

**Lewis River Hydroelectric Projects Settlement Agreement
Terrestrial Coordination Committee (TCC)
Meeting Agenda**

Date & Time: Wednesday, February 8, 2012
 9:00 a.m. – 1:15 p.m.

Place: **Merwin Hydro Facility
105 Merwin Village Court
Ariel, WA 98603**

Contacts: **Kirk Naylor: (503) 813-6619; cell (503) 866-8750
Lore Boles (HCC): (360) 225-4412**

Time	Discussion Item
9:00 a.m.	Welcome <ul style="list-style-type: none"> ➤ Preview Agenda ➤ Review, comment and adopt notes of 01/11/12 meeting
9:15 a.m.	➤ Land transaction status
10:00 a.m.	➤ BPA I-5 Corridor Reinforcement Project
10:45 a.m.	➤ BREAK
11:00 a.m.	➤ Elk & Recreation use study update
11:45 a.m.	➤ 2012 Forest Management Plan – Unit 10 Commercial Thinning
12:00 a.m.	➤ Research Proposal and Settlement Agreement Section 10.3.3 Matching Funds
12:45 p.m.	<ul style="list-style-type: none"> ➤ Next Meeting’s Agenda ➤ Public Comment Opportunity ➤ Note: all meeting notes and the meeting schedule can be located at: http://www.pacificorp.com/es/hydro/hl/lr.html#
1:15 p.m.	<i>Adjourn</i>

To attend a Voice Conference:

Call 503-813-5600 (toll free #800-503-3360), follow the instructions provided and enter Meeting ID: **101101** and password: **101101** when prompted.

Meeting will continue through noon hour – please bring your lunch

Meeting Notes
Lewis River License Implementation
Terrestrial Coordination Committee (TCC) Meeting
February 8, 2012
Hydro Control Center, Ariel, WA

TCC Participants Present: (11)

Diana MacDonald, Cowlitz PUD (*phone*)
 Bob Nelson, RMEF
 Bill Richardson, RMEF
 Ray Crosswell, RMEF
 Peggy Miller, WDFW
 Eric Holman, WDFW
 Nathan Reynolds, Cowlitz Indian Tribe
 Erik White, Cowlitz Indian Tribe
 Kirk Naylor, PacifiCorp Energy
 Kendel Emmerson, PacifiCorp Energy
 Arianne Poindexter, PacifiCorp Energy

Calendar:

March 14, 2012	TCC Meeting at Merwin HCC	HCC
March 14-15, 2012	Tour of Units 6, 15 and 25 for proposed 2012 forest management actions	Lewis River Project Area
April 11, 2012	TCC Meeting at Merwin HCC	HCC

Parking lot items from April 13, 2011 Meeting	Status
Naylor: Provide TCC with Riparian Management Plan for review.	Pending

Assignments from October 12, 2011 Meeting:	Status
Naylor and Richardson will inquire as to the cost of acquiring the mineral rights in conjunction with the land purchase and report back to the TCC	In Progress

Review of Agenda and Finalize Meeting Notes

Kirk Naylor (PacifiCorp Energy) called the meeting to order.

Agenda reviewed and approved. Add encroachment issue to the agenda.

The January 11, 2012, meeting notes were reviewed and approved as presented. No changes.

*******CONFIDENTIAL SECTION BEGINS*******

Lands Update

BPA I-5 Corridor Reinforcement Project

Elk-Equestrian Study Update

Emmerson showed pictures from the surveillance cameras in a presentation on “TCC Elk Study Slideshow 2.8.12”.

ATV use in Unit 17 over the last six months was described. Unit 10 shows evidence of ATV use as well. All information regarding unauthorized access has been submitted to law enforcement. Currently law enforcement is able to issue a citation for trespassing. The group discussed whether there is a legal mechanism to seize property of trespassers in addition to the citation. The TCC suggested maybe PacifiCorp could offer a reward for information leading to the arrest/prosecution of trespassers.

Kendel will move camera #1. Also, only one survey will be conducted in February and March, so the survey time can be extended to include one survey between April 15-30 and May 1-15. For further discussion: off-leash dog use of the area.

Encroachment

Years ago, Kirk conducted a property line survey of the King’s Landing area adjacent PacifiCorp WHMP lands on Merwin. There is an old house with a concrete foundation that has a corner overlapping (approximately six feet) onto PacifiCorp property. There is also a barn completely on PacifiCorp property associated with this same house. PacifiCorp and the owner have been in discussions for several years trying to resolve the encroachment. One of the resolutions involves the land owner trading the same number of square feet of his land along another common property line in exchange for the rough ½ acre of PacifiCorp property. This would be about a 3-foot wide strip along the property line. The TCC preferred that PacifiCorp consider allowing the property owner to purchase the affected property and using the funds for other property acquisition or habitat enhancement. The funds would be managed similar to the existing Settlement Agreement land acquisition and land enhancement funds. Kirk will discuss this with the PacifiCorp real estate department and keep the TCC posted on any progress.

2012 Forest Management Plans

A map of Management Unit 10 was handed out to the group to discuss proposed forest management that PacifiCorp is considering. This wasn’t presented in any previous 2013 lands considered for harvest because of the BPA transmission line issues. PacifiCorp is recommending these actions to enhance understory forage development as was the original intent for purchasing the property. Kirk is currently recommending this despite the BPA proposed plans. See handouts.

Unit 10:

- Proposed commercial thinning of the property as early as March/April and again in mid-August/September.
- Will reduce to 160-200 trees per acre.

The TCC tentatively approved the plan with recommendations to consider thinning in some of the buffers and to consider variable density thinning as well. The TCC has already seen the site and because the area isn't suitable habitat for goshawks no survey would be required.

Miscellaneous

Settlement agreement excerpts from sections 10.3.3, 10.3, 10.3.1 handout were given to the group. A discussion was held regarding a proposal that was presented to PacifiCorp for conducting research on PacifiCorp property related to early successional habitat, herbicides and black-tailed deer nutrition. The question for the TCC was to discuss whether or not the Settlement Agreement allowed the use of matching funds from PacifiCorp for research projects. The Aquatic Coordination Committee have also dealt with projects that are considered "research" and whether the aquatic fund can be used for such projects.

Kirk handed out "The Influence of Forest Herbicides on the Nutritional Ecology of Black-tailed Deer in Western Washington" as an example of a "research" project that was proposed and relates to potential coordination regarding WHMP practices. The TCC thought that research projects may be funded if the project were directly connected to habitat enhancement and that they should be handled on a case-by-case basis. Kirk requested that the TCC read the research paper and think about how it could relate to PacifiCorp lands.

Additional discussion will be had regarding the purpose of the 10.3.3 matching funds at subsequent TCC meetings. Kirk will also discuss the purpose of the funds within PacifiCorp.

RMEF Professional's Day, June 22-23, 2012 at Starkey Experimental Forest near La Grande, OR

Next Meeting's Agenda

- Review of 02/08/12 Meeting Notes
- BPA I-5 Corridor Reinforcement Project
- Lands Acquisition Update
- Safety orientation for tour of units 6, 15, and 25

Public Comment Opportunity

No public comment was provided.

Next Scheduled Meetings

March 14, 2012	March 15, 2012	April 11, 2012
TCC Monthly Mtg & Tour of Units 6, 15, 25	Tour of Units 6, 15, 25	TCC Meeting
Merwin Hydro Control Center	Merwin Hydro Control Center	Merwin Hydro Control Center
Ariel, WA	Ariel, WA	Ariel, WA
9:00am – 5:00pm	9:00am – 5:00pm	9:00am – 1:00pm

Adjourn: 2:00pm

Attachments:

- TCC_Elk Study Slideshow 2.8.12
- The Influence of Forest Herbicides on the Nutritional Ecology of Black-tailed Deer in Western Washington
- Settlement agreement excerpts from sections 10.3.3, 10.3, 10.3.1
- CT Unit 10 Map

10.3.3 Contribution of Additional Matching Funds. In addition to the contributions made under Section 10.3.1, beginning 18 months after Issuance of the New License for the Yale Project or Swift No. 1 Project, whichever is earlier, PacifiCorp shall match the contributions of local, state, and federal agencies, and other persons or organizations, **made for the purposes of this Section 10.3**, in an amount not to exceed \$100,000 per year, and not to exceed \$500,000 in any ten consecutive years. **Any Party may propose a source of matching funds under this subsection. If and only if a commitment of funds is made by a party other than PacifiCorp, for acquisitions of Interests in Land or for implementation of habitat enhancement projects approved by the TCC**, PacifiCorp shall provide matching funds within the limits set forth above at closing of the real estate transaction; no fund will be created. **The TCC will identify Interests in Land for acquisitions or identify habitat enhancement projects to be funded with matching funds**, and PacifiCorp shall execute approved acquisitions and implement approved enhancement measures.

10.3 Lewis River Land Acquisition and Habitat Enhancement Fund.

PacifiCorp shall establish and maintain a fund in a Tracking Account to acquire or enhance wildlife habitat anywhere in the Lewis River Basin in the vicinity of the Projects (the "Lewis River Fund") **in order to meet the objectives of its Wildlife Habitat Management Plan** as described in Section 10.8 below. Enhancement projects may be carried out on lands owned by third parties. **The TCC will select Interests in Land for acquisition or enhancement and approve final restoration or enhancement measures implemented with the Lewis River Fund.** PacifiCorp shall execute approved transactions and implement approved measures. Interests in Land acquired will be owned by PacifiCorp, unless otherwise agreed by PacifiCorp. PacifiCorp shall contribute a total of \$2.2 million to the Lewis River Fund.

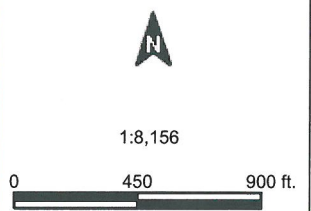
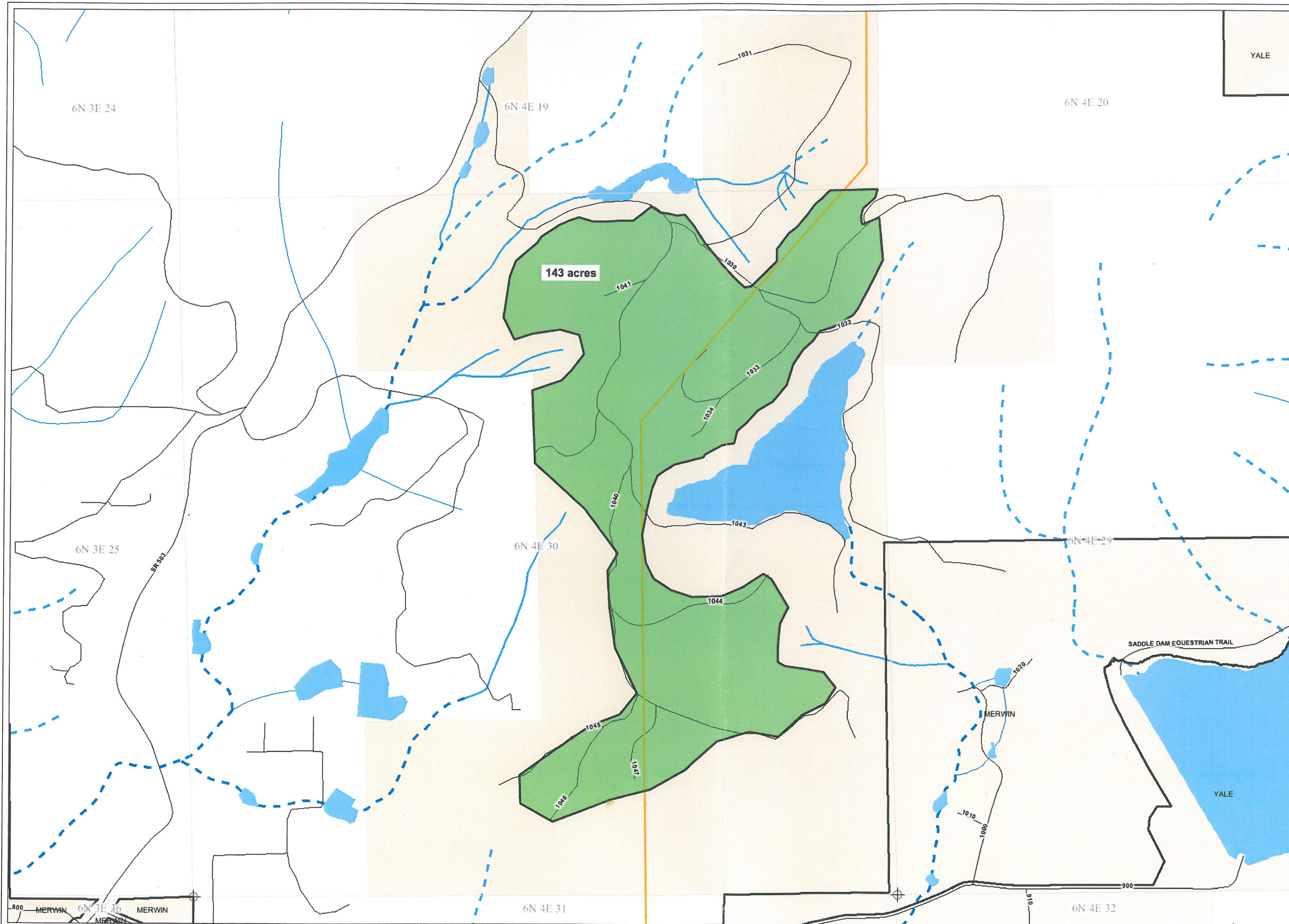
10.3.1 Funding Amount, Timing, and Schedule. PacifiCorp shall initially contribute \$550,000 to the Lewis River Fund by six months after the fourth anniversary of the Issuance of the New License for the Yale Project, and \$550,000 to the Lewis River Fund by six months after the fourth anniversary of the Issuance of the New License for the Swift No. 1 Project. PacifiCorp shall contribute an additional \$550,000 to the Lewis River Fund by six months after the sixth anniversary of the Issuance of the New License for the Yale Project, and \$550,000 to the Lewis River Fund by six months after the sixth anniversary of the Issuance of the New License for the Swift No. 1 Project. PacifiCorp's contributions shall be made in 2003 dollars, Adjusted for Inflation.

CT Unit 10

YALE

Legend

- Monitoring Line
- Generation Facilities
 - Hydro
 - Geothermal
 - Thermal
 - Wind
 - Biomass
- Surveyed Corner
 - Surveyed Section Corner
 - Surveyed Property Corner
 - Other Surveyed Corner
- Wetland (Point)
- PacifiCorp Transmission Pole
- Road
- PacifiCorp Transmission Line
- FERC Boundary
- Section
- Wetland (Polygon)
- Stream
 - Fish Stream
 - Non-Fish Perennial
 - Non-Fish Seasonal
 - Other
- PacifiCorp Ownership



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