating conditions</li> <li>• Coordinate design upgrades with Services and WDFW, final designs with ACC</li> </ul>	Upgrade designs approved by ACC. A final design is scheduled to be issued to FERC in January 2007.
4.2.d.	<b>Merwin Trap</b> <ul style="list-style-type: none"> <li>• Interim trap data available</li> </ul>	Collection and reporting of interim data is ongoing during the preliminary design phase of the Merwin upstream trap.
4.3	<b>Merwin Upstream Collection and Transport Facility</b> <ul style="list-style-type: none"> <li>• Design Merwin Upstream Transport Facility</li> </ul>	Preliminary design work is ongoing. PacifiCorp is working with the ACC Engineering subgroup on early design. A 30% design draft of the sorting facility was issued to the ACC. The Engineering subgroup is working on some alternatives for the new trap facility.
4.4.3	<b>Release Ponds</b> <ul style="list-style-type: none"> <li>• Consult with ACC to site the precise location of the release ponds</li> </ul>	PacifiCorp consulted with the ACC on several occasions (see attached notes), site has been selected. PacifiCorp and WDFW are finalizing arrangements for transfer of ownership to PacifiCorp.
4.9.1	<b>Interim Bull Trout Collection and Transport - Collect and Haul Program</b> <ul style="list-style-type: none"> <li>• Collect bull trout from the Yale tailrace and below Swift No. 2 and transport upstream of project</li> </ul>	PacifiCorp and Cowlitz PUD submitted a Collection and Transport plan to USFW and WDFW, agencies approved plan, and six attempts were made to collect bull trout. Activity is annual and will be conducted again in 2007.
4.9.2	<b>Interim Bull Trout Collection and Transport - Investigation of Alternative Collection Methods</b> <ul style="list-style-type: none"> <li>• Identify and attempt agency approved collection methods for bull trout</li> </ul>	PacifiCorp modified a beach seine and converted it to a purse seine as an alternative collection method. PacifiCorp will propose further modifications to agencies for use in 2007.
4.9.3	<b>Yale and Merwin Bull Trout Entrainment Reduction</b> <ul style="list-style-type: none"> <li>• Design study to evaluate bull trout entrainment reduction methods</li> </ul>	The study is complete and a draft report is expected to be distributed in February 2007.

**Table 3.3-1**

Aquatics Activity Status during the 2006 Reporting Period

<b>SA Article</b>	<b>Aquatics Activity</b>	<b>Status</b>
<b>5.2</b>	<b>Bull Trout Habitat Enhancement Measures</b> <ul style="list-style-type: none"> <li>• Manage Cougar Creek Conservation Covenant and the Devil's Backbone Conservation Covenant to benefit of bull trout</li> </ul>	PacifiCorp managed the Cougar Creek CC for bull trout and Cowlitz PUD managed the Devil's Backbone CC for bull trout. Management of these areas is ongoing.
<b>5.5</b>	<b>Bull Trout Limiting Factors Analysis</b> <ul style="list-style-type: none"> <li>• Initiate scoping of Analysis work</li> </ul>	PacifiCorp hired a contractor to conduct the study. A draft study plan was issued to the ACC on April 24, 2006 and a final study plan was issued to the ACC on September 26, 2006. A final report is anticipated for January 2007 .
<b>6.1.2</b>	<b>Construction of Upper Release Point</b> <ul style="list-style-type: none"> <li>• Provide the ACC the location of the Upper Release Point</li> </ul>	The Upper Release Point site has been selected and provided to the ACC along with 30% conceptual designs for the release structure. PacifiCorp is working with WDOE and WDFW towards a 60% design. In 2007 PacifiCorp and Cowlitz PUD will be acquiring necessary permits so that construction may occur in a timely manner.
<b>6.1.3b</b>	<b>Constructed Channel - Channel Design and Cost Estimate</b> <ul style="list-style-type: none"> <li>• Complete a design for construction and maintenance of the Channel</li> </ul>	PacifiCorp has contracted with a consulting Engineering firm to complete a design for the channel that will be distributed to the ACC in 2007.
<b>7.2</b>	<b>Spawning Gravel Study and Gravel Monitoring and Augmentation Plan</b> <ul style="list-style-type: none"> <li>• Contract Consultant</li> <li>• Direct the consultant to submit a draft study plan to the ACC</li> </ul>	The spawning gravel study is complete. Stillwater Sciences will monitor the gravel plots and make further observations on spawning use over the next two years so as to provide more information to develop the gravel augmentation plan.
<b>7.4</b>	<b>Habitat Preparation Plan</b> <ul style="list-style-type: none"> <li>• Prepare HPP in consultation with ACC</li> <li>• Complete HPP actions</li> </ul>	The HPP was revised slightly by the ACC in spring of 2006. Activities were carried out in the fall with the transport of roughly 2,000 adult salmon to above Swift Dam. The HPP will again be implemented in 2007.
<b>7.5</b>	<b>Aquatics Fund</b> <ul style="list-style-type: none"> <li>• Make \$300,000 available to the Fund</li> <li>• Develop strategy and administrative procedures</li> <li>• Initiate strategy and procedures</li> </ul>	Resource projects were funded and the process was repeated in 2006. Final project selection will be made in early 2007.
<b>8.2.1</b>	<b>Hatchery and Supplementation Plan</b> <ul style="list-style-type: none"> <li>• Produce and distribute a draft Hatchery and Supplementation Plan to the ACC</li> </ul>	Work continues on the H&S plan which was delayed in anticipation of issuance of the Hatchery Genetics Management Plans so that the two plans could be coordinated. The current schedule calls for completion of the H&S Plan in 2007.

### 3.3.1 SA Section 4.1 Common Provisions Regarding Fish Collection and Transport Facilities

#### Studies to Inform Design Decisions (SA 4.1.1)

PacifiCorp Energy initiated the Merwin Tailrace Fish Behavior study to provide information that could assist the planning and design of the Merwin Upstream Collection and Transport Facility. The study plan was developed in coordination with the ACC and was finalized as a revised document on June 30, 2005 and posted on the Lewis River website at <http://www.pacificorp.com/File/File61936.pdf>. Originally the study was to include a hydroacoustic component, however, after four months of collecting data, it became apparent that the equipment was not collecting accurate information. This inaccuracy was due to a large number of fish that either passed back and forth through the acoustic field, or were fish that held in the field for long periods. This resulted in false passage counts and population estimates that indicated a negative number of fish entering the tailrace area. Compared to the actual number of fish caught in the trap, this could not be possible so this part of the study was eliminated. In 2005, 100 adult coho were tagged and tracked, as well as 100 summer and 100 winter steelhead. Spring Chinook were tagged and tracked in Spring 2006. Study is ongoing with a final report to be released in early 2007.

In addition to the Behavior study, PacifiCorp Energy completed bathymetry field work on each of the three mainstem reservoirs. One of the purposes of the work was to obtain more accurate data on the land and water elevations within the sites of potential fish collection facilities. Such information will be of value as engineers consider alternatives for facility location and designs. This task is complete.

#### Adult Trap Efficiency for Salmonids (SA 4.1.4c)

Per discussions with stakeholders, ATE discussions will continue once results from the Merwin Tailrace Fish Behavior study are available.

### 3.3.2 SA Section 4.2 Merwin Trap

#### Merwin Trap Flow Restrictions (SA 4.2b)

To provide a margin of safety for personnel, PacifiCorp Energy limited the river discharge at Merwin dam/powerhouse to 5,400 cfs or less as river flow conditions warranted when personnel were in the trap. Flow limitations were coordinated with WDFW hatchery staff.

#### Merwin Trap Upgrades (SA 4.2c)

On November 29, 2005 PacifiCorp Energy provided the Services (USFWS and NOAA Fisheries) and WDFW a letter requesting a meeting to discuss potential upgrades and operational procedures to improved operating conditions for personnel working in the Merwin Trap by providing a greater margin of safety. Attached to the letter was a memo that identified company proposed measures and a supporting Engineering Study (Report No. RES 3000028924). The report was posted on the Lewis River website and can be viewed at: <http://www.pacificorp.com/File/File61937.pdf>

In summary, the memo noted that providing workers with emergency alarms and assistance in vacating the trap, in tandem with restricting inflows into the fishway, will mitigate the key operational safety problem and improve conditions for workers in the trap. The following safety and operational improvements were proposed;

- Installation of improved lighting in the fishway and near the bottom of the fish lift;
- Installation of audible and visible alarms such as sirens and strobe lights to alert workers to vacate the fish trap in the event of a pump failure;
- Installation of hand rails above the anticipated high water level to assist workers when vacating the fish trap;
- Bypassing Merwin Hatchery water at the bridge bypass valve when workers are in the trap; and
- Limiting plant discharge flows to maintain tailrace at a level providing minimum headspace in the fish trap after pump failure.
  - Current maximum discharge is 5,500 cfs
  - Future max discharge may be 5,500+ to 9,000 cfs pending upcoming flow tests

On February 21, 2006, PacifiCorp Energy provided the Services and WDFW with 30% design level drawings for their review. On April 12, 2006, the Services and WDFW were provided the 60% design. Following review and modification from WDFW, 90% designs were provided to ACC (including Services and WDFW) on June 7, 2006. A correction was submitted on December 1, 2006. On November 27, 2006, PacifiCorp Energy requested confirmation of design approval from the Services. As of December 31, 2006, NOAA Fisheries and USFWS had yet to respond. It is expected that approval will be granted from the agency with final designs to be submitted to FERC in January 2007.

Interim Merwin Trap Operations (SA 4.2d) - For CY 2006 the Merwin Trap was operated in coordination with WDFW to collect hatchery fish returning from the ocean and to transport any bull trout collected to Yale Lake. Fish other than hatchery fish and bull trout were returned to the river downstream of Merwin Dam. PacifiCorp Energy coordinated with WDFW and made reasonable efforts to operate the Merwin powerhouse to allow fish trapping operations at the trap.

### 3.3.3 SA Section 4.3 Merwin Upstream Collection and Transport Facility

PacifiCorp Energy completed initial activities related to developing preliminary alternatives and facility design. In the Spring of 2005 PacifiCorp Energy worked with the Fish Passage Engineering Subgroup to prepare a Facility Design Criteria document, which was posted on the PacifiCorp Energy website at <http://www.pacificorp.com/Article/Article61496.html>. Using the Criteria document for guidance, the PacifiCorp Energy team worked on identifying and scoping conceptual designs for the facility. Key considerations for design include a completely new facility, and incorporation of the current Merwin Trap as upgraded. Designs should meet applicable performance standards regardless of the operational state of the



Merwin powerhouse and dam. Still at hand is the need to design a facility that will meet or nearly meet 95 percent adult trap efficiency (current proposed ATE). The Subgroup will continue working on design concepts in 2007 in consideration of the targeted trapping efficiency.

#### 3.3.4 SA Section 4.4 Downstream Transport at Swift No. 1 Dam

##### Release Ponds (SA 4.4.3)

At the February ACC meeting PacifiCorp Energy notified the representatives that the company was working to identify potential sites for the Release Ponds. PacifiCorp Energy has continued to work with WDFW to secure acquisition of a site just downstream of Woodland, Washington. The site meets the criteria established in the SA and the land is available for trade with WDFW. PacifiCorp Energy and WDFW are expected to complete the transaction in 2007.

#### 3.3.5 SA Section 4.5 Downstream Passage at Yale Dam

Implementation scheduled prior to 13<sup>th</sup> anniversary of Yale Project License.

#### 3.3.6 SA Section 4.6 Downstream Passage at Merwin Dam

Implementation scheduled prior to 17<sup>th</sup> anniversary of Merwin Project License.

#### 3.3.7 SA Section 4.7 Upstream Passage at Yale Dam

Implementation scheduled prior to 17<sup>th</sup> anniversary of Yale Project License.

#### 3.3.8 SA Section 4.8 Upstream Passage at Swift Projects

Implementation scheduled prior to 17<sup>th</sup> anniversary of Swift No.1 Project License.

#### 3.3.9 SA Section 4.9 Interim Bull Trout Collection and Transport Programs (SA 4.9.1)

PacifiCorp, in cooperation with the WDFW and USFWS, annually nets and transports bull trout from the Yale powerhouse tailrace to the mouth of Cougar Creek, a Yale reservoir tributary. A total of 101 bull trout have been captured from the Yale tailrace since the program began in 1995.

To capture bull trout, monofilament or multi-filament mesh gill nets are used (typically 2.5 to 3 inch stretch). Netting occurs on a weekly basis beginning in July and ending in early September. Netting usually occurs between the hours of 0900 and 1200. During this time, the powerhouse generators are taken off-line to facilitate deployment and handling of the nets. Larger nets, in both area and mesh size, have been deployed in the past; however, they were less effective at capturing bull trout. Nets are tied to the powerhouse wall and then stretched across the tailrace area using powerboats. The nets are then allowed to sink to the bottom. Depending on conditions or capture rate, the nets are held by hand on one end or allowed to fish unattended. The maximum time nets are allowed to fish before being pulled is less than 10 minutes. Upon capture of a bull trout, fish are immediately freed of the net (usually by cutting) and placed in a live well. Once biological information is gathered and a

floy and PIT tag is inserted, the bull trout is placed in a 6-inch diameter PVC or rubber tube that is partially filled with water. A rope is tied to the PVC or rubber tube, which allows hatchery crews on the “catwalk” to hoist the bull trout out of the tailrace area and into hatchery trucks. The entire process, from capture to hatchery truck, takes only a few minutes and no direct mortality has ever been observed. For 2006, attempts to net bull trout were completed from June 1<sup>st</sup> through August 31<sup>st</sup>, 2006. A total of five bull trout were captured in the tailrace, transported, and then released at Cougar Park. Other species captured in order of frequency included: kokanee (*Oncorhynchus nerka*), largescale suckers (*Catostomus macrocheilus*), northern pikeminnow (*Ptychocheilus oregonensis*), coastal cutthroat (*Oncorhynchus clarki*), and rainbow trout (*Oncorhynchus mykiss*) all of which were returned into the tailrace. No bull trout mortalities were observed as a result of netting and transportation activities.

#### Investigation of Alternative Collection Methods (SA 4.9.2)

In coordination with the interim USFWS Biological Opinion and current FERC licenses for the Lewis River projects, PacifiCorp Energy continues to seek more effective and less intrusive methods to collect bull trout from the Yale tailrace. In 2005, a large (225' X 28') beach seine was used in an attempt to actively collect bull trout from the tailrace. Mesh size ranged from 2 to 4 inch square. The methodology used included feeding the net from shore and using a jet sled to feed the net in a circular pattern from the shore. The net was then dragged back to the shore.

The net was extremely effective in capturing all types of larger fish present in the tailrace, however it would become ‘snagged’ on large boulders close to shore. This resulted in most and in some instances all fish escaping from the net. Because this snagging of the net occurred in all sets it was decided to discontinue its use for the remainder of the season.

Due to the initial effectiveness of the net in capturing large fish, the net was modified in 2006 to allow pursing the net in the middle of the tailrace, thus eliminating the need to bring the net to shore and potentially snag on the large boulders present there. This technique was expected to capture large numbers of fish and allow a less intrusive method to be used, but the purse seine proved to be cumbersome and not feasible with only one boat.

PacifiCorp Energy will in 2007 continue to test the purse seine with additional resources to properly set and pull the seine.

#### 3.3.10 SA Section 4.10 Bull Trout Passage in the Absence of Anadromous Fish Facilities

If Yale Downstream Facility is not built, implement prior to 13<sup>th</sup> anniversary of Yale Project License.

#### 3.3.11 SA Section 5.1 Yale Spillway Modifications

Implementation scheduled prior to six months after the 4<sup>th</sup> anniversary of Yale Project License.



### 3.3.12 SA Section 5.2 Bull Trout Habitat Enhancement Measures

PacifiCorp Energy continued to manage the Cougar Creek Conservation Covenant to the benefit of bull trout. Noxious weeds (scotch broom and Himalayan blackberry) were identified and treated along the transmission ROW and in previously harvested lands along Panamaker Creek.

Per the SA, Cowlitz PUD managed the Devil's Backbone Conservation Covenant to benefit bull trout.

### 3.3.13 SA Section 5.3 Reserved

### 3.3.14 SA Section 5.4 Reserved

### 3.3.15 SA Section 5.5 Bull Trout Limiting Factors Analysis

Contract was awarded and the Consultant has completed most of the field work and a draft report. High flows in the Fall of 2006 prevented completion of habitat data collection and has subsequently delayed completion of the final report until February or March 2007.

### 3.3.16 SA Section 5.6 Public Information Program to Protect Listed Anadromous Species

PacifiCorp Energy contracted an Interpretation and Education consultant to develop signage and fliers to satisfy this requirement.

### 3.3.17 SA Section 5.7 Public Information Program to Protect Bull Trout

PacifiCorp Energy contracted an Interpretation and Education consultant to develop signage and fliers to satisfy this requirement.

### 3.3.18 SA Section 6.1 Flow Releases in the Bypass Reach: Constructed Channel

#### Construction of Upper Release Point (SA 6.1.2)

PacifiCorp Energy anticipates providing 60 percent design drawings to Ecology and the ACC for the upper release point in January 2007. Upon finalizing design with Parties, permitting will be initiated for anticipated construction in 2008.

#### Constructed Channel (SA 6.1.3b)

PacifiCorp Energy contracted with Northwest Hydraulic Consultants to prepare a design and recommendation report for the Constructed Channel. Draft design and cost estimates will be available in early 2007. Upon finalizing design with Parties, permitting will be initiated for anticipated construction in 2008.

### 3.3.19 SA Section 6.2 Flow Fluctuations Below Merwin Dam

Implementation scheduled upon issuance of Merwin Project License.

### 3.3.20 SA Section 7.1 Large Woody Debris Program

PacifiCorp Energy continued the Large Woody Debris (LWD) program per its current Hydraulic Project Approval (HPA). Swift Reservoir was cleared of floating woody debris during May and June of 2006. Logs were removed from the reservoir along with over 100 tons of smaller debris. The logs were offered to Fish First and the USFS for utilization in stream rehabilitation work. Fish First took 3-4 logs for use in aquatic rehabilitation projects.

PacifiCorp Energy initiated a request for Qualifications from consulting firms. The ACC reviewed these qualifications and selected a consultant to complete the study at the December 14, 2006 ACC meeting.

### 3.3.21 SA Section 7.2 Spawning Gravel Study and Gravel Monitoring and Augmentation Plan

Stillwater Sciences completed a Spawning Gravel Report and proposed to monitor gravel movement for two years before making recommendations and developing a final gravel augmentation plan. Some of the key findings were that spawning habitat is likely limiting to the local Chinook salmon population. Available spawning gravel does not appear to be diminished in the upper reach and the gravel appears to be stable. Adding more spawning gravel would not necessarily increase the spawning area due to the effect of the confined canyon geomorphology. Stillwater will monitor the gravel sites for two more seasons in order to provide an applicable trigger for gravel augmentation.

### 3.3.22 SA Section 7.3 Predator Study

Implementation scheduled prior to 13<sup>th</sup> anniversary of Merwin Project License.

### 3.3.23 SA Section 7.4 Habitat Preparation Plan

On March 23, 2006, PacifiCorp Energy provided the ACC with a draft 2006 Habitat Preparation Plan (HPP). Following a 30-day review, the 2006 HPP was finalized on April 28, 2006. On May 10, 2006, WDFW began transporting adult and jack Spring Chinook upstream of Swift dam (see table below). At the June 8, 2006 ACC meeting, the Yakama Nation requested that transfer of adult Spring Chinook cease as spring chinook were needed for tribal ceremonial and subsistence purposes. Until that point, a total of 155 adult Spring Chinook had been transported. In the fall, starting on September 21, 2006, WDFW began transporting adult coho salmon upstream of Swift dam. During the coho return, a total of 1848 adult coho salmon were released upstream of Swift dam.

Number of Chinook and coho transported from the Merwin and Lewis River traps to Swift Reservoir in 2006:

<b>Chinook</b>			
<b>Date</b>	<b>Males</b>	<b>Females</b>	<b>Jacks</b>
5/10/06	18	16	
5/16/06	29	21	1
5/23/06	40	30	
<b>Total</b>	<b>87</b>	<b>67</b>	<b>1</b>
<b>Coho</b>			
<b>Date</b>	<b>Males</b>	<b>Females</b>	
9/21/2006	95	95	
9/26/2006	110	110	
10/3/2006	300	300	
10/11/2006	224	224	
10/17/2006	195	195	
<b>Total</b>	<b>924</b>	<b>924</b>	

3.3.24 SA Section 7.5 Aquatics Fund

PacifiCorp Energy made \$300,000 available for Aquatic resource projects in 2006 and in accordance with the *Aquatics Fund – Strategic Plan and Administrative Procedures*.

Funding was distributed to two previously approved Aquatic projects: Muddy River Tributary Road Decommission and Pine Creek Nutrient Enhancement (see 3.3.27 below for details).

In September, 2006, a new funding cycle was initiated. Proposals are being evaluated and a decision for new project funding will be made in March 2007.

Funding not spent in 2006 (along with interest accrued) will remain in the account for use in 2007 or future years. The total amount available as of December 31, 2006 is \$600,504.79 (see Section 7.0 for details). The Licensees will continue to provide additional money to the Aquatic Fund on an annual basis as stipulated in the SA.

3.3.25 SA Section 7.6 In Lieu Fund

Implementation to be determined by NOAA Fisheries and USFWS

### 3.3.26 SA Section 7.7 Management of Aquatics Fund and In Lieu Fund

PacifiCorp Energy dispersed \$83,889 for Aquatic habitat projects in 2006 and carried the remaining funds over into the 2007 funding cycle. Fund account information is provided in Section 7.0.

### 3.3.27 SA Section 7.8 Execution of Projects and Mitigation Measures

In September, 2006, \$46,000.00 was provided to the U.S. Forest Service for the project Muddy River Tributary Road Decommission. The NEPA was completed for the road decommissioning project in October 2006. A contract was prepared and will be advertised for bidding in the next few months. The U.S. Forest Service intends to complete this project during July 2007 following the guidelines for instream work periods for fish (July 1<sup>st</sup> – July 31<sup>st</sup>).

In November, 2006, \$37,889.08 was provided for the project Pine Creek Nutrient Enhancement also conducted by the U. S. Forest Service. The NEPA was completed by the U.S. Forest Service for this project in October 2006. Macroinvertebrate samples were collected at 11 locations for monitoring purposes prior to carcass deployment. Approximately 3,200 (25,000lbs) coho salmon carcasses were distributed by helicopter along four miles of Pine Creek, and one mile of tributary P8 on December 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup>, 2006. Approximately 100 coho salmon carcasses were distributed by Fish First into Pine Creek using a truck and hand pitching. The U.S. Forest Service intends to take post project Macroinvertebrate samples and write a report at a future date. A refrigerated truck and trailer were rented to store and transport fish in. A side dumping forklift was rented to load fish into helicopter bucket. Fish First assisted with loading fish at the hatchery and helped to load fish at the helicopter staging area.

Both projects were completed per respective project schedules.

### 3.3.28 SA Section 8.1 Hatchery and Supplementation Program

See activities related to development of Draft Hatchery and Supplementation Plan.

### 3.3.29 SA Section 8.2 Hatchery and Supplementation Plan

PacifiCorp Energy and Cowlitz PUD provided a *Draft Hatchery and Supplementation Plan* to the ACC on November 28, 2005. On December 8, 2005, Mobrand and Meridian Environmental (consultants to the Licensees) presented and discussed the draft plan with the ACC. Consistent with the SA, the ACC and the public were provided a 60-day review period. Licensees collected ACC and public comments on the Draft Hatchery and Supplementation Plan between through February 10, 2006. The Licensees considered and addressed in writing the written comments provided, and included the rationale if the Licensees' decided to not address a comment in the final Plan. A revised Plan was submitted to the Services on April 11, 2006 for final approval (SA 8.2.1). Additional revisions to the Plan are still being considered by the Services and the ACC.

3.3.30 SA Section 8.3 Anadromous Fish Hatchery Adult Ocean Recruit Target by Species

The draft Hatchery and Supplementation Plan has been submitted for approval to the USFWS and NMFS. Within this plan, specific methodologies are described for determining ocean recruits for each target species. Once finalized, the Hatchery and Supplementation Plan will provide the methodology for determining ocean recruits for each species.

3.3.31 SA Section 8.4 Anadromous Fish Hatchery Juvenile Production

PacifiCorp Energy and Cowlitz PUD funded the operation of the Lewis River Hatchery Complex to meet current FERC license obligations for anadromous fish production.

3.3.32 SA Section 8.5 Supplementation Program

The Hatchery and Supplementation Plan is to be implemented as soon as practicable after issuance of new licenses for Merwin or Swift Projects.

3.3.33 SA Section 8.6 Resident Fish Production

PacifiCorp Energy and Cowlitz PUD funded the operation of the Lewis River Hatchery Complex to meet current FERC license obligations for resident fish production.

3.3.34 SA Section 8.7 Hatchery and Supplementation Facilities, Upgrades, and Maintenance

PacifiCorp Energy continued work towards completing conceptual and final designs of upgrades defined in Schedule 8.7, and complete construction activities. A draft criteria document was produced and submitted to WDFW for review and comment. PacifiCorp Energy staff and R2 Resources (Consultant) continue to meet regularly with an ACC Hatchery Sub-group to refine and agree on the criteria document and the designs of the upgrades. Permitting activities were initiated for Lewis River Hatchery Pond #15 upgrade and submitted to Cowlitz County on July 19, 2006, additional information was requested on October 27, 2006 and re-submittal is expected in January 2007.

3.3.35 SA Section 8.8 Juvenile Acclimation Sites

On October 6, 2006, several ACC members toured potential acclimation sites including: the Lewis River crossing with Forest Road 90 – near Lower Falls on the Lewis River, Muddy River crossing with Forest Road 25, Clear Creek crossing with Forest Road 93, and Lewis River crossing with Forest Road 90 – Eagle Cliff. A decision was made to pursue siting of acclimation ponds near the mouth of the Muddy River and just above the confluence of Clear Creek and the Muddy River. Discussion continues on location for a third acclimation site.

3.3.36 SA Section 9.1 Monitoring and Evaluation Plan

Implementation scheduled prior to 2<sup>nd</sup> anniversary of Project Licenses.

3.3.37 SA Section 9.2 Monitoring and Evaluation Related to Fish Passage

Implementation scheduled prior to 2<sup>nd</sup> anniversary of Project Licenses. A contract was awarded to complete this plan in 2008.

**3.3.38 SA Section 9.3 Wild Fall Chinook and Chum**

Implementation scheduled prior to 2<sup>nd</sup> anniversary of Project Licenses.

**3.3.39 SA Section 9.4 Water Quality Monitoring**

Upon issuance of the 401 water quality certificates, PacifiCorp began monitoring of spillway total dissolved gas (TDG) in fall 2006. Long-term TDG monitoring sites have been proposed and established near the Swift No. 1, Yale and Merwin spillways. Once the water quality management plans are completed (90 days following license issuance) monitoring of other parameters at additional sites will be initiated.

**3.3.40 SA Section 9.5 Monitoring of Hatchery and Supplementation Program**

Implementation scheduled prior to 2<sup>nd</sup> anniversary of Project Licenses.

**3.3.41 SA Section 9.6 Bull Trout Monitoring**

PacifiCorp Energy, on behalf of the Utilities, completed actions according to the Threatened and Endangered Species Annual Plan. An Annual report and plan was submitted to the FERC on March 30, 2006 and an addendum dated April 14, 2006. See SA Section 4.9 for activity details.

**3.3.42 SA Section 9.7 Resident Fish Assessment**

Implementation scheduled prior to 2<sup>nd</sup> anniversary of Project Licenses.

**3.3.43 SA Section 9.8 Monitoring of Flows**

Implementation scheduled prior to 2<sup>nd</sup> anniversary of Project Licenses.

## **3.4 Aquatic 2007 Annual Plan**

**3.4.1 SA Section 4.1 Common Provisions Regarding Fish Collection and Transport Facilities**

PacifiCorp Energy will continue the Merwin Tailrace Fish Behavior study and provide the ACC results in a timely manner to assist discussions on Merwin Upstream Collection Facility design and the development of an ATE performance standard for the Merwin Trap.

**3.4.2 SA Section 4.2 Merwin Trap**

PacifiCorp Energy will continue to collaborate with WDFW and to the extent feasible, limit the discharge from the Merwin Powerhouse for safety purposes to a maximum of 5,400 cfs when personnel are working in the Merwin Trap (SA 4.2b)

PacifiCorp Energy will continue to coordinate with WDFW and make reasonable efforts to operate the Merwin powerhouse to allow fish trap operations (SA 4.2d).

#### 3.4.3 SA Section 4.3 Merwin Upstream Collection and Transport Facility

Once a Merwin Upstream Collection and Transport Facility alternative has been selected PacifiCorp Energy will notify the ACC. In 2007 PacifiCorp Energy will provide 30% and 60% design drawings for review and comment (SA 4.3 and 4.1.2).

#### 3.4.4 SA Section 4.4 Downstream Transport at Swift No. 1 Dam

PacifiCorp Energy will consult with the ACC concerning the precise location of the Swift Downstream fish passage facility. The company will continue to coordinate with the Engineering Fish Passage Subgroup in the preparation of facility 30% and 60% design drawings for review and comment (SA 4.4.1)

PacifiCorp Energy will continue activities related to the acquisition of land on which to site the downstream release ponds. Upon acquisition, the company will initiate preliminary facility design (SA 4.4.3).

#### 3.4.5 SA Section 4.9 Interim Bull Trout Collection and Transport

PacifiCorp Energy and Cowlitz PUD are to investigate alternative Bull Trout collection methods in consultation with ACC (SA 4.9.2)

Continue PacifiCorp Energy's *Yale Project Entrainment Evaluation* and in Consultation with the ACC, initiate preparation of a draft entrainment reduction plan (SA 4.9.3)

#### 3.4.6 SA Section 5.2 Bull Trout Habitat Enhancement Measures

PacifiCorp Energy will manage the Cougar Creek Conservation Covenant and Cowlitz PUD will manage the Devil's Backbone Conservation Covenant to benefit bull trout.

#### 3.4.7 SA Section 5.5 Bull Trout Limiting Factors Analysis

PacifiCorp Energy completed a Bull Trout Limiting Factors Analysis Draft Study Plan and submitted to the ACC for a 30-day review on April 24, 2006. Following fieldwork, PacifiCorp Energy issued a draft study report to the ACC on February 8, 2007. Analysis is to be finalized in consultation with the ACC by April or May 2007.

#### 3.4.8 SA Section 5.7 Public Information Program to Protect Bull Trout

PacifiCorp Energy currently has established signing at all recreation areas within the project boundary that have the potential for anglers to capture bull trout. After issuance of new licenses, PacifiCorp Energy is required to maintain informational signs at established angler access areas describing bull trout and the need to protect the species; Cowlitz PUD will maintain the bull trout information sign installed at the Swift No. 2 power canal bank fishing facility. PacifiCorp Energy is to provide flyers with same information at park entrance booths. The Utilities are to provide such flyers to enforcement personnel for distribution.

#### 3.4.9 SA Section 6.1 Flow Releases in the Bypass Reach; Constructed Channel

Licensees shall acquire necessary permits and initiate construction of the Upper Release Point within six months of license issuance (SA 6.1.2). Processing time of permit applications to the Cowlitz County is expected to push construction period beyond the SA action date. PacifiCorp Energy will keep parties apprised of final schedule however, construction is now expected in 2008.

Licensees are working to complete a design for the construction and maintenance of the Constructed Channel and to obtain ACC approval. Licensees will provide \$1 million into a Tracking Account to be used in construction of Constructed Channel (SA 6.1.3).

The Swift bypass reach and constructed channel flow release schedule will follow the 401 Water Quality certifications for the first year, and then will be re-evaluated at the end of 2008.

#### 3.4.10 SA Section 6.2 Flow Fluctuations Below Merwin Dam

Upon issuance of a new license for the Merwin Project, PacifiCorp Energy is to implement the operational regimes as identified in the SA.

#### 3.4.11 SA Section 7.1 Large Woody Debris Project

PacifiCorp Energy will make available funds in a Tracking Account per the SA to help defray the costs of LWD transport. PacifiCorp Energy will also submit a draft study plan to the ACC which identifies and assesses the potential benefits of LWD projects below Merwin dam (SA 7.1.2)

#### 3.4.12 SA Section 7.2 Spawning Gravel Study and Gravel Monitoring and Augmentation Plan

PacifiCorp Energy submitted a Spawning Gravel Evaluation Plan - Final Year One Report to ACC on April 24, 2006. Gravel movement will continue to be monitored in 2007.

#### 3.4.13 SA Section 7.4 Habitat Preparation Plan

PacifiCorp Energy will prepare and submit for ACC approval a 2007 Habitat Preparation Plan by May 1, 2007.

#### 3.4.14 SA Section 7.5 Aquatics Fund

PacifiCorp Energy and Cowlitz PUD shall make funds available to the Aquatics Fund per the SA. The Utilities will also implement actions per the *Aquatic Fund Strategic Plan and Administrative Procedures*.



#### 3.4.15 SA Section 8.2 Hatchery and Supplementation Plan

Licensees collected ACC and public comments on the Draft Hatchery and Supplementation Plan between November 28, 2005 and February 10, 2006. The Licensees considered and addressed in writing the written comments provided, and included the rationale if the Licensees' decided to not address a comment in the final Plan. A revised Plan was submitted to the Services on April 11, 2006 for final approval (SA 8.2.1). The Utilities and the ACC will continue to work together on the Plan in 2007 per the request of the Services.

#### 3.4.16 SA Section 8.3 Anadromous Fish Hatchery Adult Ocean Recruit Target by Species

Upon approval from the Service and per the SA, the Licensees will implement the Hatchery and Supplementation Plan to achieve hatchery adult Chinook, steelhead, and coho ocean recruit targets ("Hatchery Targets") as described in the SA.

#### 3.4.17 SA Section 8.4 Anadromous Fish Hatchery Juvenile Production

Per the SA, the Licensees shall provide for the production of spring Chinook salmon smolts, steelhead smolts, and coho salmon smolts at levels specified ("Juvenile Production").

#### 3.4.18 SA Section 8.6 Resident Fish Production

Subject to Section 8.6.3, the Licensees shall provide for the production of 20,000 pounds of resident rainbow trout each year following FERC license issuance.

#### 3.4.19 SA 8.7 Hatchery and Supplementation Facilities, Upgrades, and Maintenance

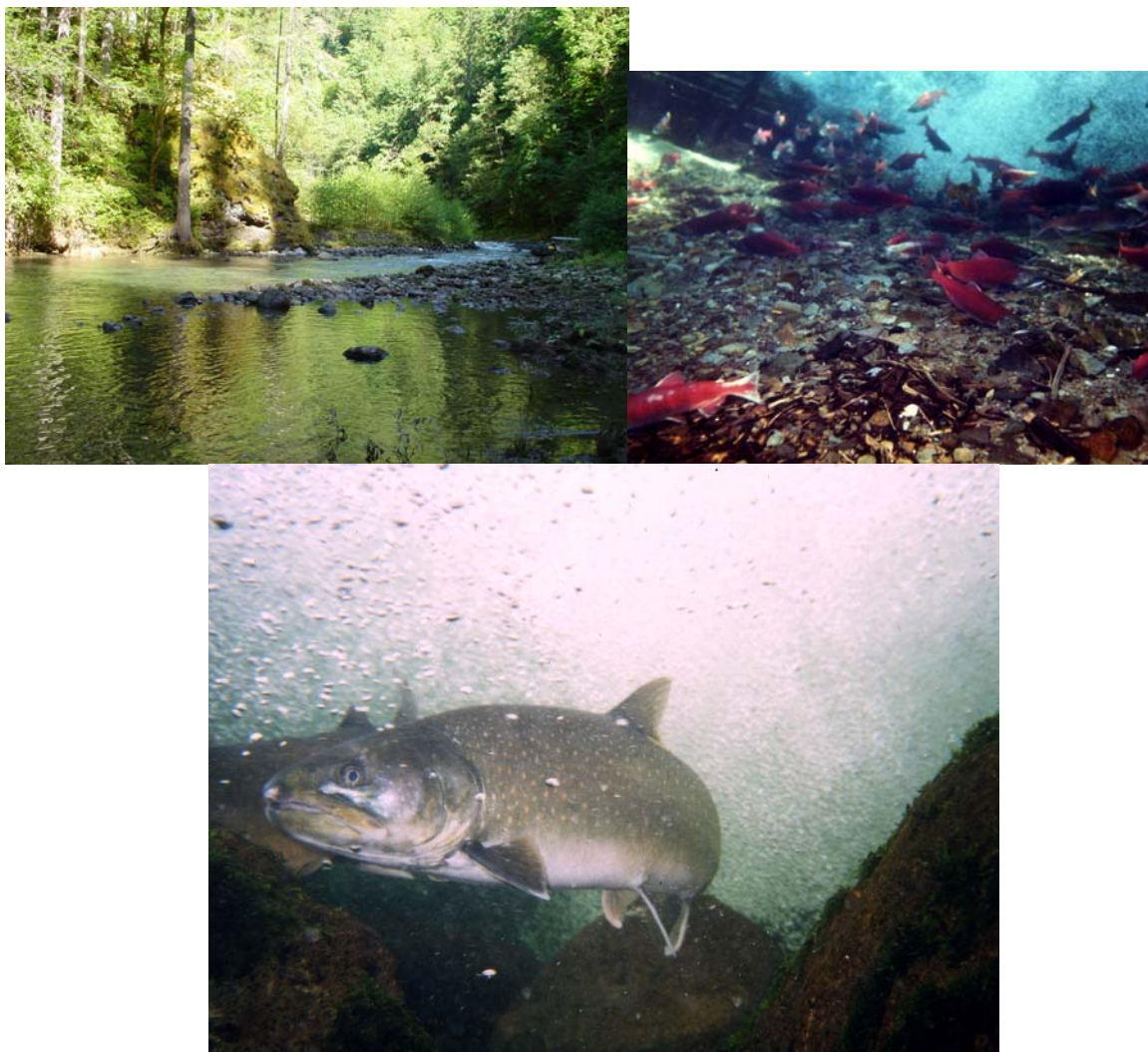
The Licensees shall, in collaboration with the hatchery managers and hatchery engineers and in Consultation with the ACC, undertake or fund facility additions, upgrades, and maintenance actions as provided in Schedule 8.7 of the SA, consistent with best methodologies and practices. The Licensees, in collaboration with the hatchery managers and hatchery engineers, and in Consultation with the ACC, shall design these facilities, upgrades, and maintenance actions to include elements that ensure usefulness of the facilities for supplementation and production fish culturing practices and to accommodate the facility additions, upgrades, and maintenance actions identified in Schedule 8.7. The Licensees shall complete the upgrades or actions by the deadlines identified in Schedule 8.7, provided that the Licensees shall schedule the updates or actions consistent with (i) the required hatchery production or (ii) the reintroduction program. In 2007, the Utilities will complete the expansion of the Speelyai Hatchery incubation area.

#### 3.4.20 SA 8.8 Juvenile Acclimation Sites

Consideration of sites will continue in 2007. PacifiCorp Energy will develop a draft plan that considers the three locations currently identified as potential sites, including how such sites could be developed for juvenile fish acclimation.

### 3.4.21 SA 9.6 Bull Trout Monitoring

Until the M&E Plan is implemented, the Licensees will continue to monitor and evaluate Cougar Creek and Swift Reservoir bull trout populations following the Threatened and Endangered Species Annual Plan (May 2004) filed with the Commission as of the Effective Date.



## 4.0 WATER QUALITY

### 4.1 PACIFICORP ENERGY WATER QUALITY MEASURES IMPLEMENTED IN 2006

#### 4.1.1 PacifiCorp Energy Application for 401 Water Quality Certificate for Swift No. 1, Yale, and Merwin Hydroelectric Projects

On October 9, 2006, Ecology provided 401 Certificates for the Merwin, Yale, and Swift No. 1 hydroelectric projects.

#### 4.1.2 SA Section 9.4 Water Quality Monitoring

With issuance of the 401 water quality certificates monitoring of spillway total dissolved gas (TDG) began in fall 2006. Tailrace TDG monitoring has been ongoing since 1995. Once the water quality management plan is completed (90 days following license issuance) additional monitoring of water quality parameters is scheduled to occur.

### 4.2 PACIFICORP ENERGY WATER QUALITY 2007 ANNUAL PLAN

PacifiCorp Energy will implement the following water quality measures in 2007 after the FERC License is issued.

#### 4.2.1. Water Quality Management Plan

Prepare a Water Quality Management Plan describing how PacifiCorp Energy will implement the terms of the 401 Water Quality Certificate.

#### 4.2.2. Water Quality Equipment Installation

Install water quality equipment at the Swift No. 1, Yale and Merwin powerhouses to measure tailrace temperature, Total Dissolved Oxygen (TDG), pH and dissolved oxygen.

#### 4.2.3 TDG Monitoring

Monitor TDG during spill events from the Swift No. 1, Yale and Merwin spillways.

#### 4.2.4 Temperature Logger Installation

Install temperature loggers in each of the Swift No. 1, Yale and Merwin forebays to monitor temperature in profile.

#### 4.2.5 Flow Monitoring

Monitor flows in the bypass reach and downstream of Merwin dam.

#### 4.2.6 Water Temperature Monitoring

Together with Cowlitz PUD, continuously monitor water temperatures in two locations in the bypass reach to confirm that bypass reach minimum flows meet state water quality standards.

#### 4.2.7 Bypass Reach Surveying

Together with Cowlitz PUD, survey the bypass reach to determine the appropriate locations to place spawning-sized gravel and then place approximately 160 tons of washed spawning-size gravel in the bypass reach (unless WDOE decides it is OK to use existing gravels in the bypass reach). Conduct surveys in these reaches to determine fish rearing and spawning use.

### **4.3 COWLITZ PUD WATER QUALITY MEASURES IMPLEMENTED IN 2006**

#### 4.3.1 401 Water Quality Certificate for Swift No. 2 Hydroelectric Project

On October 9, 2006 Ecology issued to Cowlitz PUD a 401 Certificate of Water Quality for Swift No. 2. On November 3, 2006, Ecology issued an Order Amendment.

#### 4.3.2 SA Section 9.4 Water Quality Monitoring

##### 4.3.2.1 Swift No. 2 Tailrace Total Dissolved Gas (TDG) Monitoring

Between August 25 and October 4, 2006, Cowlitz PUD monitored TDG hourly in the Swift No. 2 forebay and tailrace during normal operations, at tailrace elevation at or below 485 ft msl and with the air injection system turned off. Forebay TDG ranged from 98.1% to 106.3 % saturation. In the tailrace, TDG ranged from 98.7% to 109.1%. At no time did TDG exceed the 110% State standard. The tailrace study will be repeated in the spring 2007 and described in more detail in the 2007 Annual Report.

### **4.4 COWLITZ PUD WATER QUALITY 2007 ANNUAL PLAN**

Cowlitz PUD will implement the following water quality measures in 2007 after the FERC License is issued.

#### 4.4.1. Water Quality Management Plan

Prepare a Water Quality Management Plan describing how Cowlitz PUD will implement the terms of the 401 Water Quality Certificate and Order Amendment.

#### 4.4.2. Water Quality Equipment Installation

Install water quality equipment at the Swift No. 2 Powerhouse to measure tailrace temperature, pH and dissolved oxygen.

#### 4.4.3 TDG Measurements

Measure TDG in the Swift No. 2 tailrace and forebay during normal operations at tailwater elevations above 485 feet msl with and without the air injection system activated to confirm that the new turbines do not produce TDG in excess of the state 110% standard.

Measure TDG in the Swift No. 2 tailrace and forebay for 30 days during normal operations following operational or structural adjustments, if they occur, that could change the amount of air entrained or injected in the turbines.

Measure TDG in the release path during a test of the Swift No. 2 Surge Arresting Structure (SAS) to confirm that SAS does not produce TDG in excess of the state 110% standard.

#### 4.4.4 Plan to Monitor Water Temperature

Prepare and submit to Ecology for review, a plan to monitor water temperature in the Swift No. 2 forebay during the hottest part of the summer to determine if the water temperature increases during periods when Swift No. 2 and Swift No. 1 are offline. Implement the temperature monitoring plan in June 2007.

#### 4.4.5. Water Temperature Monitoring

Together with PacifiCorp, continuously monitor water temperatures in two locations in the bypass reach to confirm that bypass reach minimum flows meet state water quality standards.

#### 4.4.6 Bypass Reach Surveying

Together with PacifiCorp, survey the bypass reach to determine the appropriate locations to place spawning-sized gravel and then place approximately 160 tons of washed spawning-size gravel in the bypass reach.

#### 4.4.7. Work Boat

Provide an operational work boat and trained operator to be deployed in the event of an oil spill.

## 5.0 TERRESTRIAL RESOURCES

### 5.1 TCC MEETINGS

The purpose and role of the TCC, as defined in Section 14.1 is to facilitate coordination and implementation of the Terrestrial PM&E measures.

The structure and process of the TCC is intended to provide a forum to address time-sensitive matters, early warning of problems, and coordination of member organization actions, schedule, and decisions to save time and expense. The TCC makes decisions based on consensus, while implementing the Settlement Agreement.

#### 5.1.1 Meetings and Conference Calls: Overview

This section summarizes the issues covered and areas of consensus reached during TCC meetings and conference call(s) over the 12-month report period.

##### **TCC Meeting #1 January 9, 2006**

- Continued review and discussion of *WHMP Standards & Guidelines* document.
- Reported on land acquisition proposal for protection of Bull Trout.

##### **TCC Meeting #2 February 10, 2006**

- Continued review and discussion of *WHMP Standards & Guidelines* document.
- Reported on land acquisition opportunities, TCC matching funds and a GIS exercise to identify highest priority areas of interest.

##### **TCC Meeting #3 March 20, 2006**

- Continued review and discussion of *WHMP Standards & Guidelines* document.
- Discussion of the spotted owl biological opinion issues, suitable owl habitat.
- Agreed that a spotted owl subgroup would be the most productive method to achieve the desired outcome relating to the spotted owl issues.

- Reported on land acquisition and conservation easement opportunities.

**TCC Meeting #4**  
**April 28, 2006**

- Continued review and discussion of *WHMP Standards & Guidelines* document.
- Agreed to form a spotted owl subgroup as the most productive method of discussing suitable owl habitat.
- Reported on land acquisition and conservation easement opportunities.
- Continued review and discussion of *WHMP Standards & Guidelines* document, with specific attention to the protection of the northern spotted owl (NSO) habitat, and the raptor chapter of the WHMP.
- Approved the *WHMP Standards & Guidelines – April 2006* version with the exceptions of the potential changes per the NSO BiOp and review by USFWS.
- Informed the ACC that PacifiCorp Energy is moving forward with writing habitat plans for areas within the PacifiCorp Energy WHMP Standards & Guidelines document that are complete.
- Discussed the possibility of a site visit to the Cowlitz PUD's Devils Backbone area.
- Reviewed and discussed land acquisition opportunities for the purpose of habitat protection, i.e. conservation easements.

**TCC Meeting #5**  
**May 30, 2006**

- Reviewed and discussed an official draft map of PacifiCorp Energy lands and proposed owl management areas, as prepared by the USFWS, to facilitate a spotted owl discussion and making the appropriate revisions to the spotted owl objectives as it relates to the *WHMP Standards & Guidelines* document.
- Reviewed and discussed land acquisition opportunities for the purpose of habitat protection, i.e. conservation easements.
- Review and discussion of the list of tree harvest strategies/considerations for further clarification.

- Informed TCC that the 2005 ACC/TCC Annual Report was submitted to the FERC on May 16, 2006.

**TCC Meeting #6**  
**June 14, 2006**

- Review and discussion of the northern spotted owl (NSO) management circle map, the Spotted Owl Special Emphasis Area (SOSEA) and the Utilities lands within the owl circles.
- Review and discussion of the revised objectives in the Raptor Site Management – Spotted Owl section and the Public Access Management Goal and Objectives section of the *WHMP Standards & Guidelines* document.

**TCC Meeting #7**  
**July 12, 2006**

- Informed the TCC that the transfer of ownership of PacifiCorp Energy's Swift Creek School property to the Cowlitz Indian Tribe is complete as of June 29, 2006 and that there is no loss of lands under the Lewis River WHMP program, only a change of ownership at this specific site.
- Reported on land acquisition and conservation easement opportunities.
- Reviewed and discussed a full scale northern spotted owl (NSO) map, as provided by PacifiCorp Energy, to insure the *WHMP Standards & Guidelines* objectives concur with the intentions of the TCC.
- Conducted final review of Exhibit D, *Consideration for Tree Harvest Activities*, and the revised spotted owl objectives of the *WHMP Standards & Guidelines* document.
- Received agreement from USFWS that the northern spotted owl objectives as created and approved by the TCC would provide the protection needed to assure that the action (the FERC licensing of the Lewis River Hydroelectric Projects) is not likely to adversely affect the northern spotted owl.

**TCC Meeting #8**  
**August 9, 2006**

- Introduction of Jim Hough, Public Works Director from the City of Woodland as the new ACC & TCC representative for the City of Woodland.
- Introduction of Cherie Kearney from the Columbia Land Trust and description of their role in preserving habitat, providing conservation planning for forestry, grazing,



etc., and their experience in land transaction. The TCC agreed that the Columbia Land Trust could potentially assist the TCC in certain land issues.

- Reported the current status of the BiOp in regards to the NSO.
- Reported on land acquisition and conservation easement opportunities.
- Conducted field trip on the Lewis River including a stop at the Swift by-pass reach and the waterway segment from the Swift Canal Drain, i.e., “constructed channel”.

**TCC Meeting #9**  
**September 13, 2006**

- USFWS reported on status of BiOp, which is expected this week.
- Columbia Land Trust informed the TCC that they have signed a Confidentiality Agreement relating to sensitive conversation during TCC meetings.
- Reported on land acquisition and conservation easement opportunities.
- Informed the TCC that a field trip has been scheduled for September 20, 2006 to visit Saddle Dam Farm and Yale Lake Ponds and requested the attendance of all those interested.
- Informed the TCC that the Skamania County vision Report is now available on line at the Skamania County website.

**TCC Meeting #10**  
**October 11, 2006**

- Informed TCC that PacifiCorp Energy contacted a consultant to discuss updating the HEP Baseline due to changes in forest practices since 2001, improved data on streams, timber harvest areas that have changed, improvements on boundaries and cover-type mapping, and additional bald eagle nests that were not figured into the original HEP.
- Agreed that PacifiCorp Energy will provide a document that indicates the old HEP assumptions vs. new changes and spotted owl information for TCC review and approval before proceeding with modifying the baseline.
- Reported on land acquisition and conservation easement opportunities.
- Provided a WHMP timeline as to when the TCC can expect to receive draft chapters for their 30-day review and comment.

**TCC Meeting #11  
November 8, 2006**

- Reported on land acquisition and conservation easement opportunities.
- Informed the TCC that it is premature to conduct the HEP at this time. PacifiCorp Energy is not going to re-run the HEP as it was not the original intention of the HEP Team in accordance with the meeting notes from 2001.
- Informed the TCC that PacifiCorp Energy is still on track for submittal of three (3) draft chapters for a 30-day review and comment period.
- Informed the TCC that PacifiCorp Energy will continue to implement the Merwin WHMP during the transition period (before License issuance), but offered that some forestry could be proposed for 2007 on Yale or Swift lands if the TCC so desired.

**TCC Meeting #12  
December 13, 2006**

- Reported on land acquisition and conservation easement opportunities and that an additional representative is now on board and will be assisting PacifiCorp Energy with contacting land owners, scheduling meetings, and review/touring of potential properties of interest.
- Informed the TCC that PacifiCorp Energy is slightly behind schedule but still on track for submittal of 2-3 draft WHMP chapters this month.
- Provided update on the November 2006 storm damage and the efforts taken to work with others, such as DNR, to clean up the damage and assess how best to clean up certain areas before proceeding.
- Provided a financial reporting as of November 30, 2006 on the Yale Fund (10.2) and Swift 1 & 2 Fund (10.2) tracking accounts.
- Agreed to schedule the 2007 TCC Meetings on the 2<sup>nd</sup> Wednesday of each month, which is subject to adjustments from time to time as agreed upon by the TCC.

**5.1.2 Meeting Notes**

Meeting notes are drafted for TCC meetings and conference calls. These drafts are distributed to TCC members for review and comment approximately one week after the subject meeting. After any needed corrections are made, the notes are approved by consensus of the TCC. The notes are then made part of the public record and posted on the PacifiCorp Energy web site (<http://www.pacificorp.com/Article/Article61653.html>).

## 5.2 Joint Terrestrial Measures

Under Section 10.8 of the SA, PacifiCorp Energy and Cowlitz PUD agreed to develop Wildlife Habitat Management Plans (WHMPs) for their respective lands in Consultation with the TCC. The purpose of the WHMPs is to benefit a broad range of fish, wildlife, and native plant species, including, but not limited to, large and small game, amphibians, bats, forest raptors, neo-tropical birds, and culturally significant native plants. Although the SA allows PacifiCorp Energy and Cowlitz PUD to collaborate to produce a single WHMP, the Licensees have agreed to develop separate plans.

As the first step towards preparation of WHMPs, Section 10.8.1 of the SA directed the PacifiCorp Energy and Cowlitz PUD to Consult with the TCC and develop specific standards and guidelines based upon on the broad objectives identified in Schedule 10.8 of the SA. PacifiCorp Energy, Cowlitz PUD, and the TCC met to discuss the standards and guidelines for the WHMPs for the first time on March 9, 2005. The final *Lewis River Wildlife Habitat Management Plan Standards & Guidelines* was completed in July 2006, (which can be located at: <http://www.pacificorp.com/Article/Article64476.html>).

## 5.3 PacifiCorp Energy Terrestrial Measures Implemented in 2006

This section presents the actions taken during January 2006 through December 2006 toward PacifiCorp Energy terrestrial requirements in the Lewis River Settlement Agreement.

A discussion of the activities associated with each of the PM&E measures is presented below by SA Article for the report period (Table 5.3-1). A description of funding amounts deposited and disbursed during 2006 is provided in Section 7.0 – Funding.



**Table 5.3-1**

Terrestrial Activity Status during the 2006 Reporting Period

SA Article	Terrestrial Activity	Status
10.1	<b>Yale Land Acquisition and Habitat Protection Fund</b> <ul style="list-style-type: none"> <li>Seek and acquire Interests in Land to benefit wildlife</li> </ul>	Specific lands where prioritized by the TCC and consideration of these properties is ongoing. Increased support for evaluation of properties was provided by supporting organizations.
10.1.1	<b>Funding Amount, Timing, and Schedule of Funding</b> <ul style="list-style-type: none"> <li>Make \$1,000,000 available for purchasing Interests in Land</li> </ul>	PacifiCorp made \$1,000,000 available for wildlife land or easement purchases. Additional monies were made available in 2006. To date, no land has been purchased although offers have been made.
10.1.2	<b>Matching Funds</b> <ul style="list-style-type: none"> <li>TCC may elect to direct Funds to match other contributions for acquisition of Interests in Land</li> </ul>	Creative opportunities were encouraged for developing matching funds.
10.1.3	<b>Use of Funds Beyond the Vicinity of Yale</b> <ul style="list-style-type: none"> <li>If suitable parcels are not available in Yale area, may use Yale Fund in other Lewis areas</li> </ul>	Discussed and reached agreement with TCC for using Yale funds as necessary for opportunities in the Swift area. Currently, there are several opportunities still available in the Yale vicinity.
10.2	<b>Swift No. 1 and Swift No. 2 Land Acquisition and Habitat Protection Fund</b> <ul style="list-style-type: none"> <li>Seek and acquire Interests in Land to benefit wildlife</li> </ul>	Discussed land acquisition and Conservation easement opportunities in the Swift area. Additional conservation organization support was provided to assist in the Swift vicinity with the support of the TCC.
10.2.2	<b>Swift No. 1 and Swift No. 2 Land Acquisition and Habitat Protection Fund - Matching Funds</b> <ul style="list-style-type: none"> <li>TCC may elect to direct Funds to match other contributions for acquisition of Interests in Land</li> </ul>	Creative opportunities are being researched for developing matching funds or leveraging the dollars available.
10.5	<b>Management of Funds</b> <ul style="list-style-type: none"> <li>Funds provided are to be held in a tracking account and shall accrue interests until use</li> </ul>	Tracking account has been established (see Section 7 of this report).
10.8	<b>Wildlife Habitat Management Plans</b> <ul style="list-style-type: none"> <li>Licensees, in consultation with TCC, shall develop WHMPs for Project lands</li> </ul>	<ul style="list-style-type: none"> <li>TCC completed the WHMP Standards &amp; Guidelines document in July 2006.</li> <li>Began development of specific procedures for implementing the goals and objectives.</li> <li>Continued implementation of Merwin WHMP per Article 48.</li> </ul>
10.8.5	<b>WHMP Lands</b> <ul style="list-style-type: none"> <li>Update Exhibits to reflect lands owned and controlled by PacifiCorp and Cowlitz PUD</li> </ul>	WHMP Standard and Guidelines Exhibit B was prepared to identify primary, secondary and other lands under WHMP.

### 5.3.1 SA Section 10.1 Yale Land Acquisition and Habitat Protection Fund

Acquisition of Interests in Land is one of the primary purposes of the TCC and the ability to reach consensus is critical in making decisions to acquire lands. Criteria identified in the SA provide the primary drivers in selecting parcels for acquisition. In April of 2006, the TCC developed a list of lands in the Yale vicinity and identified their respective priorities. Additional discussion regarding conservation easements is ongoing.

An offer was made on the highest priority land parcel but the offer was rejected by the owner. Because of confidentiality in acquiring lands, specific discussion is not included in this annual report other than to indicate that several opportunities were identified in 2006 and continue to be discussed.

### 5.3.2 SA Section 10.2 Swift No. 1 and Swift No. 2 Land Acquisition and Habitat Protection Fund

Discussion was conducted on general and specific areas of land in the vicinity of Swift Reservoir. Recent land development in the area has increased land values in the area and generated significant concern such that Skamania County has instituted a moratorium on further development until a new land use plan can be developed. The TCC continues to look for opportunities in the area. Because of confidentiality in acquiring lands, specific discussion is not included in this annual report other than to indicate that several opportunities were identified in 2006 and continue to be discussed.

Implementation is scheduled for License Year 1.

### 5.3.3 SA Section 10.3 Lewis River Land Acquisition and Habitat Protection Fund

Implementation is scheduled for License Year 4

### 5.3.4 SA Section 10.4 Transaction Costs

No transactions costs were incurred in 2006 as no Interests in Lands were acquired using the Yale Fund.

### 5.3.5 SA Section 10.5 Management of Funds

PacifiCorp Energy made Yale Land funds (\$1,000,000) available in 2006 per the SA. A Tracking Account has been established and is inclusive of accrued interest pending any transactions (see Section 7.0).

### 5.3.6 SA Section 10.6 Completed Implementation Advanced Purchases

As identified in the Settlement Agreement (10.6.2), PacifiCorp Energy acquired 770 acres (in 2000) of wildlife habitat near Cougar and Panamaker Creeks and established a 213 acre conservation covenant on those lands for the protection of bull trout. Routine maintenance of culverts, road closures and noxious weeds continued in 2006. There was no further trespass by ATV's identified on trails that had previously been closed in the conservation area.

Significant wind-storms in December 2006 caused trees to fall along the east and west sides of Cougar Creek near State Route (SR) 503. The access gate on the east side of Cougar Creek was damaged and access to PacifiCorp's transmission ROW was blocked. The tree had significant root-rot and was within 100 feet of Cougar Creek. The gate was repaired within a few days; access restored to the ROW and the tree was maintained along the riparian zone as LWD. Likewise, a tree west of Cougar Creek and north of SR 503, was left in place to further discourage vehicle access along the abandoned road bed and provide LWD.

In October, road maintenance was conducted along road number 2000 (Figure 5.3.6 – 1). Grading was conducted to remove rutting and channeling of water in the road way and rock was spread to prevent further rutting on steeper portions of the road. This road partially forms the southeast boundary of the Cougar Creek Conservation Covenant.

### 5.3.7 SA Section 10.7 Conservation Easements

See section 5.3.1 above.

### 5.3.8 SA Section 10.8 Wildlife Habitat Management Plans

The goals and objectives developed in the Lewis River WHMP Standards and Guidelines Document (EDAW, Inc. 2006) are being incorporated into the WHMPs for both utilities, as applicable. The WHMPs will include the strategies that will be used to meet each of the objectives, as well as a detailed schedule. PacifiCorp Energy submitted the first three draft chapters (Shrublands, Orchards and Transmission ROW) for TCC review in December 2006. The utilities respective WHMPs will be completed and implemented within six months of the issuance of the licenses.

Per the SA, PacifiCorp Energy continues to implement the Merwin Wildlife Habitat Management Plan (MWHMP) which includes approximately 5,600 acres of lands that will be contained in the LRWHMP. A separate annual report is being prepared for the MWHMP and distributed to WDFW and USFWS. Additionally, the Washington State Department of Natural Resources (DNR) oversees Road Maintenance and Abandonment Plans (RMAP) for all of PacifiCorp Lewis River properties. Specific projects that were completed under RMAP are contained in Appendix B.

Maintenance of lands associated with the Yale and Swift No. 1 hydroelectric projects included noxious or invasive weed control along roads, in forest harvest areas and at project facilities. All maintenance practices are the same as those conducted for the Merwin WHMP properties. Scotch broom (63 acres), Himalayan blackberry (63 acres) and red alder (159 acres) were treated where they were significantly or potentially interfering with forest or wildlife resource objectives. All herbicide treatment was conducted with backpack sprayers. Actual acres treated were less than indicated but is reported based on the Timber Harvest Area (THA) polygon. Annual surveys of previously managed forest lands identify the THA's where treatment is necessary, but usually only includes scattered patches of invasive species that need control.

## 5.4 PacifiCorp Energy Terrestrial 2007 Annual Plan

This section presents PacifiCorp Energy's Terrestrial Resources Annual plan which identifies planned 2007 activities as organized by the SA measures.

### 5.4.1 SA Section 10.1 Yale Land Acquisition and Habitat Protection Fund

PacifiCorp Energy will continue to coordinate with the TCC regarding the acquisition of Interests in Land. To provide greater responsiveness to opportunities on the Lewis River, additional assistance has been acquired to provide PacifiCorp with identifying parcels of interest.

### 5.4.2 SA Section 10.2 Swift No. 1 and Swift No. 2 Land Acquisition and Habitat Protection Fund

The new Swift FERC licenses are expected in the second quarter of 2007. The first installment of payment to the Fund is to be completed within nine months of license issuance.

### 5.4.3 SA Section 10.3 Lewis River Land Acquisition and Habitat Protection Fund

Initial contributions to the Fund shall be completed by six months after the fourth year of the new FERC license for the Yale and Swift No. 1 Projects.

### 5.4.4 SA Section 10.4 Transaction Costs

No transaction costs were incurred in 2006.

### 5.4.5 SA Section 10.5 Management of Funds

Funds provided by PacifiCorp Energy in 2006 are managed in a tracking account and in accordance with SA language. Contribution amounts and interest gained is identified in Section 7.0 – Funding.

### 5.4.6 SA Section 10.6 Completed Implementation Advanced Purchases

PacifiCorp Energy will continue to manage the Cougar Creek Conservation Covenant lands and the company lands on the Swift Creek Arm for the long-term benefit of fish, wildlife, and native plants. These lands will be managed under the new license WHMP as described in SA 10.8.

### 5.4.7 SA Section 10.7 Conservation Easements

Guidelines for the selection and acquisition of conservation easements will be considered in the acquisition of Interests in Lands to be purchased with Funds described in SA 10.1 through 10.3.

### 5.4.8 SA Section 10.8 Wildlife Habitat Management Plans

- PacifiCorp Energy will continue implementation of the Merwin Wildlife Habitat Management Plan until final acceptance of the Lewis River WHMP.

- PacifiCorp Energy will continue to develop Draft Wildlife Habitat Management Plans for review with the TCC and finalize within six months of the issuance of the Swift No. 1, Yale, and Merwin FERC licenses. At this time it is assumed the licenses will be issued in the second quarter of 2007, triggering implementation of the WHMP by early 2008.
- PacifiCorp Energy will make available \$27 per acre of WHMP lands and \$13.50 per acre for other interests in land within six months of the issuance of the Licenses for implementation of the WHMP.
- PacifiCorp Energy will identify infestations of weeds and other undesirable or invasive plant species and prioritize for treatment (part of WHMP).
- PacifiCorp Energy will conduct aerial bald eagle and osprey nesting surveys (part of WHMP).
- Per agreement with the TCC, PacifiCorp will identify an area for forest management consideration in the vicinity of the Yale and Swift hydroelectric projects for the purpose of developing big game forage. All aspects of the Standards and Guidelines would be incorporated in any forest management.

## **5.5 Cowlitz PUD Terrestrial Measures Implemented in 2006**

### 5.5.1 SA Section 10.6 Completed Implementation: Advance Purchases [Devil's Backbone Conservation Covenant]

Cowlitz PUD managed the Devil's Backbone Conservation Covenant to benefit bull trout.

### 5.5.2 SA Section 10.8.1 Development of the Wildlife Habitat Management Plan (WHMP)

Cowlitz PUD's WHMP consultant prepared preliminary sections of the draft WHMP after the TCC completed the Standards and Guidelines Document. Cowlitz PUD and the consultant conducted a TCC site visit of the Devil's Backbone and Swift No. 2 Project Works on June 14, 2006 to gather the TCC's preliminary ideas on managing the Swift No. 2 wildlife lands.

### 5.5.3 SA Section 10.8.2 WHMP Fund

Cowlitz PUD did not establish the Tracking Account in 2006 because the FERC did not issue the Swift No. 2 license in 2006.

### 5.5.4 SA Section 10.8.3 Management of the Plan [Annual Plan]

This measure covers the Annual Plan described above in Section 5.5.3 and below in Section 5.6.4.

### 5.5.5 SA Section 10.8.4 Habitat Evaluation Procedures

Implementation scheduled for Year 17 of the Swift No. 2 license.



**5.5.6 SA Section 10.8.4.2 Review of Effectiveness of WHMP**

Implementation scheduled after Year 17 of the Swift No. 2 license.

**5.5.7 SA Section 10.8.3 Cowlitz PUD 2006 Annual Plan**

This section presents Cowlitz PUD's Terrestrial Resources Annual plan, organized by the SA measures described above in Section 5.5.1 through 5.5.7. Cowlitz PUD did not prepare a 2006 Annual Plan because the license was not issued in 2006.

## **5.6 Cowlitz PUD Terrestrial 2007 Annual Plan**

**5.6.1 SA Section 10.6 Cowlitz PUD Completed Implementation: Advance Purchases [Devil's Backbone Conservation Covenant]**

These lands will be managed under the WHMP.

**5.6.2 SA Section 10.8.1 Cowlitz PUD Development of the Wildlife Habitat Management Plan (WHMP)**

The WHMP will be completed and implemented within 6 months of the issuance of the Swift No. 2 license. At this time, Cowlitz PUD assumes the license will be issued in Q2 2007, triggering implementation of the WHMP by early 2008..

**5.6.3 SA Section 10.8.2 Cowlitz PUD WHMP Fund**

Cowlitz PUD will make available \$27 per acre of WHMP lands within 6 months of the issuance of the Swift No. 2 license. At this time, Cowlitz PUD assumes the license will be issued in mid 2007, triggering the first entry in the Tracking Account by January 2008. Once the Cowlitz PUD WHMP Tracking Account has been established, it will be included as a separate table in this Annual Report under Section 7.0.

**5.6.4 SA Section 10.8.3 Management of the Plan [Annual Plan]**

The First Year Annual Plan will be completed and implemented within 6 months of the issuance of the Swift No. 2 license. At this time, Cowlitz PUD assumes the license will be issued in mid 2007, triggering implementation of the First Year Annual Plan by early 2008.



## 6.0 RECREATION

### 6.1 Lewis River Recreation Advisory Committee Meeting

The purpose and the role of the Lewis River Recreation Advisory Committee (“LRC”) as defined in Section 11.2.16 is to provide information to interested Parties from time to time concerning implementation of the recreation measures on the lands within the Project Boundaries of PacifiCorp Energy’s Projects. Given potential impacts of recreation measures in the new FERC licenses and ongoing recreational use of Project lands by the public on aquatic and wildlife resources, this section is included in the Annual Report.

The structure and process of the LRC is intended to provide a forum to discuss ongoing planning, coordination, and updates related to recreation resources in the project area.

The LRC was formed as a part of early implementation of the Recreational Resource Management Plan (RRMP) and will meet at least annually. The role of the LRC will be to help coordinate planned activities being implemented by PacifiCorp Energy as part of the RRMP programs. Periodic LRC meetings will serve as a forum to discuss topics of mutual benefit and concern to those involved. Planned activities by other recreation providers in the project vicinity will also be discussed.

Membership on the LRC is available to parties’ signatory to the Lewis River Settlement Agreement. The public is invited to attend, however their participation will be limited based on meeting agenda.

PacifiCorp Energy will prepare the Rolling 5-Year Recreation Action Plan (Exhibit A – Rolling 5-Year Recreation Action Plan Framework) for each upcoming year (to the extent possible) and present this annual plan to the LRC at its annual meeting. The LRC will have the opportunity to review and comment on the annual plan for 30 days prior to its full implementation by PacifiCorp Energy.

The members of the LRC may provide comments to PacifiCorp Energy concerning implementation of the recreation measures; however, the LRC shall not have the authority to alter implementation plans or the RRMP without the written agreement of PacifiCorp Energy. PacifiCorp Energy will, in its sole discretion, make any final decision regarding RRMP implementation and revisions, subject to any necessary FERC approvals.

Project-related recreation actions being planned by PacifiCorp Energy as part of the RRMP will be coordinated with other resources to avoid potential resource problems or conflicts. For aquatic and wildlife coordination, issues may be brought before the ACC and TCC. A framework for inter-resource coordination has been developed and implemented. This

framework provides cross-resource coordination within PacifiCorp Energy and will be extended to involve periodic or annual meetings between the LRC and other project specific license implementation resource committees (e.g. ACC or TCC) dependent on action.

Because of simultaneous enhancement activities occurring, both formal and informal communications are anticipated. An important goal of this communication is to achieve a balanced integration of sometimes competing or complementary resource goals for project lands and waters. As a result, resource coordination will include:

- Conducting ongoing and regular consultation with interested parties and project specific license implementation resource committees;
- Sharing of information and criteria that is used to make resource decisions;
- Clarifying resource priorities as necessary; and
- Coordinating or conducting an assessment or consultation that will help solve a particular problem or resolve key issues.

#### 6.1.1 Meeting: Overview

This section summarizes the issues covered and areas of consensus reached during the LRC meeting in 2006.

##### **LRC Meeting #1 September 28, 2006**

- Reviewed and discussed the role and purpose of the LRC.
- Reviewed slides of the SA recreation 2006 projects completed or in process.
- Provided a status overview of the following projects, not all of which were related to the SA: Beaver Bay Septic System, Lower Lewis Vault Toilets, Beaver Bay Boat Dock and the Interpretation and Education Program.

#### 6.1.2 Meeting Notes

Meeting notes are drafted for LRC meetings. These drafts are distributed to members for review and comment approximately one week after the subject meeting. After any needed corrections are made, the notes are approved by consensus of the LRC. The notes are then made part of the public record and posted on the PacifiCorp Energy web site at: (<http://www.pacificorp.com/Article/Article68985.html>).

## 6.2 PacifiCorp Energy Recreation Measures Implemented in 2006

This section presents the actions taken during January 2006 through December 2006 toward PacifiCorp Energy recreation requirements in the Lewis River Settlement Agreement.

A discussion of the activities associated with each of the recreation measures is presented below by SA Article for the report period.

### 6.2.1 SA Section 11.2.5 Interpretation and Education Program

In October PacifiCorp Energy selected Sea Reach Ltd. of Sheridan, Oregon to develop the Lewis River Interpretation and Education Program. On December 5, 2006 Lewis River Hydroelectric Project personnel met with the contractor to discuss potential program concepts and content for implementation.

### 6.2.2 SA Section 11.2.4.1.1 Island River Access Toilet

In November PacifiCorp Energy submitted a permit application to Cowlitz County for the installation of an ADA accessible double vault toilet at Island River Access by April 30, 2007. This is one of five river access sites below Merwin Dam that PacifiCorp Energy will provide new vault toilets per the SA by the 1<sup>st</sup> anniversary of the new license. The other sites are Merwin Hatchery River Access, Lewis Hatchery River Access, Cedar Creek River Access, and Johnson Creek River Access.



## **7.0 FUNDING**

This section presents an accounting to date of the funding obligations for the Lewis River Settlement Agreement.

**Lewis River License Implementation**  
**Lewis River Aquatics Fund - Resource Projects**  
**Sections 7.5, 7.5.1, 7.5.3, 7.5.3.1 & 7.7**

Funding Start Date: 4/30/05

Release Date	Funds Received	Expense	Interest	Balance	Notes
12/31/05				\$ 161,327.11	Contributions in 2004 dollars, adjusted for inflation.
4/30/06	\$ 212,172.03				
9/30/06		\$ 46,000.00			
12/31/06			\$ 24,305.00	\$ 351,804.14	Muddy River Tributary Road Decommission - USDA FS
<b>Total Spent to Date:</b>			<b>\$ 46,000.00</b>		
<b>Running Total:</b>			<b>\$ 351,804.14</b>		

<b>Lewis River License Implementation</b> Lewis River Aquatics Fund - Bull Trout Sections 7.5, 7.5.1, 7.5.3, 7.5.3.1 & 7.7	Funding Start Date: 4/30/05
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Release Date	Funds Received	Expense	Interest	Balance	Notes
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12/31/05				\$ 161,327.11	Contributions in 2004 dollars, adjusted for inflation.
4/30/06	\$ 106,086.01				
11/30/06		\$ 37,889.08			Pine Creek Nutrient Enhancement - USDA FS
12/31/06			\$ 19,176.61	\$ 248,700.65	

	<b>Total Spent to Date:</b>	<b>\$ 37,889.08</b>	
	<b>Running Total:</b>	<b>\$ 248,700.65</b>	

**Lewis River License Implementation**  
**Lewis River Yale Land Fund**  
**Section 10.1 - 10.1.1**

Funding Start Date: 4/1/05

Release Date	Funds Received	Expense	Interest	Balance	Notes
12/31/05				\$ 1,573,922.62	Contributions in 2003 dollars, adjusted for inflation Interest will be added in April 2006 per Settlement Agreement
4/30/06	\$ 1,081,853.45				
12/31/06			\$ 90,500.56	\$ 2,746,276.63	
<b>Total Spent to Date:</b>			<b>\$ -</b>		
<b>Running Total:</b>			<b>\$ 2,746,276.63</b>		



## 8.0 LITERATURE CITATIONS

- Cowlitz PUD. 2004. License Application for new license for Swift No. 2 Hydroelectric Project, FERC Project No. 2213.
- Cowlitz PUD. 2005a. Cowlitz PUD comments. Federal Energy Regulatory Commission Draft Environmental Impact Statement Lewis River Hydroelectric Projects, Washington Swift No. 1 (Project No. 2111), Swift No. 2 (Project No. 2213), Yale (Project 2071), Merwin (Project 935). November 22, 2005.
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- LCFRB. 2005. Draft Upper North Fork Lewis Project List (Preliminary) 5/16/05.
- PacifiCorp. 1999a. License Application for new license for Yale Hydroelectric Project, FERC Project No. 2071.
- PacifiCorp. 2004. License Application for new license for Swift No. 1 Hydroelectric Project, FERC Project No. 2111.
- PacifiCorp. 2004. License Application for new license for Merwin Hydroelectric Project, FERC Project No. 935.
- PacifiCorp. 2005. Letter to the FERC re: comments on Draft Environmental Impact Statement for PacifiCorp's Merwin Project (FERC No. 935), Yale Project (FERC No. 2071), and Swift No. 1 Project (FERC No. 2111), and Cowlitz PUD's Swift No. 2 Project (FERC No. 2213). November 23, 2005.
- PacifiCorp. 2005. Letter to State of Washington DOE. Re: Withdrawal and re-submittal of 401 Water Quality Applications for PacifiCorp's Merwin Hydroelectric Project

- (FERC No. 935), Yale Hydroelectric Project (FERC No. 2071), and Swift No. 1 Hydroelectric Project (FERC No. 2111). December 2, 2005.
- PacifiCorp and Cowlitz PUD. 1999. Letter to FERC requesting approval to use the Alternative Licensing Process (ALP) for simultaneous and coordinated processing of Lewis River Hydroelectric projects. January 21, 1999.
- PacifiCorp and Cowlitz PUD. 2005a. Biological Evaluation of USFWS Listed, Proposed, and Candidate species As Related to PacifiCorp and Cowlitz PUD's Lewis River Hydroelectric Projects. January 15, 2005.
- PacifiCorp and Cowlitz PUD. 2005b. Biological Evaluation of Listed, Proposed, and Candidate Salmon and Steelhead Species As Related to PacifiCorp and Cowlitz PUD's Lewis River Hydroelectric Projects. January 15, 2005.
- PacifiCorp and Cowlitz PUD, et al. 2004. Lewis River Hydroelectric Projects Settlement Agreement. November 30, 2004.
- U.S. Department of Agriculture – Forest Service. 2005a. Preliminary Terms and Conditions for Lewis River Hydroelectric Projects – FERC Numbers 2071, 2111, 935 and 2213. February 3, 2005.
- U.S. Department of Agriculture – Forest Service. 2005b. Draft Lewis River Aquatic Restoration Plan. Mt. St. Helens National Volcanic Monument.
- U.S. Fish and Wildlife Service. 2004. Nisqually National Wildlife Refuge Final Comprehensive Conservation Plan and Environmental Impact Statement. USFW, Region 1, Portland, OR.

**Appendix A**  
**ACC and TCC Members and Alternates**

**Table A-1  
 ACC Members and Alternates**

<b>ACC Member</b>	<b>Organization</b>	<b>Alternate</b>
Tammy Mackey	American Rivers	Brett Swift
Public Works Director	City of Woodland	To be named
No representative at this time	Clark County	To be named
No representative at this time	Cowlitz County	To be named
Shannon Wills	Cowlitz Indian Tribe	To be named
No representative at this time	Cowlitz-Skamania Fire District No. 7	To be named
Jim Malinowski	Fish First	To be named
John Clapp	Lewis River Citizens at-large	To be named
Mariah Stoll-Smith Reese	Lewis River Community Council	To be named
Jeff Breckel	Lower Columbia River Fish Recovery	Steve Manlow
Michelle Day	National Marine Fisheries Service	To be named
No representative at this time	National Park Service	To be named
No representative at this time	North County Emergency Medical	To be named
Frank Shrier	PacifiCorp Energy	Erik Lesko
Diana M. Gritten-MacDonald	PUD of Cowlitz County	To be named
No representative at this time	Rocky Mountain Elk Foundation	To be named
Paul Pearce	Skamania County	To be named
Brett Swift	The Native Fish Society	To be named
Tammy Mackey	Trout Unlimited	Brett Swift
No representative at this time	US Bureau of Land Mgmt	To be named
LouEllyn Jones	US Fish & Wildlife	To be named
Karen Thompson	USDA Forest Service	Adam Haspiel
Curt Leigh	Washington Dept of Fish & Wildlife	Craig Burley and John Weinheimer
No representative at this time	Washington Interagency Committee	To be named
No representative at this time	Woodland Chamber of Commerce	To be named
George Lee	Yakama Nation	To be named

**Table A-2**  
**TCC Members and Alternates**

<b>TCC Member</b>	<b>Organization</b>	<b>Alternate</b>
No representative at this time	American Rivers	To be named
Public Works Director	City of Woodland	To be named
No representative at this time	Clark County	To be named
No representative at this time	Cowlitz County	To be named
Taylor Aalvik	Cowlitz Indian Tribe	Shannon Wills
No representative at this time	Cowlitz-Skamania Fire District No. 7	To be named
No representative at this time	Fish First	To be named
John Clapp	Lewis River Citizens at-large	To be named
Mariah Stoll-Smith Reese	Lewis River Community Council	To be named
No representative at this time	Lower Columbia River Fish Recovery	To be named
Michelle Day	National Marine Fisheries Service	To be named
No representative at this time	National Park Service	To be named
No representative at this time	North County Emergency Medical	To be named
Kirk Naylor	PacifiCorp Energy	To be named
Diana M. Gritten-MacDonald	PUD of Cowlitz County	To be named
Bob Nelson	Rocky Mountain Elk Foundation	Tom Macy
No representative at this time	Skamania County	To be named
No representative at this time	The Native Fish Society	To be named
No representative at this time	Trout Unlimited	To be named
No representative at this time	US Bureau of Land Mgmt	To be named
LouEllyn Jones	US Fish & Wildlife	To be named
Mitch Wainwright	USDA Forest Service	Karen Thompson
Curt Leigh	Washington Dept of Fish & Wildlife	John Weinheimer and Brock Applegate
No representative at this time	Washington Interagency Committee	To be named
No representative at this time	Woodland Chamber of Commerce	To be named
Clifford Casseseka	Yakama Nation	Joanna Meninick

## Appendix B **2007 Road Maintenance Activities**

**PacifiCorp Energy  
2006  
Road Maintenance & Abandonment  
Work Completed for Yale & Swift**

**Background**

The Washington State Legislature directed the state Forest Practices Board through the Salmon Recovery Act, 1999 Laws Sp. Sess. Ch. 4, to change forest practices rules relating to roads consistent with the April 29, 1999 Forests and Fish Report. This act was passed to provide substantial and sufficient contributions to salmon recovery and water quality enhancement, as well as, satisfy requirements of the federal Endangered Species Act and the federal Clean Water Act in forested areas.

Effective March 20, 2000, the Forest Practices (FP) Board adopted significant emergency changes and additions to the forest road construction and maintenance rules (Chapter 222-24 WAC, or current FP rules, or the rules). These emergency changes are designed to ensure that forest roads in Washington State meet standards recommended in the April 29, 1999 Forests and Fish Report, and requirements in the federal Endangered Species and Clean Water Acts.

Based on current FP rules, forest roads must be used and managed in a manner not to threaten public safety, and prevent potential or actual damage to public resources.

**2006 Work Accomplished**

PacifiCorp completed 4 road maintenance improvement projects on its ownership at Yale and Swift. Road maintenance & abandonment work was completed on 3 sites in the Yale ownership and 1 site at Swift. Standard maintenance practices and storm strategies are used for the management of PacifiCorp road systems. These practices include routine maintenance as well as pre-storm planning, emergency maintenance and post-storm recovery action.

During 2006, improvements were made on the following roads and are identified on the attached maps:

- Road #2000 (Cougar Drainage); Approximately 1500 feet was graded, shaped and rocked to reduce rutting on a soft road bed surface. Ditch culverts were inspected and required only routine maintenance. This road is outside the Cougar conservation covenant.
- Culvert 2515c1 (ROW access road); An older 18" culvert on a perennial non-fish bearing (Np) water type was determined to be undersized based on adjacent road surface erosion and was replaced with a 30" pipe.
- Road #2600 (multi-owner access road); approximately 2100' was graded,

shaped and ditched to reduce surface erosion. No stream crossings are associated with this road, but surface erosion was moderate.

- Road 2710 (formerly a Weyerhaeuser forest access road); Surveys of this property purchased in the year 2000 identified a previously unmapped orphaned road where 2 culverts located on seasonal non-fish water types (Ns) were blocked with significant erosion. Approximately 1500' of road was formally abandoned (closed, water-barred and grass seeded) and the culverts were removed. Erosion control matting was placed along the water course.

**2007 Road Maintenance Activities**

These maintenance projects proposed for 2007 are only those listed for PacifiCorp roads associated with the lands surrounding the Yale and Swift Hydroelectric projects. Additional road and culvert maintenance activities are identified in the Merwin Wildlife Habitat Management Plan for roads in that vicinity.

<b>2007 Proposed Road and Culvert Maintenance Activity<sup>1</sup></b>					
<b>UNIT</b>	<b>ROAD</b>	<b>SCHEDULE</b>	<b>ACTION</b>	<b>LOCATION</b>	<b>NOTES</b>
20	2011	Aug 2007	Blade and Shape Road	MP 0.0 to 0.3	No stream issues; poor drainage
	2050	Aug 2007	Identify culvert failure risks to watershed – management needs; develop plan/costs	Last 4000 feet of road (culvert 2050C6 to 2050C14)	Old WEYCO road in Panamaker watershed
26	2600	Aug 2007	Install culvert for ditch drainage (18 inch metal pipe)	Mile Post 0.7	Water pooling on road
27	2700	Aug 2007	Replace culvert 2700C2 (replace 18 inch metal pipe with 24 inch metal pipe)		Culvert undersized

<sup>1</sup> All proposed actions are normal O&M that do not require permits.

All of PacifiCorp's roads are inspected annually to identify maintenance issues. Additionally, monitoring of previously managed sites will conducting to ensure vegetation is establishing were necessary.



**Appendix C**  
**ACC/TCC Comments**



**State of Washington  
DEPARTMENT OF FISH AND WILDLIFE**

**Mailing Address: 600 Capitol Way North · Olympia, WA 98501-1091 · (360) 902-2200, TDD (360) 902-2207  
Main Office Location: Natural Resources Building · 1111 Washington Street SE · Olympia, WA**

April 11, 2007

Ms. Kimberly McCune  
Project Coordinator  
PacifiCorp Energy  
825 NE Multnomah, Suite 1500  
Portland, Oregon 97232

**SUBJECT: Comments on Draft 2006 ACC/TCC Annual Report**

Dear Ms. McCune:

The Washington Department of Fish and Wildlife (WDFW) appreciates the opportunity to collaborate with PacifiCorp (PC), Public Utility District No.1 of Cowlitz County, Washington (PUD) (collectively known as the Licensees), and the rest of the coordination committees, including the Terrestrial Coordination Committee (TCC), the Aquatic Coordination Committee (ACC), and the Lewis River Advisory Committee (LRC) in the implementation of the Settlement Agreement Concerning the Relicensing of the Lewis River Hydroelectric Projects (SA) and eventually the Federal Energy Regulatory Commission (FERC) licenses on the appropriate project areas and wildlife lands.

According to the SA, 14.2.6, "The Committee Coordinators for the TCC and the Committee Coordinators for the ACC shall prepare and file with the Commission [FERC] detailed annual reports on the TCC and ACC activities, monitoring and evaluations under the M&E [Monitoring and Evaluation] Plan, and implementation of the terrestrial and aquatics PM&E [Protection, Mitigation, and Enhancement] Measures occurring during the prior year, as well as plans for the coming year as required in this Agreement [SA]," (PacifiCorp et al. 2004). The SA directs the Licensees to prepare the report with the consultation of the respective coordination committees, (PacifiCorp et al. 2004).

WDFW received and reviewed the Draft 2006 ACC/TCC Annual Report. WDFW could not conduct a full evaluation of the aquatic habitat in the project area due to our inability to review some of the documents and maps. To complete this review, WDFW's Region 5 fish biologists request the results of the Merwin tailrace behavior study, the bathymetric mapping of each reservoir, and the completed bull trout limiting factors analysis. After receiving and reviewing these documents, WDFW would like to work further with PC to improve aquatic habitat on your project areas.

Ms. Kimberly McCune

April 11, 2007

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**PacifiCorp Response:**

*PacifiCorp will coordinate with WDFW's fish biologists to meet requests. On February 12, 2007 WDFW was provided the Merwin Tailrace Behavior Study Report. Regarding bathymetric maps, PacifiCorp's has an excessively large database which is very difficult for even the best GIS people to work with. PacifiCorp will provide color imaging bathymetric maps that at least define the major depth features in each reservoir. In addition the company will coordinate on the level of detail should other maps be desired. Results of the bull trout limiting factors analysis will be distributed to WDFW and the ACC upon completion. The company appreciates the offer of assistance with habitat improvements.*

Overall, WDFW finds the TCC Annual Report adequate and we have only a few comments to offer. WDFW would like to compliment PC on their management of the Cougar and Panamaker Creeks Conservation Covenant. In response to the significant windstorms in December of 2006, we appreciate the expedient response by PC to a broken access gate and their recognition of the wildlife value of the downed trees in the area by leaving them as large woody debris after clearing access to the Right-of-Way.

Without additional detail, WDFW is unable to recommend full implementation of PC's Terrestrial 2007 Annual Plan. WDFW requests that PC describes the extent of the proposed activities, including the cost estimates, in greater detail throughout the whole section, but especially in the last bullet. We strive to work closely with PC on these first few annual reports to set a high standard for future reports in terms of compliance with the SA.

**PacifiCorp Response:**

*Per the Lewis River Settlement Agreement the TCC will consider and approve the annual actions of the Lewis River Wildlife Habitat Management Plan (WHMP). As WDFW is aware, the WHMP is still in preparation (to be completed within six months of license issuance). Activities identified in 5.4 PacifiCorp Energy Terrestrial 2007 Annual Plan come directly from the Settlement Agreement or are identified through the WHMP or are part of other regulatory requirements (e.g. Road Maintenance). Given the status of the WHMP (still in development), PacifiCorp identified actions that we considered to have the support of the TCC. The last bullet notes an opportunity that would only be further considered "per agreement with the TCC". PacifiCorp agrees that additional detail is needed, but maintains it is appropriate to develop through consultation with the TCC. For this issue in particular, on April 19, 2007, the TCC visited the proposed habitat improvement site to discuss the value and challenges of actions towards developing big game forage. Given the TCC participants concurred to move forward, PacifiCorp will prepare a project plan for TCC review. As mentioned in the Annual Report, all aspects of the Wildlife Standards and Guidelines would be incorporated.*

**5.4.8 SA Section 10.8 Wildlife Habitat Management Plans, last bullet:** This section does not provide enough detail for WDFW to evaluate the wildlife value of this action. According to the SA, the Annual Plan should provide the details and specifics necessary to understand the implications of proposed actions including proposed forest management activities (PacifiCorp et al. 2004).

Ms. Kimberly McCune

April 11, 2007

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Due to the vagueness of the proposed 2007 Annual Plan, WDFW recommends again that PC use the proposed TCC Management Action Approval Form recommended in our February 5, 2007, letter. Before PC implements the proposed management action, the approval form would establish the specifics of the proposed management action and help the TCC understand the details. WDFW suggested a TCC Management Action Approval Form as a vehicle for annual implementation of the WHMP. On the proposed form, we recommend that PC describes, in detail, the management action that will occur along with a budget estimate. Signatures on the approval form demonstrate that TCC representatives understand and approve of the management action and the fund expenditure. The TCC Management Action Approval Form would create a record of TCC approved management actions and avoid the miscommunication that can happen with verbal agreements and vague Annual Plans. The Approval Form would assist the TCC in understanding the specifics of implementation of the Annual Plan, the budget, and ultimately, the WHMP.

**PacifiCorp Response:**

*See previous response. In the future it is expected that the TCC will have previously contemplated that year's WHMP actions prior to development of Annual Reports. The Report would then include TCC approved actions to inform all parties and memorialize plan activities. Unforeseen Plan changes would be addressed at regularly scheduled meetings to assure responsive actions have TCC concurrence.*

WDFW has one additional concern with the PC Aquatic 2007 Annual Plan:

**3.4.21 SA Section 9.6 Bull Trout Monitoring:** WDFW requests that the Licensees include WDFW in the activities to monitor bull trout because of our experience, expertise, and knowledge of this species within the Lewis River area. WDFW would like to work collaboratively with the Licensees to assist in selecting and prioritizing methodologies for monitoring.

**PacifiCorp Response:**

*PacifiCorp appreciates the offer of WDFW's expertise to assist in monitoring bull trout. The company and WDFW have a long standing working relationship on bull trout issues and we look forward to the agency's participation.*

Thank you for the opportunity to provide these comments. We hope that you find our comments useful and beneficial in managing aquatic ecosystems and promoting wildlife on your project lands. WDFW appreciates the collaborative process and participation in the coordination committees. We look forward to working with PC and the PUD on future actions associated with this project. Please feel free to contact me at (360) 902-2615 with any questions, concerns, and/or comments concerning this letter.

Ms. Kimberly McCune

April 11, 2007

Page 4

Sincerely,

Brock A. Applegate

Fish and Wildlife Biologist

cc: Curt Leigh, WDFW

Tim Rymer, WDFW

Lou Ellyn Jones, USFWS

### **Literature Cited**

PacifiCorp, Public Utility District No. 1 of Cowlitz County, National Marine Fisheries Service, National Park Service, Bureau of Land Management, U.S. Fish and Wildlife Service, USDA Forest Service, Confederated Tribes and Bands of the Yakama Nation, Washington Department of Fish and Wildlife, Washington Interagency Committee for Outdoor Recreation, Cowlitz County, Cowlitz-Skamania Fire District No. 7, North Country Emergency Medical Service, City of Woodland, Woodland Chamber of Commerce, Lewis River Community Council, Lewis River Citizens At-Large, American Rivers, Fish First, Rocky Mountain Elk Foundation, Trout Unlimited, and the Native Fish Society. 2004. Settlement Agreement Concerning the Relicensing of the Lewis River Hydroelectric Projects, FERC Project Nos. 935, 2071, 2111, and 2213, Cowlitz, Clark, and Skamania Counties, Washington. November 30, 2004.

**Appendix D**  
**Section 14 of the Settlement Agreement**

## **SECTION 14: COORDINATION AND DECISION MAKING**

14.1 Coordination and Decision Making. The provisions of this Section 14 describe the processes for coordination and decision making among the Parties for the implementation of the terrestrial and aquatic PM&E Measures provided for in this Agreement. As provided for in Section 14.2 below, the Licensees shall convene a Terrestrial Coordination Committee (“TCC”) to coordinate implementation of the terrestrial PM&E Measures described in Section 10 (including any exhibits, schedules, and appendices related to Section 10), and shall accomplish the purposes set forth in Section 14.1.1 below. The Licensees shall convene an Aquatics Coordination Committee (“ACC”) to coordinate implementation of the aquatics PM&E Measures described in Sections 3 through 9 (including any exhibits, schedules, and appendices related to those Sections), referred to below as terrestrial and aquatic PM&E Measures.

14.1.1 Purposes of the TCC. The TCC is intended to accomplish the purposes set forth below:

- a. Provide a forum for coordination between the Licensees and the other Parties on terrestrial resources PM&E Measure implementation.
- b. Oversee the development by the Licensees of an objective-oriented WHMP prior to the Issuance of the New Licenses.
- c. Monitor implementation of that WHMP.
- d. Oversee the HEP study in the 17<sup>th</sup> year after Issuance of the New Licenses, and modify the WHMP if necessary based on the HEP’s results.
- e. Oversee and make decisions regarding the: (1) Yale Fund; (2) the Swift Fund; and (3) the Lewis River Fund.
- f. Oversee the annual budget for the WHMP.

14.2 Coordination Committees. Within 60 days after the Effective Date, PacifiCorp and Cowlitz PUD shall convene the TCC and the ACC.

14.2.1 Committee Coordinators. Within 30 days after the Effective Date, PacifiCorp and Cowlitz PUD each shall designate one Committee Coordinator for the TCC and one Committee Coordinator for the ACC. PacifiCorp and Cowlitz PUD shall make their designations by notice to the Parties in accordance with the notice provisions in Section 16.6. The PacifiCorp Committee Coordinator(s) shall be employed or retained by PacifiCorp and may represent PacifiCorp on the TCC and the ACC. The Cowlitz Committee Coordinator(s) shall be employed or retained by Cowlitz PUD and may represent Cowlitz PUD on the TCC



and the ACC. The PacifiCorp Committee Coordinator(s) shall, as their primary responsibilities, oversee the coordination and implementation of the terrestrial and aquatic PM&E Measures that are the responsibility of PacifiCorp as provided in this Agreement. The Cowlitz PUD Committee Coordinator(s) shall oversee the coordination and implementation of the terrestrial and aquatic PM&E Measures that are the responsibility of Cowlitz PUD as provided in this Agreement. PacifiCorp and Cowlitz PUD Committee Coordinators together shall oversee the coordination and implementation of terrestrial and aquatic PM&E Measures for which PacifiCorp and Cowlitz PUD have joint responsibility as provided in this Agreement.

14.2.2 TCC and ACC Membership. Within 30 days after the Effective Date, or at any time thereafter with 30 days' notice to the Licensees, each Party, at its own discretion and cost, may designate one representative for membership on the TCC and may designate one representative for membership on the ACC and may designate one or more alternates. The Party shall make its designation(s) by notice to the Parties in accordance with Section 16.6. A Party not participating on the TCC, the ACC, or both may request, by notice to the Parties in accordance with Section 16.6, to be placed on a contact list to receive notices of committee meetings and releases of information, including annual reports and other interim reports that the TCC or the ACC may issue.

14.2.3 TCC and ACC Functions. The TCC and the ACC will:

- a. Coordinate and Consult on development of plans by the Licensees as provided in this Agreement;
- b. Review information and oversee, guide, and make comments and recommendations on implementation and monitoring of the terrestrial and aquatic PM&E Measures, including plans;
- c. Consult with the Licensees on their respective reports prepared under this Agreement regarding implementation of the terrestrial and aquatic PM&E Measures as referred to in Section 14.2.6 below;
- d. Make decisions, grant approvals, and undertake any additional duties and responsibilities expressly given to the TCC or the ACC with respect to the terrestrial and aquatic PM&E Measures;
- e. Establish, among other things, (i) procedures and protocols for conducting committee meetings and deliberations to ensure efficient participation and decision making; (ii) rules for quorum and decision making in the absence of any member; (iii) alternative meeting formats as desired, including phone or teleconference; and (iv) the methods and procedures for updating committee members on interim progress of development and implementation of the terrestrial and aquatic PM&E Measures;

f. As deemed necessary and appropriate by the TCC or the ACC, establish subcommittees to carry out specified committee functions and responsibilities described in this Section 14.2.3, and establish the size of, membership of, and procedures for any such subcommittees; and

g. Discuss the protocols and the content of public information releases; provided that each Party retains the right to release information to the public at any time without such discussion.

14.2.4 TCC and ACC Decision-Making Process and Limitations. The TCC and the ACC shall make comments, recommendations, and decisions in a timely manner as provided below:

a. Each Party represented on the TCC and the ACC will have the authority to participate in all committee discussions relating to, and to provide input and advice on, decisions regarding implementation of the terrestrial or aquatic PM&E Measures;

b. The TCC and the ACC shall strive to operate by Consensus. Whether or not the TCC or the ACC has final authority over decisions on terrestrial and aquatic PM&E Measures, the Licensees and other Parties may proceed with actions necessary to implement the New Licenses or this Agreement, even though Consensus is not achieved; provided that in such cases the responsible Licensee or Licensees shall notify the Commission of the comments of the ACC or TCC members and the areas of disagreement. If the TCC or ACC does not reach Consensus, then any member of the TCC or ACC, respectively, may initiate the ADR Procedures as provided in Section 15 below.

c. Where one or more Parties have approval authority under this Agreement, Licensees shall notify the Commission of any approvals that were not obtained, include the relevant comments of the Parties with approval authority, describe the impact of the lack of approval on the schedule for implementation of PM&E Measures, and describe proposed steps to be taken to gain the approval, including dispute resolution.

d. In no event shall the TCC or the ACC increase or decrease the monetary, resource, or other commitments made by PacifiCorp and Cowlitz PUD in this Agreement; override any other limitations set forth in this Agreement; or otherwise require PacifiCorp to modify its three Projects' facilities without PacifiCorp's prior written consent or require Cowlitz PUD to modify its Project's facilities without Cowlitz PUD's prior written consent, which consent may be withheld in the applicable Licensee's discretion.

e. At any juncture where discussion or other contact with the ACC or TCC is required by this Agreement, when requested by the Services or as

required by the Agreement, the ACC or TCC Committee Coordinator, respectively, shall schedule an opportunity to discuss the relevant issue with the ACC or TCC. This event shall consist of either a conference call, in-person meeting, or other appropriate forum to enable full consideration of the issue.

14.2.5 TCC and ACC Meetings. Commencing in the first year after the Effective Date and each year thereafter for the terms of the New Licenses, the TCC and ACC Committee Coordinators shall arrange and provide an agenda for an annual meeting of their respective committees. The TCC and ACC Committee Coordinators also shall arrange and provide an agenda for any additional meetings deemed necessary by either coordinator for a committee or at the request of any two Parties on that committee, which request shall be sent simultaneously to all members of that committee. Members of the TCC and the ACC shall be given a minimum of 30 days' notice prior to any meeting, unless otherwise agreed to by the members of the applicable committee.

14.2.6 TCC and ACC Reports. The Committee Coordinators for the TCC and the Committee Coordinators for the ACC shall prepare and file with the Commission detailed annual reports on the TCC and ACC activities, monitoring and evaluations under the M&E Plan, and implementation of the terrestrial and aquatic PM&E Measures occurring during the prior year, as well as plans for the coming year as required in this Agreement. The annual reports may also include plans and reports required pursuant to Sections 4.9.1, 7.7.1, 8.2.3, 8.2.4, 10.5, and 10.8.3. Copies of such reports will be made available to each Party. The annual reports shall be prepared in Consultation with the TCC and ACC committee members and shall be submitted to the committees for review each year, commencing after the Effective Date. Committee members shall have a minimum of 30 days to review and provide comment on a draft report before a final report is prepared and filed with the Commission. The Licensees shall submit the final report to the Commission not later than 30 days after the close of the ACC and TCC comment periods. To the extent that comments are not incorporated into the final report, an explanation will be provided in writing, and such explanation shall be included in the report.