

**PacifiCorp
Lewis River Projects
Shoreline Management Plan (SMP) Public Meeting**

May 21, 2008

Meeting Summary

PacifiCorp held the third public meeting for the Lewis River Projects Shoreline Management Plan (SMP) on May 21, 2008 at the Lewis River Golf Course clubhouse in Woodland, Washington. Two prior meetings, held at the same location, provided an opportunity for interested parties to learn about the SMP development process, and voice concerns, comments, and questions regarding the SMP process and the Initial Working Draft of the SMP. The purpose of the third meeting was to provide an opportunity for interested parties to continue this dialog, and to begin a formal 30 day public comment period specific to the Public Review Draft of the SMP. PacifiCorp provided the Public Review Draft via the Lewis River website to stakeholders on May 16, 2008 followed by the hard copies on May 21, 2008. The review draft, where possible, incorporated previous comments from stakeholders. After the 30 day review period (which ends June 23, 2008), PacifiCorp intends to finalize the draft SMP. Upon receipt of its pending licenses for the Lewis River Projects, PacifiCorp will submit the SMP to the Federal Energy Regulatory Commission (FERC) for FERC's review, analysis, and subsequent approval.

At the meeting, Kleinschmidt Associates (Kleinschmidt) provided an overview of the Public Review Draft, highlighting revised shoreline management classifications and allowed uses. Kleinschmidt also presented PacifiCorp's draft permitting policies which PacifiCorp developed after the second public meeting in February, 2008. At the meeting, PacifiCorp staff also discussed the process to date and their expectations on how the SMP development process will continue to unfold.

After the presentation, audience members were encouraged to provide comments and ask questions regarding any aspect of the SMP. The following table details these comments and questions and provides answers. The format of the question/response table below is similar to what PacifiCorp plans to use when responding to formal

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comments on the final SMP. Some of the responses included below were provided directly during the meeting. In some instances, the responses provided have been augmented beyond what was provided at the meeting to provide a more complete answer.

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Comment/Question	Response
PacifiCorp should make sure any interested parties get copies of SMP and Permitting handbook	PacifiCorp maintains a list of interested parties developed during the SMP and notifies these parties via email of any SMP activity. PacifiCorp also posts all documents on its website: http://www.pacificorp.com/Article/Article76278.html . Printed copies of the documents are available upon request.
The SMP should contain a clearer description of grandfathering, leases, and permitting.	PacifiCorp acknowledges this concern and will review existing SMP language for clarity and will revise the language as appropriate.
The SMP language has inconsistencies within the document and in comparison to the Permitting Handbook (e.g. timelines for grandfathering – 45 days v. 9 months)	PacifiCorp will review the draft SMP and Permitting Handbook language for consistency.
Language in the SMP regarding waivers should clarify/define “feasible alternatives”	PacifiCorp will review the SMP language for clarity. Existing examples of “alternatives” include designs which accommodate particular resource concerns (e.g. docks that allow light to penetrate into the reservoir). PacifiCorp may also require that waiver requests include a more in depth environmental analysis to support the request.
What is the term of a permit?	Five years
The permit term is too short – shoreline uses are generally built to last. If PacifiCorp enforces construction requirements that should ensure better structures.	PacifiCorp will consider this comment when finalizing the draft SMP.
Comment/Question	Response

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How can PacifiCorp charge a fee for permit applications and who gets the permit application fee?	PacifiCorp will use the permit fees to offset costs associated with implementing the permitting process. FERC acknowledges that developing and enforcing a permitting process to assure license compliance is a cost to licensees; therefore it allows licensees to assess fees to recover some portion of that cost. Fees rarely cover the total costs of permitting and enforcement and PacifiCorp does not anticipate it will recover all costs with the proposed fees.
What are the permit application fees?	The base permit application fee is \$250. PacifiCorp anticipates this will be an appropriate fee for most residential shoreline use application; however, larger, more complex proposals may result in higher fees.
Will PacifiCorp require permit application fees for individuals who apply for a grandfathered shoreline use?	PacifiCorp will consider and address this question when finalizing the draft SMP. Generally, if the use was permitted, the fee will be waived. If the use was not permitted at the time of construction, the fee may be imposed.
If someone has a current permit with PacifiCorp, is the fee waived?	PacifiCorp will waive the Permit Fee for previously permitted uses.
How does PacifiCorp intend to permit "shared" shoreline uses?	PacifiCorp will consider and address this question when finalizing the draft SMP.
How does PacifiCorp intend to enforce/implement its requirement for insurance, particularly for multi-party uses such as shared docks?	PacifiCorp will consider and address this question when finalizing the draft SMP.
What options do stakeholders have if PacifiCorp rejects a permit application?	Stakeholders may contact FERC to appeal a permit decision, if they believe PacifiCorp is acting outside its license requirements and/or the SMP policies (once adopted by FERC).

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What circumstances would result in PacifiCorp rejecting an application for grandfathering?	PacifiCorp will not permit existing structures if they pose a safety or environmental hazard, cause harm to a cultural site, or if they violate state or federal laws in effect prior to PacifiCorp implementing its SMP and permitting policies.
What responsibility does PacifiCorp have for shoreline management and knowledge of existing uses prior to developing the SMP?	Prior to this licensing process and SMP development, PacifiCorp made efforts to manage its project shorelines; however, there was no formal set of management policies or permitting guidelines that staff could use consistently. In developing the SMP and permitting guidelines, PacifiCorp intends to move forward in a more consistent and systematic manner. Existing uses will be evaluated for consistency with FERC regulations and the SMP.
What proactive processes will PacifiCorp provide to stakeholders?	PacifiCorp will continue the dialog established through the Settlement Agreement and SMP development process. PacifiCorp will post information related to the SMP on the website and will provide periodic mailings to adjacent landowners.
How do stakeholders know if PacifiCorp is listening? Were previous comments addressed?	Although comments received previous to the Public Review Draft were informal, PacifiCorp attempted to respond to everyone that contacted them since the first SMP meeting. PacifiCorp will respond to all comments it receives in writing during the “formal” comment period ending on June 23, 2008. PacifiCorp will most likely respond through use of a table similar to this and will include it in the draft SMP submitted to FERC. A specific example of a comment that PacifiCorp integrated into the Public Review Draft SMP was the development of a waiver process acknowledging that some shoreline uses may be considered in Resource Management classification areas.
Why doesn't the SMP address erosion?	The SMP includes a discussion of best management practices, to provide education and options to shoreline users regarding erosion control. Additionally, PacifiCorp will review all applications for new shoreline uses in an effort to assist the applicant in choosing both a design and location for shoreline uses that minimizes the potential for erosion. The SMP acknowledges shoreline stabilization as an allowed shoreline use. The Permitting Handbook provides guidelines on what structures are most appropriate for erosion control. However, general reservoir erosion in resource

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	category areas is not addressed by the SMP as the licensing process reviewed shoreline erosion in non-developed areas but did not identify erosion as an issue requiring responsive measures.
Comment/Question	Response
Is PacifiCorp going to monitor or address erosion on its own property?	The licensing process and settlement agreement for the Projects did not identify erosion as an issue that requires responsive measures. Independent of the SMP, PacifiCorp monitors reservoir erosion as it may potentially affect operations or other resources for which PacifiCorp has responsibilities.
Does PacifiCorp apply the Integrated Use Classification only to private land?	No. While a large percentage of the Integrated Use Classification is on private lands, some federal land and some PacifiCorp ownership is within the classification.
Are there any public lands designated as Integrated Use?	Yes, the Northwoods neighborhood located on Washington Department of Natural Resources at the east end of Swift reservoir is designated as Integrated Use.
Why doesn't the Integrated Use classification definition acknowledge private ownership?	PacifiCorp will consider this comment when finalizing the draft SMP.
Why is PacifiCorp mandated to manage its project resources?	As a recipient of a FERC license, PacifiCorp is mandated to balance power operation with environmental and cultural resource, public use, and safety at its Projects. The FERC licenses will define the actions needed to manage such resources. Further the Lewis River Settlement Agreement identifies specific resource protection measures which PacifiCorp agreed were reasonable and appropriate at the Lewis River Projects.
Why didn't PacifiCorp address resource issues by buying/preserving/managing lands away from the water?	In general, off-site resource protection and management activities are less relevant to project operations and outside FERC's jurisdiction.
What expectation does PacifiCorp have regarding resource and regulatory agency 'buy-in' for the SMP?	PacifiCorp is in ongoing consultation with resource and regulatory agencies, including state and federal agencies and county planning staff. PacifiCorp's staff continue to provide updates similar to those at the public listening sessions to standing coordination committees. The company expects that agencies will participate in the consultation to the level required, and will work with PacifiCorp

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	during the implementation of the SMP.
Will the SMP address crowd control and safety on the IP road?	Only indirectly through permitting temporary uses and enforcement.

Comment/Question	Response
Is PacifiCorp coordinating with the counties on the dock moratorium?	Yes, as the counties notify PacifiCorp of pending dock requests, PacifiCorp has responded with the request that no additional docks be permitted by the county until the SMP is final. To date, the counties have obliged the request.
What constitutes the FERC jurisdiction?	Congress created the FERC's predecessor, the Federal Power Commission (FPC), in 1920 and delegated to it the responsibility of regulating development of hydroelectric power on navigable waters of the United States. In 1935, Congress expanded and made exclusive the Commission's licensing authority over non-federally owned projects. The FERC project licenses, and more specifically the Standard Land Use article within a given license, direct Licensee to oversee shoreline activities and take action to prevent unauthorized uses of project shorelines. (See Section 2.1 of the Public Review Draft SMP for further discussion). FERC's jurisdiction lies within a clearly identified "project boundary" which encompasses licensed projects.