

FINAL Meeting Notes
Lewis River License Implementation
Terrestrial Coordination Committee (TCC) Meeting
March 12, 2008
Lacey, WA

TCC Participants Present: (13)

Brock Applegate, WDFW (via teleconference)
 Kendel Emmerson, PacifiCorp Energy
 David Geroux, WDFW
 Diana Gritten-MacDonald, Cowlitz PUD (via teleconference)
 Eric Holman, WDFW (via teleconference 9:00am – 9:45am)
 Mike Iyall, Cowlitz Indian Tribe
 LouEllyn Jones, USFWS
 Curt Leigh, WDFW
 Kimberly McCune, PacifiCorp Energy
 Kirk Naylor, PacifiCorp Energy
 Bob Nelson, RMEF
 Todd Olson, PacifiCorp Energy
 Cherie Kearney, Columbia Land Trust (9:25am – 9:50am)

Calendar:

| | | |
|----------------|-------------|------------------------------|
| April 9, 2008 | TCC Meeting | Cowlitz PUD, Longview, WA |
| April 10, 2008 | ACC Meeting | Merwin Hydro Facility |

| Assignments from Mach 12th Meeting: | Status |
|--|---------------------------|
| Kearney: Stay in touch with Kimberly McCune (PacifiCorp Energy) and/or Todd Olson to schedule the date and location of the meeting with the TCC and interested land owner in April 2008. | Complete – 3/25/08 |
| McCune/Kearney: Set up a combined TCC/ACC meeting in April to discuss land opportunities and interests. | Pending |
| McCune: Add to the April TCC agenda review of that certain portion of the wetland chapter specific to the 50:50 cover ratio. | Complete – 3/17/08 |
| Emmerson: Schedule a wetland site visit with David Geroux and other interested TCC parties. | |
| McCune: Email Word version of Draft WHMP Chapter – Farmland, Idle Fields and Meadows to Brock Applegate (WDFW). | Complete – 3/12/08 |

| Assignments from January 9th Meeting: | Status |
|---|---------------|
| Naylor/Emmerson: Incorporate the following into the Forest Management chapter: WHMP lands that are within the SOSEA should have greater spotted owl protection than what is provided in Forest Practices Act and timber management actions should increase or improve spotted owl habitat in the SOSEA. | |

| | |
|---|--------------------|
| McCune: Publish the Draft SMP on the Lewis River website and notify the TCC when available for viewing. | Complete – 1/10/08 |
|---|--------------------|

| Assignments from December 12th Meeting: | Status |
|--|--------------------|
| Applegate: Provide additional data relating to an open water to cover ratio of 25:75, as recommended by WDFW in edits to the first paragraph, page 10 of the Wetland WHMP chapter. | Complete – 3/12/08 |

| Assignments from September 12, 2007 Meeting: | Status |
|--|---------------|
| Naylor/Emmerson: Incorporate the following text into the Forest Management chapter of the WHMP, “ <i>Prior to any harvest, the areas will be evaluated (ground truth) to determine whether or not the area qualifies as NSO habitat.</i> ” | In process |

| Parking lot items from February 10, 2006 Meeting: | Status |
|--|-------------------|
| PacifiCorp Wildlife Habitat Management Plan (WHMP) Budget (annual) | |
| Conservation Agreement – what is wanted? | Ongoing – 4/28/06 |

Review of Agenda and Finalize Meeting Notes

Kirk Naylor (PacifiCorp Energy) called the meeting to order at 9:10am. A round table introduction was conducted for the benefit of those participating via teleconference. Naylor conducted a review of the agenda for the day and requested if the TCC had any additions to the agenda.

Naylor reviewed the TCC Draft February 13, 2008, meeting notes and assignments with the TCC attendees and asked for any comments and/or additional changes.

Brock Applegate (Washington Department of Fish and Wildlife - WDFW) requested two changes on page 5, first paragraph to add clarification and correction as follows: Second sentence modify the text that reads 1-mile to 2-mile SOSEA buffer. Modify the fourth and second to the last sentences to read:

Within the Swift 2 area, more of a concern may exist with future purchased lands than with presently owned.

On the WHMP lands in the SOSEA, Naylor expressed that perhaps 10% of PacifiCorp-owned lands within the SOSEA is even accessible due to the steep terrain.

The meeting notes were approved at 9:20am with the above-referenced changes and those submitted by WDFW via email.

Lands Update Discussion

Cherie Kearney (Columbia Land Trust), Todd Olson and Kirk Naylor (PacifiCorp Energy) provided updates relating to interests in certain lands, however, this discussion is considered confidential and proprietary and not for public viewing.

Following discussion, it was determined that a combined TCC/ACC meeting should be conducted to review land opportunities and interests. McCune will coordinate the meeting and will work with interested parties to sign the Confidentiality Agreement if they have not already done so prior to participation. Kearney would also like to meet with the TCC and interested land owner in April 2008 to discuss a potential land transaction in more detail. Kearney will stay in touch with Kimberly McCune (PacifiCorp Energy) and/or Todd Olson to schedule the date and location of the meeting.

<Break 10:00am>

<Reconvene 10:10am>

SOSEA historical notes: Review of Boundary Comments

In response to the assignment indicated below, Kendel Emmerson (PacifiCorp Energy) informed the TCC attendees that prior TCC meeting notes do not appear to include specific conversation about the area in question (T7N R4E Section 25). However, a map dated June 21, 2006 had been distributed at a TCC meeting that clearly indicated the boundary drawn along the western boundary of section 30 (this indicated that it was not a GIS mapping error).

| Assignments from February 13th Meeting: | Status |
|---|---------------------------|
| Emmerson/McCune: Review NSO maps and prior TCC meeting notes during the development of the <i>Lewis River Wildlife Habitat Management Plan Standards & Guidelines Document</i> to determine logic and intent specifically relating to NSO and present to the TCC for review and discussion. | Complete - 3/12/08 |

General discussion took place regarding revising the maps to include Section 25 and the eastern half of Section 26. All agreed that there was not any conflict with adding the lands in Section 25 but WDFW preferred to include all WHMP lands in eastern half of Section 26 so that the SOSEA buffer extended to the Cougar Creek ownership and provided greater connectivity to US Forest Service lands to the north. Naylor stated that he would like to wait before extending the SOSEA buffer into Section 26 until the forestry plan is complete because this may exclude options that benefit elk. Additionally this would include the land within Beaver Bay Campground. WDFW requested that the TCC continue the discussion over the inclusion of Section 26 into the SOSEA buffer during the next TCC meeting, when we could include Eric Holman (WDFW) on the discussion.

Mike Iyall (Cowlitz Indian Tribe) suggested the inclusion of a footnote such as, “*Between section 25 and Cougar Creek boundary, is this going to have any negative impact?*” It was generally agreed that until such time the WHMP forestry chapter is written the TCC will then make an evaluation.

WDFW disagrees with this approach of writing the forestry chapter first and then evaluating instead of resolving first. Brock Applegate (WDFW) expressed that by deciding the target management objective beforehand (IE Which areas to include in the SOSEA buffer.), the objective would guide the development of the WHMP forestry chapter. Applegate noted that Objectives i or j only propose that the TCC manage 50% of the WHMP lands for spotted owls, leaving the other 50% for other target species. In fact the reclassification of Section 26 would change the target

from 50% “submature” suitable spotted owl habitat to 50% “high quality nesting” suitable spotted owl habitat as the target, since most of Section 26 resides within a spotted owl management circle anyway.

Emmerson reminded the TCC attendees that the Raptor chapter will require revision depending on the outcome of the area between Section 25 and the Cougar Creek boundary. Emmerson also suggested adding text in the Forestry plan which specifically addresses the connectivity to Forest Service land, instead of making an exception to existing Standard and Guidelines. However, this change should only require a change in mapping, something PacifiCorp does often with updating their vegetation cover types in their GIS database, according to WDFW.

Wetlands Discussion

Applegate provided a memorandum dated March 11, 2008 for TCC review regarding WDFW’s justification for increasing the submergent/emergent: open water ratio from 50:50 to 75:25 ([Attachment A](#)).

WDFW asks that since the most limiting part of wetlands near reservoirs is not open water, WDFW feels that PacifiCorp should have management actions that emphasized emergent and submergent plants in the wetlands, hence suggesting an increase in the ratio to approximately 75:25 (emergent, submergent plants:open water) as a general goal.

Naylor expressed concern about committing to a specific objective when the conditions are variable and perhaps the ratio should be dependent on the size of the wetland. Naylor also communicated that the large hydroelectric reservoirs are not the primary habitat for water fowl such as puddle ducks. Some of the small wetlands could be inaccessible to waterfowl if there was 75% emergent cover.

Emmerson stated that in some cases it is not possible to obtain 75% cover.

David Geroux (WDFW) would like to see other habitat aspects available through augmenting the submergent and emergent plant cover to address the needs of other species.

Emmerson suggested identifying the 75:25 as a threshold and upon reaching 50% vegetation the given area will be evaluated for implementing vegetation control.

Iyall said that the WHMP is an on-going demonstration project and that the process is managed by a series of TCC reviews for each management action.

Diana Gritten-MacDonald (Cowlitz PUD) expressed that she is more in favor of a flexible approach.

Emmerson recommended further review and discussion of that certain portion of the wetland chapter at the April TCC meeting. In addition, she will contact interested TCC parties to schedule site visits.

Shoreline Management Plan (SMP) Update

Olson expressed that PacifiCorp has received several comments asking for change in classification, i.e., SE side of Swift changed to integrated use from Resource Management.

Olson informed the TCC attendees that PacifiCorp will release a Public Review Draft of the SMP and provide a formal 30-day review in April 2008. This next draft will include the permitting process a land owner will need to go through to obtain permission for appropriate facilities within the shoreline boundaries.

Iyall suggested that the TCC consider an upper limit of docks per reservoir acre.

License Issuance Update

Olson informed the TCC attendees that he contacted the FERC (specifically, Alan Mitchnick) last week regarding an estimated date of when the company might receive the Lewis River licenses. The FERC is currently working on one of the licenses and will soon be sending to their management for approval. Upon approval of the first one of the licenses they expect the others to go fairly quickly. Mitchnick also noted that although their goal was to have them out by end of March, 2008, that was not going to happen, but perhaps by mid May. Therefore, the earliest anticipated date for license issuance is June 1, 2008.

Olson also noted that if in fact the licenses are issued the first week of June, PacifiCorp will likely suspend certain activities in order to focus on the review and acceptance of licenses within a 30-day review period from FERC.

Overview of Draft WHMP Chapter – Farmland, Idle Fields and Meadows

McCune provided a hard copy of the WHMP Draft Farmland Chapter, 30-day review version <http://www.pacificorp.com/Article/Article79878.html> and related cover letter (**Attachment B**) and informed them that comments are due on or before April 11, 2008.

Emmerson provided an overview of the Farmland chapter which describes the farmland, idle field, and meadow habitat goal and objectives, management actions, and schedule. It compiles information on farmland, idle fields, and meadow management from Section 3.5 of the Standards and Guidelines. Please refer to the above-referenced link for more detailed information relating to the opportunities for enhancing wildlife habitat and species diversity on agricultural lands. In particular old fields and field edges can provide forage for deer and elk and grassland bird habitat.

General discussion took place regarding appropriate species seed mix for elk forage value, keeping options open for a variety of seed mixes for a given area. Curt Leigh (WDFW) would like to hold on to certain seed mixes used in the past Farmland Chapter of the Merwin SOP as they have proven to be effective.

Emmerson will include a subset in the Farmland chapter to address specific seed mix to be used for the farm.

New topics/issues

McCune provided a hard copy of the 2007 Draft ACC/TCC Annual Report, 30-day review version <http://www.pacificorp.com/Article/Article79878.html> and related cover letter (**Attachment C**) to each of the TCC attendees and informed them that comments are due on or before April 14, 2008.

Iyall informed the TCC attendees that he is formally retiring from the TCC as of today and his replacement will be Nathan Reynolds (Cowlitz Indian Tribe).

Next Meeting's Agenda

- Review of 3/12/08 Meeting Notes
- Meet with Columbia Land Trust and interested land owner
- Lands Update Discussion
- SOSEA review of boundary comments
- Wetland Chapter Discussion (specific to the 50:50 cover ratio)
- Wetlands Discussion
- Farmland Chapter Discussion; 30-day review document
- Old Growth Chapter overview

Public Comment Opportunity

No public comment was provided.

Meeting adjourned at 12:00pm.

Next Scheduled Meetings

| April 9, 2008 | May 14, 2008 |
|----------------------|-----------------------|
| Cowlitz PUD | Merwin Hydro Facility |
| Longview, WA | Ariel, WA |
| 9:00am – 3:00pm | 9:00am – 3:00pm |

Handouts

1. Agenda
2. Draft meeting notes from 2/13/08
3. **Attachment A** - Memorandum from Brock Applegate regarding additional data relating to an open-water to cover ratio of 25:75
4. **Attachment B** - Draft WHMP Farmland, Idle Fields and Meadows Chapter, 30-day review version, <http://www.pacificorp.com/Article/Article79878.html> and related cover letter
5. **Attachment C** - 2007 Draft ACC/TCC Annual Report, 30-day review version, <http://www.pacificorp.com/Article/Article79878.html> and related cover letter

McCune, Kimberly

From: Brock Applegate [applebaa@DFW.WA.GOV]
Sent: Tuesday, March 11, 2008 11:45 PM
To: nelson338@aol.com; shedhunt@aol.com; woot@cascadenetworks.net; HML LRN (Huber, Elaine); jmalinowski@clark.edu; joel.rupley@clark.wa.gov; lopossar@co.cowlitz.wa.us; pearce@co.skamania.wa.us; c Kearney@columbianlandtrust.org; mikenjoan@comcast.net; biologist@cowlitz.org; taalvik@cowlitz.org; dmaconnald@cowlitzpud.org; Brock Applegate; Eric Holman; Curt Leigh; John Weinheimer; mariah_reese@excite.com; mwainwright@fs.fed.us; rtracy@fs.fed.us; louellyn_jones@fws.gov; JimE@IAC.WA.GOV; jmclapp@juno.com; michelle.day@noaa.gov; Susan_Rosebrough@nps.gov; Emmerson, Kendel; McCune, Kimberly; Naylor, Kirk; Olson, Todd; tuchmann@usforestcapital.com; casseseka@yakama.com; joannam@yakama.com
Cc: David Geroux
Subject: Re: Emergent/Submergent: Open Water Cover Ratio
Attachments: Wetland plant ratio justification.doc



Wetland plant ratio
justificat...

Dear TCC member, I apologize (once again) for the last minute effort in our justification for increasing the submergent/emergent : open water ratio from 50:50 to 75:25. I have been on a big assignment for the Wind Power Guidelines Update and unable to attend my other duties and held up Dave on our dispersal of this document. Here is the justification from WDFW.

Sincerely, Brock

Brock Applegate
Washington Department of Fish and Wildlife,
Habitat Program, Major Projects,
Wind and Water Energy Section,
201 N. Pearl St.
Ellensburg, WA 98926

(509) 925-1506 (office),
(509) 607-9957 (cell),
(509) 925-4702 (fax)

>>> "McCune, Kimberly" <Kimberly.McCune@PacifiCorp.com> 03/05/08 1:46 PM >>>

Attn: TCC Participants

Please find attached the TCC 3/12/08 Meeting Agenda and the TCC Draft 2/13/08 Meeting Notes for your review. In preparation for the agenda item below I've included a link to the Draft WHMP Farmland, Idle Fields and Meadows Chapter. Comments are welcome but not required as we will conduct an overview only next week. I will provide a hard copy of the document at our next meeting at which time you will be provided a 30-day review and comment period.

11:30 a.m.

Overview of Draft WHMP Chapter

Ø Farmland, Idle Fields and Meadows

<http://www.pacificorp.com/Article/Article79878.html> <<http://www.pacificorp.com/Article/Article79878.html>>

Kimberly L. McCune - PacifiCorp Energy

Hydro Resources Project Coordinator

Phone: 503-813-6078

Fax: 503-813-6633

kimberly.mccune@pacificorp.com <<mailto:kimberly.mccune@pacificorp.com>>

Kimberly McCune from PacifiCorp has invited you to a Voice Conference (Mtg ID 031208) on MAR, 12 2008 at 9:00 AM America/Los_Angeles. If provided, use the following password: 607812

To attend a Voice Conference: Call 503-813-5600 (toll free #800-503-3360), follow the instructions provided and enter Mtg ID 031208 when prompted.

Dear TCC members,

This letter describes our justification for a larger submergent, emergent plant cover in wetlands. We ask that the 50:50 ratio be changed to 75:25 (emergent, submergent plant cover: open water). Since the most limiting part of wetlands near reservoirs is not open water, we feel that PacifiCorp should have management that emphasizes emergent and submergent plants in the wetlands, hence our suggestion to increase the ratio to approximately 75:25 (emergent, submergent plants: open water). We should increase the emergent and submergent plant covers in wetlands because these areas in the wetland contain the most productive and biologically rich parts.

Our Habitat Evaluation Procedures (HEP) Species for wetlands include mink and we decided that beavers, great blue heron, and wood ducks would comprise the Analysis Species list for wetlands. All of these species would benefit by increased habitat through augmenting the submergent and emergent plant cover.

According to Sheldon et al. (2005):

“Interspersion of vegetation and open water is an important characteristic of wetlands as habitat for mammals. High interspersion rates increase the abundance of prey for mink and river otter (i.e., muskrats, water birds, fish,) (King 1983). Food Abundance and availability appeared to have the greatest influence on habitat use by river otter in Idaho in studies by Melquist and Hornocker (1983). Classic studies of muskrats by Dozier (1953) and Errington (1937) indicate that optimum muskrat habitat is 66% to 80% of the wetland in emergent vegetation with the remainder in open water.”

The age of wetland affects the plant cover of a wetland. Older wetlands have a higher mean of total plant cover and native species. In addition, Moore et al. (1999) found that age also increased emergent and woody cover, number of plant species, and wetland species richness, and decreased open water and water depth (Sheldon et al. 2005).

Structural Complexity, a term used to represent the variety of environmental characteristics that increase the number of niches for wildlife, depend on the interspersion in wetland between open water and vegetation (Knutson and Naef 1997). Wildlife benefit from the interspersion of open water and vegetation or between types of vegetation because the edges created by the interspersion increases niches (Adamus et al. 1991, Sheldon et al. 2005).

Other wetland mitigation projects have described over 60% emergent/submergent vegetation and 10% less of open water as a measure of success.
<http://www2.eli.org/wmb/bankdetail.cfm?BankID=264>

Fluctuation of water levels would also enhance the quality of the wetland. Keep in mind that emergent and submergent vegetation: open water ratio should change throughout the season, but getting beyond the 25% open water probably reduces the value to fish and

wildlife. Most importantly, if we have artificial control of water levels, the wetland should remain watered for 12.5% of the growing season, with the idea of eventually drawing down the wetland to abate bullfrog populations later in the season, (Washington State Department of Ecology, 1997),.

Thanks,

Dave Geroux and Brock Applegate, WDFW

Literature Cited

- Adamus, P.R., E.J. Clairain, Jr., M.E. Morrow, L.P. Rozas, and R.D. Smith. 1991. Wetland Evaluation Technique (WET), Volume I: Literature Review and Evaluation. WRP-DE-2. Vicksburg MS: U.S. Army Corps of Engineers Waterways Experiment Station.
- Dozier, H.L. 1953. Muskrat Production and Management. Circular No. 18. U.S. Fish and Wildlife Service.
- Errington, P.L. 1937. Habitat requirements of stream-dwelling muskrats. Transactions of the North American Wildlife Confederation 2:411-416.
- King, C.M. 1983. Factors regulating mustelid populations. Acta Zoolica Fennica 174:217-220.
- Knutson, K.L. and V.L. Naef. 1997. Management Recommendations for Washington's Priority Habitats: Riparian. Olympia, WA: Washington Department of Fish and Wildlife. Report.
- Melquist, W.E. and M.G. Hornocker. 1983. Ecology of River Otters in West Central Idaho. Journal of Wildlife Management Wildlife Monograph No. 83.
- Moore, H.H., W.A. Niering, L.J. Marsicano, and M. Dowdell. 1999. Vegetation change in created emergent wetlands (1988-1996) in Connecticut (USA). Wetlands Ecology and Management 7(4): 177-191.
- Sheldon, D., T. Hruby, P. Johnson, K. Harper, A. McMillan, T. Granger, S. Stanley, and E. Stockdale. March 2005. Wetlands in Washington State - Volume 1: A Synthesis of the Science. Washington State Department of Ecology. Publication #05-06-006. Olympia, WA.
- Washington State Department of Ecology. March 1997. Washington State Wetlands Identification and Delineation Manual. Washington State Department of Ecology, Ecology Publication #96-94. Olympia, WA.

March 5, 2008

To: Lewis River Terrestrial Coordination Committee Representatives

Subject: **Lewis River Wildlife Habitat Management Plan (FARMLAND, IDLE FIELDS, AND MEADOWS HABITAT MANAGEMENT) – Draft Review Version**

Per the Lewis River Settlement Agreement (SA) PacifiCorp shall develop a Wildlife Habitat Management Plan (WHMP) for lands within their respective Project ownership in accordance with SA 10.8.1.

10.8.1 Development of WHMPs. Beginning on the Effective Date, the Licensees, in Consultation with the TCC, shall develop specific standards and guidelines based upon on the objectives identified in Schedule 10.8. PacifiCorp and Cowlitz PUD shall then prepare their respective draft WHMPs that achieve the objectives and the specific standards and guidelines. The WHMPs shall provide for monitoring of the WHMPs' effectiveness and progress toward meeting their objectives. Each WHMP shall identify those WHMP-managed lands for which wildlife habitat is a secondary use, and shall describe how such lands will be managed under the WHMP. After PacifiCorp and Cowlitz PUD have prepared the draft WHMPs, they will submit them to the TCC for review, comment, and approval. After the TCC has approved the WHMPs, PacifiCorp and Cowlitz PUD shall finalize the WHMPs and submit them to the Commission. Any disputes regarding provisions of the final WHMPs shall be resolved under Section 15.10 below. Within six months after Issuance of each New License, the Licensees shall implement their respective WHMPs for lands associated with that Project (as shown in Exhibit A for PacifiCorp and Exhibit B for Cowlitz PUD) up to the limits of the funding provided in Section 10.8.2, except as expressly provided in Section 10.8.3 below. From the Effective Date until six months after Issuance of the New License for the Merwin Project, PacifiCorp shall continue to manage lands associated with the Merwin Project pursuant to Article 48 of the existing Merwin license.

By this letter, PacifiCorp is providing representatives of the TCC, one chapter of the *Lewis River WHMP*. This draft review chapter covers *Farmland, Idle Fields, and Meadows Habitat Management* which is enclosed for your 30-day review. **The deadline to provide comments on this Chapter is Friday, April 11, 2008.**

This one chapter was randomly selected from the group of habitat goals and objectives developed by the TCC. We would like to acknowledge and thank you for the consistent participation and the valuable input we received throughout 2007 as we worked together on the WHMP chapters.

PacifiCorp looks forward to finalizing this chapter in a timely manner. Time will be set aside to address any preliminary questions and/or comments at our March and April 2008 TCC meetings.

Please submit comments and/or questions to Kendel Emmerson, Environmental Scientist at kendel.emmerson@pacificorp.com or at the mailing address: Suite 1500, 825 NE Multnomah Street, Portland, Oregon 97232.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Kirk Naylor". The signature is fluid and cursive, with the first name "Kirk" being more prominent than the last name "Naylor".

Kirk Naylor
Lead Terrestrial Biologist/Forester
PacifiCorp

Enclosure

cc: Todd Olson and Kim McCune – PacifiCorp Energy



825 NE Multnomah #1500
Portland, OR 97232

March 12, 2008

To Lewis River Aquatics and Terrestrial Coordination Committee representatives

Subject: Draft 2007 ACC/TCC Annual Report

Within the Lewis River Settlement Agreement (SA), PacifiCorp Energy and the Public Utility District No. 1 of Cowlitz County (Cowlitz PUD) agreed to prepare annual reports for Aquatic Coordination Committee (ACC) and Terrestrial Coordination Committee (TCC) activities. The SA article 14.2.6 notes that the Committee Coordinators shall prepare and file with the Federal Energy Regulatory Commission (FERC) detailed annual reports on ACC and TCC activities, monitoring and evaluations under the Monitoring and Evaluation Plan, and implementation of the terrestrial and aquatics Protection, Mitigation, and Enhancement measures occurring during the prior year, as well as plans for the coming year as required by the SA.

In addition to making the reports available to each Settlement Party, the SA directs the Utilities to prepare the annual report in consultation with ACC/TCC members. This consultation includes providing members a 30-day review and comment period of a draft annual report. Following the draft review, the Utilities are to incorporate comments into the final report, or provide a written explanation as to why comments were not incorporated within the report.

Enclosed you will find a Draft 2007 ACC/TCC Annual Report provided for your review and comment. The document acknowledges the efforts we have all taken to meet the terms of the SA, as well as those to be conducted in 2008. On behalf of the Utilities I would like to thank those of you who have participated throughout the year on the committees; your dedication and input have been valuable.

If you have comments on the Draft, please provide those to Kim McCune **by April 14, 2008**. The Utilities will then work to finalize the report and submit it to the FERC. Parties to the SA will receive the Final report as will ACC/TCC members. Please submit comments to Kim McCune, Project Coordinator, kimberly.mccune@pacificorp.com or at the mailing address: 825 NE Multnomah Street, Suite 1500, Portland, Oregon 97232.

Sincerely,

Todd Olson
Lewis Implementation Program Mgr.
PacifiCorp Energy

Enclosure

cc: Diana Gritten-MacDonald – Cowlitz PUD
Frank Shier and Kirk Naylor – PacifiCorp Energy