

## Lewis River Hydroelectric Projects Terrestrial Coordination Committee (TCC) Meeting Agenda

**Date & Time:** Wednesday, October 12, 2016  
9:00 a.m. – 12:00 p.m.

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

**Contacts:** Kendel Emmerson (503) 813-6040; cell 503-703-7734

Time	Discussion Item
9:00 a.m.	Welcome <ul style="list-style-type: none"> <li>➤ Review Agenda &amp; 9/14/16 Meeting Notes</li> <li>➤ Comment &amp; accept Agenda &amp; 9/14/16 Meeting Notes</li> </ul>
9:15 a.m.	Cowlitz PUD interconnect discussion and update
10:00 a.m.	<ul style="list-style-type: none"> <li>➤ Next Meeting's Agenda</li> </ul> Note: all meeting notes and the meeting schedule can be located at: <a href="http://www.pacificorp.com/es/hydro.html">http://www.pacificorp.com/es/hydro.html</a>
10:15 a.m.	Safety <sup>1</sup> orientation for tour to McKee Meadows
<b>12:00p.m.</b>	<b><i>Return to HCC – Meeting adjourn</i></b>

<sup>1</sup> Please bring rain gear and sturdy walking shoes for hiking in the forest. PacifiCorp will have 2 vehicles for transportation of up to 4 additional passengers.

### Join by Phone

+1 (503) 813-5252 [Portland, Ore.]  
 +1 (801) 220-5252 [Salt Lake City, Utah]  
 +1 (855) 499-5252 [Toll Free]

**Conference ID: 885150**

**FINAL Meeting Notes**  
**Lewis River License Implementation**  
**Terrestrial Coordination Committee (TCC) Meeting**  
**October 12, 2016**  
**Ariel, WA & Field Tour**

**TCC Participants Present: (8)**

Ray Crosswell, RMEF  
 Kendel Emmerson, PacifiCorp  
 Kim McCune, PacifiCorp  
 Summer Peterman, PacifiCorp  
 Peggy Miller, WDFW  
 Erik White, Cowlitz Indian Tribe  
 Amanda Froberg, Cowlitz PUD

**Guest**

Chris Blodgett, Citizen

**Calendar:**

November 9, 2016	TCC Meeting	Cancelled
December 14, 2016	TCC Meeting	TBD

<b>Assignments from October 12, 2016</b>	<b>Status</b>
Emmerson/Miller: Review county and wind standards for habitat wildlife value and report back to the TCC as it relates to the Merwin Substation expansion.	<b>Complete</b>
Emmerson: Once the numbers/values for the Merwin Substation have been refined, submit a revised narrative to the TCC for a 7-day review and comment period.	<b>Complete – 11/1/16</b>
McCune: McCune to confirm if placing Merwin Substation WHMP funds into the Lewis River Fund (SA 10.3) is acceptable to PacifiCorp management or if a separate tracking account is needed.	<b>Complete</b>

<b>Assignments from September 14, 2016</b>	<b>Status</b>
Emmerson: Request Chilton Logging to determine triple stumpage value for tree removal for the Cowlitz PUD interconnect project on WHMP lands.	<b>Complete – 10/11/16</b>
McCune: Review all relevant materials for language that guide the TCC for removal or reclassification of WHMP lands, relating to Cowlitz PUD interconnect project. Is Exhibit G affected?	<b>Complete – 9/16/16</b>

<b>Assignments from July 13, 2016</b>	<b>Status</b>
Emmerson: Report back to the TCC regarding status of the Property Encroachment Permit and Shoreline Permit Application.	<b>Pending</b>

Assignments from March 9, 2016	Status
McCune: Add the Fisher CCAA conservation measures in in 2016 WHMP Annual Report and in year 17 re-write (incorporate into Best Management Practices).	<b>Pending</b>
WDFW: In regards to 10.3.3 Matching Funds Eagle Island Project the TCC would like a 1-2-page progress report of project status with photos after the grant term expires (12-31-2017).	<b>Pending</b>

Kendel Emmerson (PacifiCorp) called the meeting to order at 9:05am. All participants identified themselves for the benefit of the attending guest. Emmerson reviewed the agenda and asked the TCC if there were any changes/additions. Emmerson reviewed the TCC September 14, 2016 Meeting Notes which were approved at 9:10am with minor housekeeping changes.

**Public Comment Opportunity: McKee Meadows/Timber Harvest**

Chris Blodgett (private citizen) requested further detail regarding the McKee Meadows timber harvest budget. Kim McCune (PacifiCorp) communicated that the contractors have invoiced PacifiCorp for the majority of the work. The final 2016 WHMP Budget and Expense is provided in the 2016 Lewis River Annual Report, which will be available on PacifiCorp’s website by April 15, 2017. McCune expressed that until then he is welcome to review the 2016 WHMP Annual Plan to become familiar with the budget structure. For ease of reference, McCune provided the link below in an email to Blodgett October 10, 2016: [http://www.pacificorp.com/content/dam/pacificorp/doc/Energy\\_Sources/Hydro/Hydro\\_Licensing/Lewis\\_River/li/ar/2016\\_PacifiCorpAnnualPlan\\_Final\\_wAPPEN.pdf](http://www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/Hydro/Hydro_Licensing/Lewis_River/li/ar/2016_PacifiCorpAnnualPlan_Final_wAPPEN.pdf)

McCune further stated that the McKee Meadow budget would be lumped into the WHMP budget that is allocated across the WHMP landscape and grouped by Forestry, Meadow, Right-of-way, etc.

**Mt. Saint Helens – Mt. Goat Survey Update**

Eric Holman (WDFW) confirmed via email that the final Year 3 count was 151\*.

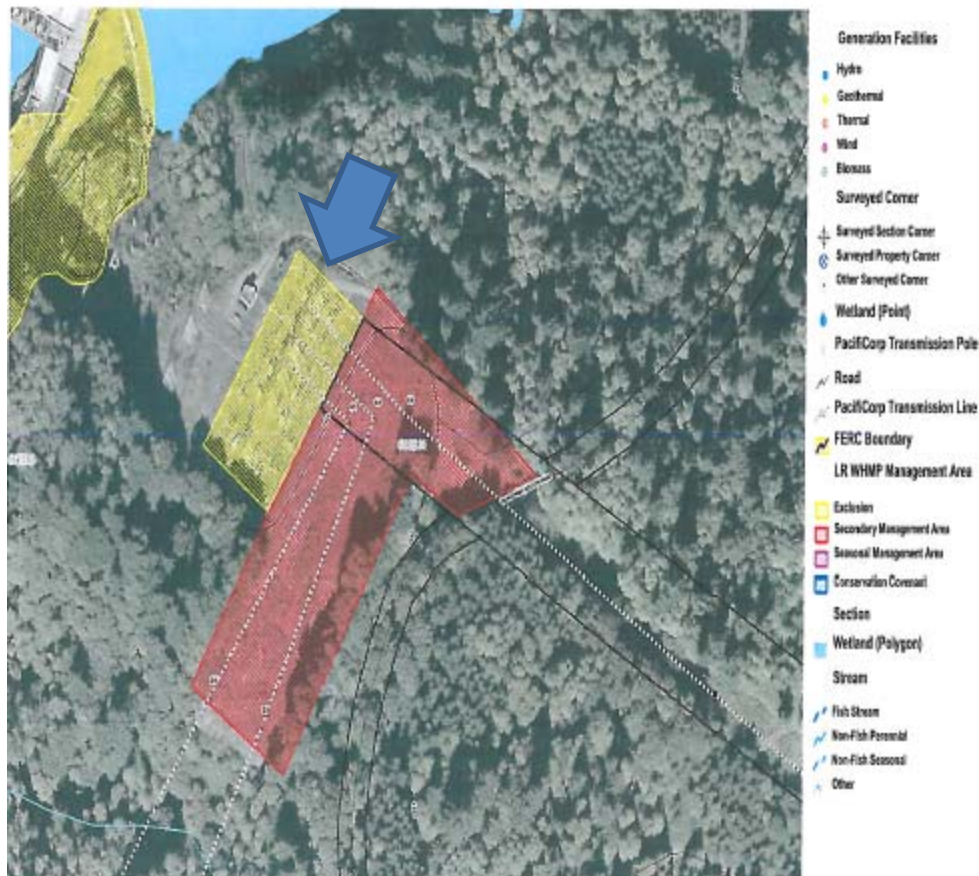
\*weather was rainy and foggy; the count was challenged by lack of visibility.

**Cowlitz PUD Interconnect Discussion and Update**

Emmerson provided a narrative titled, Merwin Substation Narrative Cruise, dated October 5, 2016 (**Attachment A**) for TCC review. The narrative addressed valuation of timber and the value of impacted substation property of approximately .89 acres. The area impacted is located on a plot of land as illustrated below, which is adjacent to the existing Merwin substation.

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10.8.5.5 Mitigation for Impacts on Wildlife Habitat. If PacifiCorp proposes to take action on its Interests in Land that are managed under its WHMP, other than those actions specifically prescribed under this Agreement, and that action makes those lands no longer available for wildlife habitat, PacifiCorp shall consult with the TCC to determine if any mitigation is necessary. If Cowlitz PUD proposes to take action on its Interests in Land managed under its WHMP, other than those actions specifically prescribed under this Agreement, and that action makes those lands no longer available for wildlife habitat, Cowlitz PUD shall consult with the TCC to determine if any mitigation is necessary. If the TCC determines that mitigation is necessary, then whichever Licensee is responsible in the specific case shall implement that mitigation. Mitigation shall not be required for land parcels specifically identified in the WHMPs as having wildlife habitat as the secondary use.



The total estimated value for land is \$7,125.00 and timber value without including logging costs is \$3,540. However, the TCC would like consideration for impact to wildlife and the value of its habitat loss. Emmerson and Peggy Miller (WDFW) will review county and wind standards for habitat wildlife value and report back to the TCC.

**The TCC approved the estimated timber value and property value numbers, however, the TCC requested a more detailed narrative providing a review of similar mitigation strategy and final value. Emmerson will provide this detail to the TCC in December 2016.**

**TCC agreed to place the Merwin Substation funds into the SA 10.3 Lewis River Fund. McCune will confirm if this method is acceptable to PacifiCorp management or if a separate tracking account will be needed.**

**Safety Orientation for Tour**

Emmerson conducted a safety orientation to inform the participants that the drive will be approximately 20 minutes. The tour will then include hiking in the forest meadows No PPE is required other than good hiking shoes. There is cell service, many tripping hazards and there are still stinging insects.

*<10:15 a.m. depart for field tour>*



Upper McKee (slash piles still needing to be covered) – October 2016



Upper McKee (slash piles covered and ready to be burned December 2016)



Upper McKee Meadow – August 2015



Upper McKee Meadow – October 2016



Upper McKee Meadow – October 2016



Lower McKee Meadows – October 2016



Lower McKee Meadows – March 2016







Wildlife greeting us when we arrived – October 2016

*<11:30am Meeting Adjourned – return to HCC>*

**Agenda items for December 14, 2016**

- Review October 12, 2016 Meeting Notes

**Next Scheduled Meeting**

December 14, 2016
Location: TBD

**Attachments:**

- October 12, 2016 Meeting Agenda
- **Attachment A** – Merwin Substation Narrative Cruise, October 5, 2016



### **Merwin Substation Narrative Cruise**

Valuation of timber located on approximately 0.75 Acres located in Parcels EB2706004 and EB2706001 in Section 27, Township 6 North, Range 1 East, Clark County, Washington

Joe Berry, Forester

Chilton Logging Inc.

October 5, 2016



## Summary

The purpose of this report is to estimate the current market value for timber located on approximately 0.75 Acres located in Parcels EB2706004 and EB2706001 in Section 27, Township 6 North, Range 1 East, Clark County, Washington adjacent to the Merwin Substation owned and operated by PacifiCorp Energy.

Estimated merchantable volume is 5.6 MBF (thousand board feet Scribner). The estimated gross value for the timber is approximately \$3,540. The estimated stumpage value is \$0. This is an estimate of the cash an owner would receive if the timber was sold on a lump sum basis based on the price a mill would pay for the timber minus the logging and transportation costs.

## Timber Description

The timber on this property consists primarily of large, mature bigleaf maple with scattered red alder and Douglas-fir. Approximately 85% of the bigleaf maple is considered pulp since most of the large trees lack a straight log of minimum length and include rot and broken tops. Defect includes broken tops and a few forks. The Douglas-fir and red alder are of average quality and currently, would be sold to the domestic market.

## Estimated Timber Value

The value of the timber is based on current quoted prices for western Washington mills in September of 2016. Pulp was not valued based on negative net returns.

The entire parcel can be logged with ground based equipment such as a shovel or skidder cat. There would be no road building costs as part of this appraisal as the current access roads adjacent to the substation could be used. The Douglas-fir, alder and maple would be hauled to Longview, Washington.



The following is a summary of total estimated revenues and costs for September of 2016:

ESTIMATED REVENUES (October, 2016)

Species	Volume (MBF)	Average Price (MBF)	Gross
Red Alder	0.3	\$700	\$210
Douglas-Fir	4.2	\$675	\$2835
Bigleaf Maple	1.1	\$450	\$495
Gross Timber Value			<b>\$3540</b>

ESTIMATED COSTS (October, 2016)

Log	\$4275
Haul	\$445
Total Costs	<b>\$4720</b>

**TOTAL STUMPAGE VALUE: \$0**

Based on current log prices and the cost of logging and hauling the timber, there would be no net value to PacifiCorp.

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