

North Umpqua

North Umpqua Hydroelectric Project (FERC 1927-008)

Settlement Agreement
Protection, Mitigation, and Enhancement Measures

2002
Annual Report
2003

 **PACIFICORP**

Rev. 1

COMMITTED

North Umpqua Hydroelectric Project

Protection, Mitigation, and Enhancement Measure Implementation

Printed on Recycled Paper

About this Document...

In accordance with the North Umpqua Hydroelectric Project Settlement Agreement requirements, PacifiCorp has developed this Annual Report demonstrating implementation progress on the protection, mitigation, and enhancement measures. PacifiCorp believes that through implementation of the actions in the Settlement Agreement, environmental conditions in the North Umpqua River watershed will substantially improve. PacifiCorp commitment alone cannot achieve these improvements. Successful implementation of the Settlement Agreement is a representation of the shared commitment to cooperation and collaboration among state and federal agencies and the members of the community.

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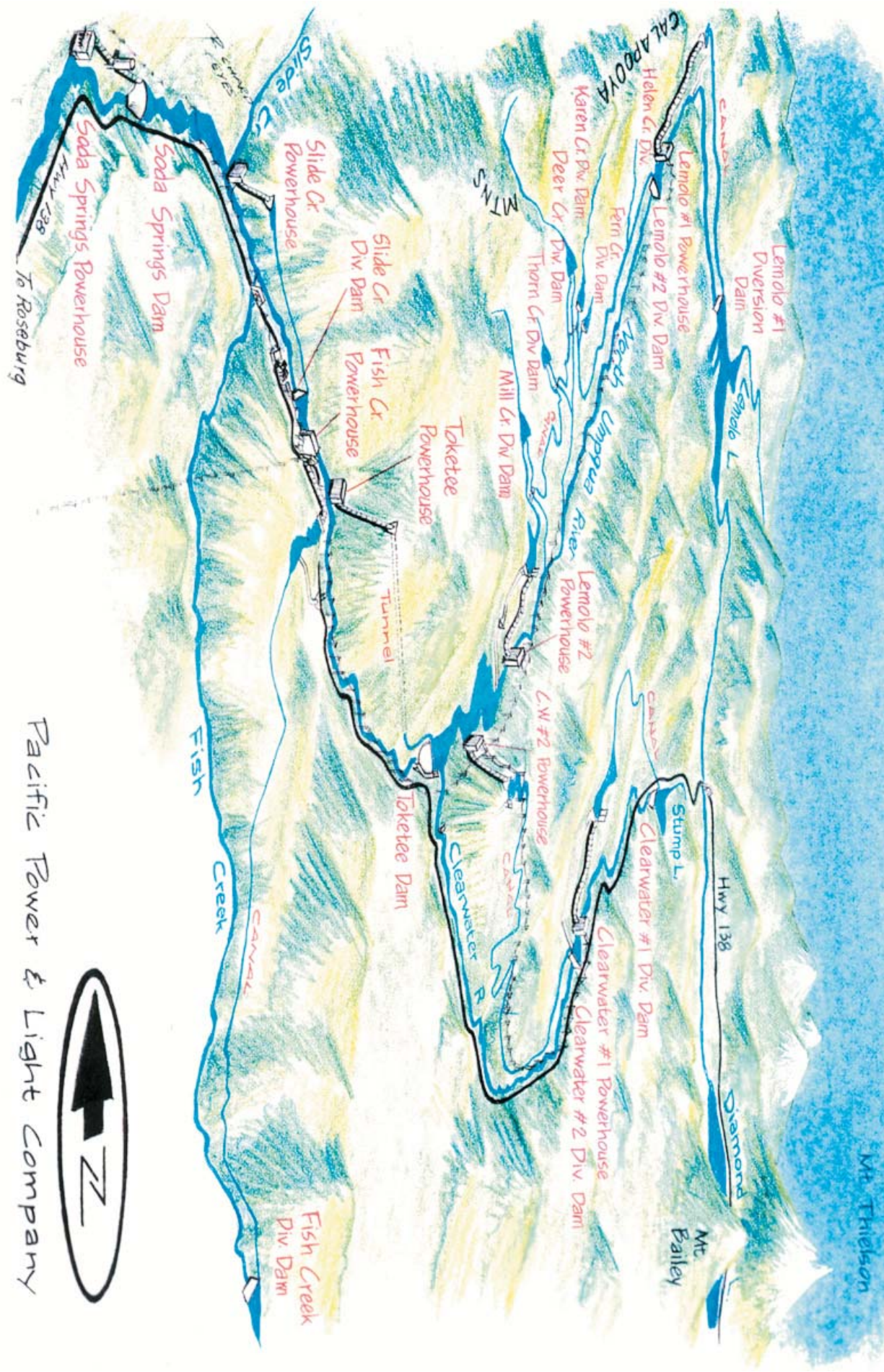
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Section 1

Introduction



NORTH UMPQUA DIVERSION DEVELOPMENT New Looking East



Pacific Power & Light Company

SECTION 1.0

Introduction

The North Umpqua Hydroelectric Project is located in southern Oregon in the Cascade mountains (see map on opposite page). The project consists of eight small dams generating approximately 185 megawatts (MW) of power. Early engineering studies were done in the 1920s, but the project facilities were completed between 1950 and 1956. In 1946, the Federal Energy Regulatory Commission (FERC) issued the North Umpqua Hydroelectric Project a 50-year license. During the 1990s, PacifiCorp began the relicensing study and application preparation process. This process resulted in the development and signature of the North Umpqua Settlement Agreement in June 2001.

The relicensing process is still ongoing because FERC is required to complete the National Environmental Protection Act (NEPA) process on the actions in the Settlement Agreement. FERC has completed the Final Environmental Impact Statement as part of the NEPA process and is currently drafting the new license language. A new North Umpqua license is anticipated from FERC in the near future.

This annual report for the period June 2002-June 2003 is prepared in accordance with Section 19.5.2 and 21.4.2 of the Settlement Agreement. The purpose of this report is to provide financial accounting on the Early Implementation Fund, describe the activities of the Resource Coordination Committee (RCC), and identify the status of the implementation of protection, mitigation, and enhancement (PM&E) measures contained in the Settlement Agreement.

Eight state and federal agencies and PacifiCorp signed the North Umpqua Settlement Agreement in June 2001, representing the result of a collaborative decisionmaking process and the beginning of protection, mitigation, and enhancement measures.

1.1 Background

On June 13, 2001, PacifiCorp filed a Settlement Agreement pursuant to FERC Rule 602, 18 CFR. § 385.602, to resolve issues concerning the relicensing of the North Umpqua Hydropower Project (P-1927-008). Parties to the Settlement Agreement include PacifiCorp, the USDA Forest Service (USDA-FS), the USDI Fish and Wildlife Service (USFWS), the USDI Bureau of Land Management (BLM), the National Marine Fisheries Service (NOAA Fisheries), the Oregon Department of Environmental Quality (ODEQ), the Oregon Department of Fish and Wildlife (ODFW), and the Oregon Water Resources Department (OWRD), referred to collectively as the “Parties.” Copies of the Settlement Agreement are available from FERC upon request or on the PacifiCorp Web site at <http://www.pacificorp.com/Article/Article22970.html>.

The purpose and role of the RCC is to facilitate coordination and implementation of PM&E measures consistent with the Settlement Agreement.

1.2 Early Implementation Fund

Section 19.5 of the Settlement Agreement establishes the protocols for administering the Early Implementation Fund. The RCC is responsible for facilitating

the selection of PM&Es for this fund and their implementation. Section 19.5.2 requires PacifiCorp to provide FERC and the Governmental Parties an annual report that reflects the amounts of payments deposited into and disbursed from the Early Implementation Fund. This annual report fulfills that requirement. The purpose and role of the RCC is to facilitate coordination and implementation of PM&E measures consistent with the Settlement Agreement.

1.3 Resource Coordination Committee

Section 21 of the Settlement Agreement establishes a process to facilitate coordination and decisionmaking concerning implementation of Settlement Agreement measures. To accomplish this objective, Section 21.1 of the Settlement Agreement provides for the formulation of the RCC consisting of representatives from the Parties. The purpose of the RCC, discussed in detail in Section 3, is to (1) facilitate coordination and consultation on plans developed by PacifiCorp for the implementation of PM&E measures; (2) coordinate the implementation of PM&E measures and ongoing monitoring requirements by PacifiCorp; (3) establish appropriate procedures for conducting activities; and (4) establish subcommittees to accomplish these objectives.

PacifiCorp will prepare an annual report on the status of PM&Es from 2002 until the expiration of the new FERC 35-year license.

1.4 Protection, Mitigation, and Enhancement Measures

Section 21.4.2 of the Settlement Agreement provides that PacifiCorp shall prepare and file with FERC and the RCC a “detailed annual report on the activities of the RCC and on the implementation of the PM&E measures during the previous year.” PacifiCorp is required to file an annual report every year from the date of signing the Settlement Agreement to the end of the new license term. Section 21.4.2 likewise provides that PacifiCorp will prepare annual reports in consultation with members of the RCC and will provide such members with at least 30 days to comment on a draft report prior to filing a final version with FERC.

1.5 Report Organization

The 2002-2003 North Umpqua Hydroelectric Project Annual Report provides the following information:

- Resource Coordination Committee Overview (2.0)
- Protection, Mitigation, and Enhancement Measures (3.0)
- Conclusion (4.0)
- Appendixes

- Appendix A, Resource Coordination Committee Members List

- Appendix B, Resource Coordination Committee Ground Rules

Appendix C, Approved Resource Coordination Committee Meeting
Summaries

Appendix D, Settlement Agreement Amendment No. 1

Section 2

Resource Coordination Committee Overview



SECTION 2.0

Resource Coordination Committee Overview

This section provides an overview of RCC roles and responsibilities and a summary of RCC meetings held.

2.1 RCC Roles and Responsibilities

The purpose and role of the RCC, as discussed in Section 21.1 of the Settlement Agreement, is to facilitate coordination and implementation of PM&E measures consistent with the Settlement Agreement. Specifically excluded from RCC responsibility and authority is the administration of the Tributary Enhancement Program and mitigation fund set forth in Section 19 of the Settlement Agreement, though responsible parties may consult with the RCC concerning measures conducted pursuant to this Program and fund.

The structure and process of the RCC is intended to be value-added to its member organizations by providing a forum to address time-sensitive matters, early warning of problems, and coordination of member organization actions, schedules, and decisions to save time and expense. The RCC must endeavor to conduct its business by consensus; however, in the event of disagreements, the Parties may refer such disagreements to appropriate policy-level decisionmakers. Finally, decisions of the RCC may not usurp the authority of individual Parties or specific governmental agencies identified in the Settlement Agreement as having approval authority regarding specific PM&E measures.

The RCC is responsible for the following measures, pursuant to the Settlement Agreement:

Prioritize early implementation projects (SA 19.5.1).

Facilitate coordination of the implementation of the Resource Coordination Plan (RCP), including ongoing operations and maintenance (SA 21.1). As the RCP will not be finalized until 2005, this role may not take place until future years.

Coordinate and monitor implementation of PM&E measures (SA 21.1), and coordinate ongoing monitoring requirements by PacifiCorp (SA 21.1).

Coordinate responses and evaluations specifically assigned to the RCC in the Settlement Agreement (SA 8.2.2, 8.3.3, 12.2, 14.3.3, 14.5, 17.8, 19.2.1, 22.5.2, SA Amendment 7.2).

The RCC is intended to be value-added to its member organizations by providing a forum to address time-sensitive matters, early warnings of problems, and coordination of member organization actions.

The RCC is responsible for facilitating implementation of the Early Implementation Fund and PM&Es throughout the term of the new license.

Facilitate coordination and consultation on plans developed by PacifiCorp (SA 21.1).

Review and comment on the draft annual report of RCC activities and implementation of the PM&E measures (SA 21.4.2).

Serve as a common point of contact for public information regarding Settlement Agreement implementation (SA 19.5.3).

The RCC is excluded from facilitating the Tributary Enhancement Fund (SA 19.1) and Mitigation Fund (SA 19.3).

The following measures are specifically excluded from RCC responsibility:

Administration of Tributary Enhancement Program through Oregon Department of Fish and Wildlife's Memorandum of Understanding (SA 21.1)

Administration of the Mitigation Fund through the USDA Forest Service (SA 21.1)

Approval of plans and actions regarding specific PM&E measures specifically assigned to individual organizations for resource protection in the SA (SA 21.2)

RCC Roles and Responsibilities:

The RCC has established the following functional roles in order to be more effective in its business:

Interpret the Settlement Agreement: Apply provisions to on-the-ground planning and implementation.

Monitor implementation of the Settlement Agreement as a whole; provide a wider view than one agency's perspective.

Avoid surprises and errors through effective communication.

Track progress: Serve as the interface for the Parties to the Settlement Agreement as implementation takes place.

Identify policy issues: As policy issues arise, work collectively to define and clarify the issues and options for transmittal to the executive members of the Parties.

Provide public information: Serve as a point of information regarding Settlement Agreement implementation with a collective voice. (SA 19.5.3).

Promote efficiency: Share information between organizations. Communicate changes in policy, procedure or regulation. Consult prior to decisionmaking. Share technical resources.

Implement the Settlement Agreement collectively to ensure that all Parties interests continue to be valued throughout the new license term.

The RCC accepts its role to include monitoring and tracking progress, identifying policy issues, providing public information, and working efficiently and consensually.

Effectively communicate its progress through the development of a Web site at <http://www.pacificorp.com/Article/Article983.html>.

2.2 RCC Members

The Parties have each appointed a member and an alternate to the RCC. The members are shown in Table 2.2-1. The RCC members work with a designated caucus within their respective organization. Appendix A lists the members, including alternates and caucus members.

TABLE 2.2-1
Resource Coordination Committee Members

RCC Member	Organization
John Sloan	USDA Forest Service, Umpqua National Forest, Roseburg, Oregon
Craig Tuss	USDI Fish and Wildlife Service, Roseburg, Oregon
Jay Carlson	USDI Bureau of Land Management, Roseburg District
Keith Kirkendall	NOAA Fisheries, Portland, Oregon.
Ken Homolka	Oregon Department of Fish and Wildlife, Roseburg, Oregon
Dennis Belsky	Oregon Department of Environmental Quality, Medford Oregon
Craig Kohanek	Oregon Department of Water Resources, Salem, Oregon
Diane Barr	PacifiCorp, Medford, Oregon

2.3 RCC Meetings

The RCC first convened in December of 2001 and has met on a monthly to bimonthly basis. The RCC focused first on establishing ground rules for its operation. The ground rules located in Appendix B were developed to clarify the collective nature of decisionmaking and to carry out the mutual purpose of the implementation measures. These ground rules make explicit the common expectations that RCC members possess. Such ground rules describe:

- How RCC representatives will work together for effective communication
- The decisionmaking process that will be used
- The role of public information and participation
- Responsibilities of the committee members to one another and to their respective agencies
- The spirit in which members will communicate with each other
- The responsibilities of the facilitator

The RCC established and functions under a series of ground rules that create a more efficient working structure.

2.3.1 Meeting, Conference Call, and Field Trip Overview

The RCC has held seven meetings from June 2002 to June 2003. Six RCC conference calls and seven technical subcommittee meetings have also been held. Following is a general summary of the issues covered and areas of consensus reached. Approved meeting summaries are also provided in Appendix C.

RCC Meeting #1 *July 10, 2002*

Summer 2002: The RCC focuses on tracking Early Implementation Project progress and criteria for the Settlement Agreement 8.3 Amendment.

Report on Soda Springs habitat enhancement and gravel augmentation cost analysis.

Agree to inform the Policy Group on \$410,000 Habitat Enhancement/Creation Fund (SA 8.3) issues for its upcoming discussion.

Review the Early Implementation Fund (SA 19.5.1) project list in relation to its capacity to meet criteria.

Confirm scheduling of the public open house, briefings for nongovernmental organizations (NGOs), and public field trip.

RCC Conference Call #1 *August 16, 2002*

Appoint RCC Technical Subcommittee liaison for the Soda Springs Enhancement project.

Direct the public outreach subcommittee to plan the details of the open house.

Soda Springs Enhancement/Creation Technical Subcommittee Meeting #1 *August 27, 2002*

Define key measures of success for the Soda Springs enhancement/creation project.

Develop a work plan for the project through spring 2003.

Identify preliminary “best candidate” sites for the project.

Develop a set of criteria for selection of the enhancement sites.

Discuss ideas for monitoring the success of the project.

RCC Conference Call #2 *September 10, 2002*

Agree on key messages, assignments, and next steps for public open house.

***RCC Meeting #2
September 17, 2002***

Select 2003 Early Implementation projects.

Accept the work plan and schedule developed by the Technical Subcommittee.

Direct the Habitat Enhancement/Creation Technical Subcommittee to develop site priorities during its 9/20/02 field trip.

Agree to conduct a field trip to create a scope of work for aquatics connectivity projects.

Agree on actions for the stream gauge installation project.

***Soda Springs Enhancement/Creation Technical Subcommittee Meeting #2
September 20, 2002***

Visit potential habitat enhancement/creation sites to evaluate criteria.

Identify four priority sites for further investigation.

***Soda Springs Enhancement/Creation Technical Subcommittee Meeting #3
October 4, 2002***

Review conceptual designs of fish ladder proposed at Soda Springs dam.

Evaluate four priority areas and agree on best site for spawning habitat enhancement.

***RCC Conference Call #3
October 16, 2002***

Report on four priority sites identified by Technical Subcommittee for habitat enhancement.

Report on progress of the Early Implementation projects.

Report on Policy Group decisions and progress.

***RCC Meeting #3
October 29, 2002***

Discuss input received at public open house, NGO briefing, and other outreach activities.

Clarify RCC oversight role of management plan development.

Review achievements of the 2002 Early Implementation Fund project process and suggest ways to make improvement.

Fall 2002: The RCC hosts its first public open house, reviews completed 2002 projects, and further establishes refined Settlement Agreement 8.3 Amendment criteria.

Report on the progress of the habitat enhancement/creation Technical Subcommittee.

Report that the Policy Group has agreed to a Settlement Agreement amendment.

***RCC Meeting #4
December 10, 2002***

Appoint RCC liaison for developing a habitat enhancement project accounting system.

Report on the Slide Creek field trip and results of the test boulder placements.

Report on the details of the Settlement Agreement amendment.

Present PacifiCorp's Hydro Resources Spill Response program.

Evaluate the work of the RCC during the past year and identify goals for 2003.

Winter 2002–2003: The RCC oversees the new Settlement Agreement 8.3 Amendment fund, reviews accounting of 2002 projects with available funds shifted into 2003 projects, and establishes a stream gauging technical work group.

***RCC Meeting #5
January 30, 2003***

Review and approve the scope of work for the Habitat Restoration/Creation Project Feasibility Study.

Appoint RCC liaison for the Gravel Augmentation Technical Subcommittee.

Present 2002 Early Implementation Projects and 2003 Planning Strategies.

Agree to apply remaining 2002 Early Implementation Project funds toward the Lemolo 2 Canal culvert and road upgrades.

Present PacifiCorp's Environmental Management System, ISO 14001.

Establish and assign Stream Gauging Technical Subcommittee members.

***RCC Conference Call #4
February 7, 2003***

Review cost estimate for Habitat Restoration/Creation Project Feasibility Assessment.

Assign Gravel Augmentation Technical Subcommittee members.

***RCC Conference Call #5
February 14, 2003***

Conclude discussion of Habitat Restoration/Creation Project Feasibility Assessment.

Gauging Plan Technical Subcommittee Meeting #1
February 19, 2003

Discuss draft stream gauging plan.

Verify that installation locations are satisfactory for instream flow and ramping compliance.

Discuss reporting requirements per SA and 401 WQ certification.

Discuss the value of rating gauge sites for full-flows vs. minimum flow compliance only.

Soda Springs Gravel Augmentation Technical Subcommittee Meeting #1
February 21, 2003

Discuss placement alternatives for gravel and gravel augmentation specifications (SA 7.2).

Discuss location of future gravel augmentation sites, flows in Soda Springs bypass, and coordination of permitting.

Spring 2003: The RCC members or technical working group members meet more than 10 times to keep PM&Es on schedule.

Gauging Plan Technical Subcommittee Meeting #2
March 11, 2003

Discuss further the value of rating gauge sites for full-flows vs. minimum flow compliance only.

RCC Meeting #6
March 17, 2003

Report on the progress of the Habitat Restoration/Creation project.

Report on the progress of the Gravel Augmentation Technical Subcommittee.

Report on the progress of the Stream Gauging Technical Subcommittee.

RCC Conference Call #6
April 1, 2003

Discuss revisions to the Gravel Augmentation Implementation Plan.

Authorize PacifiCorp to begin Permitting and Environmental Review, Stage 1.

Soda Springs Enhancement/Creation Technical Subcommittee Field Trip #4
April 11, 2003

Visit the nine sites (sites 11-19) identified by aerial photographs.

Evaluate sites using the criteria developed and approved by the RCC.

Identify four sites for mapping, initial design work, and inclusion in the feasibility report.

Stream Gauging Plan Technical Subcommittee Site Visit #1
April 15, 2003

Verify that sites, equipment, and installation are sufficient to meet U.S. Geological Survey (USGS) standards.

Agree that USGS approval of records is sufficient for meeting USGS standards.

Discuss further the reporting requirements and the value of rating gauge sites for full-flows vs. minimum flow compliance only.

The RCC technical working group for Settlement Agreement 8.3 develops a draft feasibility report for priority spawning sites. The RCC members are notified that the SA 7.2 gravel augmentation pulse project is delayed a year owing to necessary permitting time.

Soda Springs Enhancement/Creation Technical Subcommittee Field Trip #5
April 17-18, 2003

Evaluate the feasibility of potential mainstem habitat sites, focusing on the four recommended sites.

Map the important attributes at each site and begin developing conceptual designs.

Develop a revised list of priority sites.

Soda Springs Enhancement/Creation Technical Subcommittee Meeting #6
April 30, 2003

Present preliminary conceptual designs for four sites selected by Technical Subcommittee.

Report on results of habitat sites scour monitoring program.

Evaluate potential project features and considerations at each site.

Identify the final site recommendation and estimates of habitat potential.

Discuss the feasibility report outline and content.

RCC Meeting #7
May 28, 2003

Outline a schedule for the Habitat Enhancement/Creation Project.

Report on the progress of the Slide Creek Habitat Enhancement Project.

Approve the final Gravel Augmentation Implementation Plan.

Assign a subgroup to develop the new NEPA process schedule.

Agree to elevate outstanding issues in the stream gauging plan to the policy level.

Report on the status of the 2002 and 2003 Early Implementation projects.

***Stream Gauging Plan Technical Subcommittee Site Visit #2
June 2, 2003***

Conduct site visit to proposed new gauge site at Lemolo No. 1 bypass reach.

2.3.2 Meeting Summaries

Meeting summaries are drafted for RCC meetings, subcommittee conference calls, and subcommittee meetings. These drafts are distributed to the RCC for review and comment. At a future meeting, after corrections have been made as appropriate and when work in progress is complete, the summaries are approved by consensus by the RCC. The summaries are made part of the public record and posted on the PacifiCorp Web site (www.pacificorp.com). Completed and approved meeting summaries are included in this document (see Appendix C).

2.3.3 Public Outreach

The RCC held its first public open house on October 21, 2002. This event was held at the Douglas County Library from 4 to 7 p.m. Members of the public were greeted with a series of graphics that explained the RCC, the relicensing history, Settlement Agreement implementation measures, and opportunities for public information and participation. A field trip was then scheduled for Saturday, November 2, 2002. This trip did not occur owing to a lack of attendance. The RCC extended an offer to NGOs for personal presentations on Settlement Agreement implementation progress. Only the Douglas Timber Operators (DTO) responded with interest. PacifiCorp, USDA-FS, and the RCC facilitator provided an overview to the DTO on October 24, 2002.

The RCC held its first public open house at the Douglas County Library on October 21, 2002. Members of the community attended and provided comments. Since this event, members of the community have regularly attended RCC meetings.

Section 3

Protection, Mitigation, and Enhancement Measures



SECTION 3.0

Protection, Mitigation, and Enhancement Measures

The 2002/2003 annual report is intended to present the status of PM&E measures identified in the North Umpqua Settlement Agreement from the effective date, June 13, 2001. The schedule for implementing PM&E measures is established in Appendix A of the Settlement Agreement. PM&E measures fall into the following implementation categories:

- Date Certain (pre- and post-license)
- Early Implementation (pre-license)
- License-Dependent (post-license)

These categories are defined as:

Date Certain: Measures specifically identified to be completed by a specified calendar date regardless of when the final license is issued. Measures begin as early as Settlement Agreement effective date of June 13, 2001.

Early Implementation: Measures selected by the RCC to be conducted prior to issuance of the final license and funded by PacifiCorp through the Early Implementation Fund. Measures may be either Date Certain or License-Dependent.

License-Dependent: Measures that will be implemented after the new project license becomes final, as defined in the Settlement Agreement.

The PM&E schedule may be modified by the Parties under Section 22.6 of the Settlement Agreement. If necessary, the Parties may convene and modify Settlement Agreement implementation dates if all Parties are in agreement that such modifications are warranted. A meeting of the Parties occurred on May 22, 2002, to review PM&E progress and due dates. Further discussion of the PM&E measures and the modified implementation dates is presented in Sections 3.1 through 3.4.

3.1 Date Certain PM&E Implementation

The Settlement Agreement identifies some PM&E measures as Date Certain by indicating a specific date for the measure's commencement or completion. PM&E Date Certain measures are presented in Table 3.1-1. The status of the PM&E measures specific to the timeframe of this report (June 14, 2002 to June 13, 2003) is presented in Table 3.1-2. During the 2002/2003 report period, Settlement Agreement actions focused on preparing study plans, construction

The North Umpqua Settlement Agreement established three categories for determining when PM&Es were due:

- Date Certain (specific date)**
- Early Implementation (pre-license actions selected by RCC)**
- License dependent (post-issuance of new license)**

Table 3.1-1 Date Certain PM&E Implementation
North Umpqua Hydroelectric Project (FERC 1927-008) Settlement Agreement
Protection, Mitigation, and Enhancement Measures Date Certain Commitments
Measures to be completed irrespective of final license issuance date.

Key	
	Due Date
●	Completed
○	In Progress

SA Sect.	PM&E	Y E A R											
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012+
4.0	FISH PASSAGE MEASURES												
4.1.1(a)	Soda Springs Fish Ladder Design												
4.1.1(d)	Ladder Operations, Maintenance, and Evaluation Program												
4.1.2(a)	Soda Downstream Screen Design												
4.1.2(f)	Soda Downstream Passage-Spillway Modifications Design												
4.3.1(a)	Lemolo 2 Fishway Design												
4.3.1(c/d)	Lemolo Operations, Maintenance, and Evaluation Program												
4.3.2(a)	FC Proposed Design												
5.0	INSTREAM FLOWS												
5.1	SS Table 1 Flows												
5.3	Modifications to Instream Flows												
5.5	Instream Flow Monitoring-Gage Installation		●										
5.5	Instream Flow Monitoring-Monitoring Plan			○									
5.7	ODFW Holding Ponds Water Supply	●	●										→
6.0	RAMPING												
6.2.1	Slide Creek Ramping Monitoring Plan												
6.4	W&S Ramping Restrictions	●	●	○									→
6.5	Bypass Reach Ramping Restrictions (0.2/ft/hr)												
6.8	Soda Emergency Bypass Valve Design												
7.0	RESTORATION OF FLUVIAL PROCESSES												
7.1-2	Gravel Augmentation Below Soda	●	●	○									→
7.3	Passage of Woody Debris	●	●	●									→
7.4	Passage of Sediment (if high flows present)												→
8.0	MAIN STEM HABITAT ENHANCEMENT												
8.2	Slide Creek Alluvial Reach	○	○	○									
8.2.1	Study and Implementation Plan			○									
8.2.2	Monitoring Plan			○									
8.2.4	Test Boulder Placement		○	○									
8.3	SS Alluvial Reach Restoration												
8.3.1	Feasibility Assessment			○									
8.3.2	Implementation Plan			○									
8.3.4	Baseline Habitat Survey												
9.0	RESERVOIR AND FOREBAY MANAGEMENT												
9.1	Stocking of Rainbow Trout; Production Funding												
9.2	Rainbow Brood Stock Development												
9.3	Management of Lemolo Reservoir	●	●	○									→
9.5	Salvage of Fish During Shutdowns	●	●	○									→
10.0	AQUATIC RESOURCES												
10.5	Riparian Restoration-White Mule Creek												
10.5	Riparian Restoration-Potter Creek Restoration		○	○									
11.0	TERRESTRIAL RESOURCES												
11.1	Big Game Bridges (29) Widening				○								
11.4	Wild Life Underpasses (9)						○						
12.0	VEGETATION MANAGEMENT												
12.1	Vegetation Management Plan Dev. and Implementation		○	○									→
12.2	Noxious Weed Control	●	●	○									→

Table 3.1-1 Date Certain PM&E Implementation (Cont'd)

**North Umpqua Hydroelectric Project (FERC 1927-008) Settlement Agreement
Protection, Mitigation, and Enhancement Measures Date Certain Commitments**

Measures to be completed irrespective of final license issuance date.

Key	
	Due Date
●	Completed
○	In Progress

SA Sect.	PM&E	Y E A R											
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012+
13.0	AVIAN PROTECTION												
13.4	Records and Database Management System	●	●	○									
14.0	EROSION AND SEDIMENT CONTROL												
14.4.2	High Priority Erosion Sites (31)												
14.5	Monitoring	●	●	○									
14.7	Seismic and Geologic Hazard Evaluation			○									
15.0	TRANSPORTATION												
15.1	TMP Plan and Program			○									
15.2	PPL Roads to FS standards		●	○									
15.3	Cost Sharing for Joint Roads and Maintenance												
15.5	Bridges-Improvements	●	●	○									
15.6	Culvert Maintenance on PPL Use Roads		●	○									
16.0	AESTHETICS												
16.1	Visual Resources Management Plan and Program			○									
16.2	Landscaping Clearwater Shop												
16.2	Landscaping Clearwater Switchyard												
16.4	Transmission Line Evaluation (Design)												
17.0	RECREATION												
17.2	Operations and Maintenance Funding to FS												
17.7	Law Enforcement Funds to FS												
17.8	Rec-Deferred Capital Improvement Funds to FS		●	●									
17.9	Public Information Funding to FS												
17.10	Annual Monitoring Funding to FS												
17.11	Rec-NW FP Compliance Funds to FS												
18.0	CULTURAL												
18.1	Cultural Resources Management Plan			○									
18.3/18.6	Site Discovery/Monitoring	●	●										
18.4	Protection, Restoration, and Recovery												
19.0	MITIGATION												
19.1	State Mitigation Fund-MOU												
19.2	Long-Term Monitoring and Predator Control												
19.3	Federal Mitigation Fund												
19.5	Early Implementation Fund		●	●									
19.5.2	Early Implementation Fund Annual Reporting		●	●									
21.0	COORDINATION AND DECISION MAKING												
21.1	Resource Coordination Committee	●	●	○									
21.1	Resource Coordination Plan Developed and Implemented												
21.4.2	Annual Report		●	●									
21.5	Site Specific Plan Development		●	●									

TABLE 3.1-2
Status of Date Certain PM&E Measures from June 2002 to June 2003

SA Section	Date Certain PM&E	Due Date or Initiation	Status
4.3.1a	Lemolo 2 Fishway Modification	2004	Preliminary design work underway.
4.3.2a	Fish Creek d/s passage	2005	Preliminary design work underway.
5.5	Instream Flow Monitoring Plan	Dec. 2002	Plan is undergoing final edits. Delays related to extended discussions on gauge placement and Lemolo 1, and flow rating requirements.
6.1.1	Impact analysis of Pipe to Stinkhole	Dec. 2001	Draft work plan completed in April 2002. Final Impact analysis under development. Delay related to objective clarification with all parties. Pond turtle survey in 2003 will assist in determining objectives.
6.4	Wild and Scenic Ramping Restrictions	June 2001	Ramp rate requirements have been followed within the 5 percent tolerance. Compliance required through license term.
6.4.3	Wild and Scenic Ramping Study Plan	July 2001	Draft Study Plan is under development. Delay due to PacifiCorp determining suitable study plan criteria.
6.5	Bypass reach ramping restrictions	June 2001	Voluntary ramp rate requirements until 1 year after new license. PacifiCorp has implemented these voluntary measures.
7.1	Gravel augmentation below Soda Springs dam	June 2001- Dec. 2004	Ongoing implementation, annual program until 2004.
7.1	Gravel augmentation in Soda Springs bypass reach	June 2001- Dec. 2004	Ongoing implementation, annual program until 2004. Final Gravel Augmentation Implementation Plan distributed to RCC June 2003.
7.2	Gravel Augmentation below Soda Springs dam (long-term, per SA amendment 1)	2004	Experimental gravel pulse scheduled for 2004, periodic additional gravel for targeted sites through license term.
7.3	Passage of woody debris	June 2001	Ongoing implementation, annual program.
8.2.1	Slide Creek Implementation Plan	Sept. 2002 ¹	Plan and initial habitat enhancement work for 2002 completed. Additional periodic work through 2005 based on interim monitoring and agency coordination.
8.2.2	Slide Creek Boulder Enhancement Monitoring Plan	Sept. 2002 ¹	Under agency review. Final plan anticipated summer 2003.
8.3.1	North Umpqua River Habitat Restoration/ Creation Feasibility Assessment	Jan. 28, 2003	Final draft completed. Final report due 30 days after receiving all agency comments. Agency comments pending. No outstanding issues.
8.3.2	North Umpqua River Habitat Restoration/ Creation Plan Implementation	See Status	Under development. Due 120 days post receipt of agency comments to Feasibility Assessment.
8.3.3	North Umpqua River Habitat Restoration/ Creation Monitoring Plan	See Status	Pending completion of Final Implementation Plan. Draft due 120 days post Final Implementation Plan.

TABLE 3.1-2
Status of Date Certain PM&E Measures from June 2002 to June 2003 (Cont'd)

SA Section	Date Certain PM&E	Due Date or Initiation	Status
8.3.4	North Umpqua River Habitat Restoration/Creation Baseline Habitat Survey	See Status	Due 90 days post receipt of agency comments on Draft Implementation Plan.
9.3	Lemolo Lake elevation limits	June 2001	In compliance with SA terms. Ongoing obligation.
11.1	Big Game Bridge Widening	Dec. 2004	Design and permitting underway for summer 2003 installation of select bridges.
11.4	Wildlife Underpasses	2006	Design underway.
12.1	Vegetation Management Plan	April 2003	Under agency review.
14.1	Erosion Control Plan	April 2003	Agency comment period completed. Response to comments underway. Final draft plan anticipated in December 2003.
15.1	Transportation Management Plan (TMP)	April 2003	Under development with agencies. Final TMP anticipated in fall of 2003.
16.1	Visual Resources Management Plan	April 2003	Under development with agencies, on schedule. Final plan anticipated in summer of 2003.
17.1	Recreation Resources Management Plan	April 2003	Under development with agencies, on schedule. Final plan anticipated in summer of 2003.
17.8	Recreation Funds (\$56k) for deferred capital projects to Forest Service	Jan. 2003	Actions from 2002 completed include vault toilets and picnic tables at East Lemolo Campground and picnic tables at Toketee Lake Campground. Actions funded for but not completed include road improvements at Lemolo campgrounds. 2003 funds of \$56,765.50 dispersed to USFS for Boulder Flat boater put-in and Toketee Lake Campground picnic tables.
19.5.4	2003 Early Implementation Account Deposit	Jan. 2003	Implemented. \$360,923.04 deposited. (\$350k+inflation)
21.4.1	Resource Coordination Committee (RCC)	June 2002	Implementation ongoing.

¹ SA date for completion of these plans was stated in error. The revised date has been established as April 2003 by action of the Parties.

The RCC technical working group for Settlement Agreement Section 8.3 has continuously met to establish sound criteria for the long-term success of the project.

implementation projects, management plans, and engineering design. All Parties have worked cooperatively towards meeting Settlement Agreement schedule commitments. Table 3.1-2 provides a summary of all the actions that were either due during the report period or initiated earlier, but are ongoing annual requirements. Summarized below are some of the more significant projects.

3.1.1 Study Plan Development

North Umpqua Habitat Restoration/Creation Project (SA 8.3, amended)

This plan, considered a feasibility report, establishes the alternatives for the technical working group to decide upon. The technical working group consists of agency specialists and PacifiCorp's fish biologist. This group has established criteria to evaluate the best possible locations for improving salmon spawning habitat. Once the final feasibility report is completed, which is anticipated in summer 2003, it will be posted on PacifiCorp's Web site (www.pacificorp.com).

Ramping Study Plan (SA 6.4.3)

The Settlement Agreement directs PacifiCorp to evaluate whether agency resource goals for the Wild and Scenic River reach can be achieved under a more flexible ramping regime. This evaluation was due in August 2001. PacifiCorp is currently developing a draft study plan for agency review. The delay is due to PacifiCorp's effort with Stillwater Sciences to determine a suitable and acceptable study plan criteria.

3.1.2 PM&E Construction

Slide Creek Bypass Reach Habitat Enhancement (SA 8.2)

PacifiCorp installed boulders in the North Umpqua bypass reach between Slide Creek and Fish Creek. Boulders and gravel were placed as part of the initial placement program to evaluate their ability to retain gravel during higher streamflows in the winter and spring.

Additional construction projects are discussed in Section 3.2, Early Implementation Projects.



Construction of salmon habitat in the Slide Creek Bypass Reach of the North Umpqua River



Aerial photograph of a completed salmon habitat project, showing boulders added to trap spawning gravels

3.1.3 Engineering Design

The Settlement Agreement includes many design commitments. PacifiCorp is currently working on preliminary design for the following projects:

- Lemolo No. 2 Fishway modification design (SA 4.3.1)
- Fish Creek downstream passage (SA 4.3.2)
- Reconnection of the Clearwater River (SA 7.5)
- Wildlife Underpasses (SA 11.4)
- Flume Shutoff and Drainage System (SA 14.2)

None of these actions requires completion during the term of this reporting period. Rather, PacifiCorp has initiated this work to remain on schedule with due dates.

3.1.4 Resource Management Plans

There are currently eight management plans under development, several of which are in the final review and edit stage. These include:

- Vegetation Plan
- Erosion Control Plan
- Transportation Plan
- Aesthetics Plan
- Recreation Plan
- Cultural Resources Plan

Resource management plans are required to establish resource goals, implementation measures, roles and responsibilities, schedules, and monitoring. Development of these plans is interdependent on federal and state agencies. The coordination of all parties has extended the completion date to the fall of 2003 for the Vegetation, Erosion, Transportation, Aesthetics, and Recreation plans. The Cultural Resources plan is not due until December 2003. Even though the completion of these plans has been slightly delayed, the Parties consider the terms of the Settlement Agreement to be in compliance, and a formal amendment proceeding is not necessary under the terms of the Settlement Agreement. The Parties recognize that the delay has resulted in a better management system approach. The delay also does not influence the schedule for completion of the PM&E measures addressed in each plan. Once finalized, they will be available on PacifiCorp's Web site www.pacificorp.com.

The Cultural Resources Management Plan will be renamed to the Historic Properties Management Plan to be consistent with the FERC guidelines for such plans. This plan is currently under development and on schedule for completion in December 2003.

The management plans establish a multiyear action plan process. This process ensures that the Parties are fully aware of the schedule and breadth of the PM&E.

3.1.5 Other Plans or Prepared Documents

The Settlement Agreement also requires the following plans:

Gauging Plan (SA 5.5)

Wild and Scenic Ramping Study Plan (SA 6.4.3)

Slide Creek Implementation and Monitoring Plans (SA 8.2.1, 8.2.2)

North Umpqua River Habitat Restoration/Creation Feasibility Assessment (SA 8.3.1)

North Umpqua River Habitat Restoration/Creation Implementation Plan (SA 8.3.2)

North Umpqua River Habitat Restoration/Creation Monitoring Plan (SA 8.3.3)

North Umpqua River Habitat Restoration/Creation Baseline Habitat Survey (SA 8.3.4)

Lemolo Lake Reservoir Management Plan (SA 9.3.1.1)

Gauging Plan (SA 5.5)

PacifiCorp is required to prepare a gauge installation and reporting plan, and to install gauges in the bypass reaches. PacifiCorp completed the installation of all the gauges in the bypass reaches at the agency-approved locations. The location of the Lemolo No. 1 reach gauge currently is being reevaluated for relocation. Based on agency and PacifiCorp needs, this gauge will be relocated to a better quality site downstream. PacifiCorp and the state and federal agencies have also been working towards completion of the gauging plan. There has been a difference of opinion between some of the agencies and PacifiCorp regarding the range of flows required to be reported according to the terms of the Settlement Agreement. This difference of opinion has affected resolution at the technical as well as at the RCC levels. Consequently, the plan has not been finalized. The plan is anticipated to be finalized by the fall of 2003, after the issue is presented and satisfactorily resolved at an Executive Policy Committee meeting in August 2003. The Gauging Plan delay has not interfered with the gauge installation of data recording.

Wild and Scenic Ramping Study Plan (SA 6.4.3)

This plan (as mentioned also above) directs PacifiCorp to evaluate whether agency resources goals for the Wild and Scenic River reach can be achieved under a more flexible ramping regime. This evaluation was due in August 2001. PacifiCorp currently is developing a draft study plan for agency review. The delay is due to PacifiCorp's effort with Stillwater Sciences to determine a suitable and acceptable study plan criteria.

Completion of the gauging plan has been delayed pending the decision of the Executive Policy Committee on the plan's required elements. This decision is anticipated in fall of 2003. Regardless, the installation of the gauges and the collection and reporting of data were completed on schedule in 2002.

Slide Creek Implementation and Monitoring Plans (SA 8.2.1, 8.2.2)

The Slide Creek Implementation Plan was finalized in May 2003. This plan detailed the placement of boulders from the summer of 2002 effort. The purpose of the Implementation Plan is to describe the location of the boulders, the criteria used for choosing the site, and the intended outcome after monitoring. The placement of boulders in a trial manner is intended to improve the success of the final boulder placement project. PacifiCorp also submitted a monitoring plan for agency review with comment due the end of July 2003. This plan describes the proposed monitoring after the trial program is completed. The monitoring plan will establish the criteria to assess whether the expected quantity and quality of spawning habitat are being created as a result of the placement of the boulders. The implementation and monitoring plans will be available on the PacifiCorp Web site once finalized at www.pacificorp.com.

North Umpqua River Habitat Restoration Habitat (8.3, amended)

Section 8.3 of the Settlement Agreement was amended by signature of all parties on November 1, 2002. Settlement Agreement Section 8.3, Soda Springs Bypass Reach Alluvial Restoration Project, required amending owing to the results of further engineering study in the bypass reach. The engineering analysis determined that the proposed action could not be fully installed in the reach based on natural gradient. After a series of meetings describing the physical limitations of the bypass reach, the parties concluded that the objectives of SA 8.3 needed amendment. The amended 8.3 created commitments for developing a feasibility assessment, implementation plan, monitoring plan, and baseline habitat survey. A technical working group was established to assist in the development of the feasibility assessment. Stillwater Sciences has been retained to draft the feasibility assessment. A draft feasibility assessment is scheduled for distribution June 17, 2002. The remaining plans will be completed under the guidance of the technical subcommittee during the next year.

Settlement Agreement Section 8.3, Soda Bypass Reach Restoration, was amended in November 2002. This amendment was necessary owing to further engineering analysis determining that the proposed action could not be installed.

The Lemolo Lake Reservoir Plan (SA 9.3.1.1)

ODFW and USDA-FS are required to complete this plan in consultation with PacifiCorp. The purpose of this plan is to establish reservoir management regimes that best balance the needs of all users. PacifiCorp has initiated discussions with ODFW on the content of this plan and the plan is currently under development.

3.2 Early Implementation Projects

3.2.1 Purpose of the Early Implementation Program

Under Section 19.5.1 of the Settlement Agreement, PacifiCorp established an Early Implementation Fund to be used during the period before the New License becomes final for highly visible measures not otherwise funded before the New License becomes final. These measures shall include but are not limited to

(1) high priority erosion sites, (2) riparian restoration at Potter Creek, (3) enhancement of up to two wetland areas, (4) road decommissioning, (5) tributary reconnections, and (6) culvert replacement.

Beginning in 2002 until the issuance of a final new license, \$350,000 is provided for Early Implementation Projects. The purpose of this fund is to ensure that the implementation of priority actions is not delayed if the FERC licensing process is extended. Once the final new FERC license is issued, the Early Implementation Fund program will end.

3.2.2 Establishment and Use of Funds

The funds distributed last year, including expenses and interest, are shown in summary below and in more detail by project in Table 3.2.2-1. Available project funds were not completely spent owing to construction efficiencies that resulted in a carryover balance. The carryover balance was then added to funds available for the 2003 Early Implementation Projects, which are further described in Sections 3.2.3 and 3.2.4. In summary, the account balance is as follows:

2002 EIP Summary

EIP Account Amount Funded	358,186.50
2002 EIP Project Expenditure Totals	291,727.69
Total Amount Remaining in 2002 EIP Fund	66,458.81
2002 Interest Earned	3,910.48
Remaining Balance	70,369.29

Table 3.2.2-1 2002 Early Implementation Project Totals
2002 Early Implementation Projects
Financial Summary March 28, 2003
All costs are actual charges incurred in CY2002 against each project.

2002 EIP Summary					
Total EIP Account Fund	358,186.50				
2002 EIP Project Totals as of 12/30/02	271,463.32				
2002 EIP Totals from 1/1-03-5/15/03	20,264.37				
Total Amount Remaining in 2002 EIP Fund	66,458.81				
2002 Interest Earned	3,910.48				
Remaining Balance	70,369.29				

2002 Early Implementation Project	Charge	RCC Allocation	2002 EIP cost through 12/31/02	2002 EIP Costs in 2003	TOTAL
2002 Lemolo 2 Wildlife Bridges					
	Internal Labor		18,016.74	(10,000.00)	8,016.74
	External Contract Services		62,310.17	0.00	62,310.17
	Misc. Expenses		97.23	0.00	97.23
	Interest Expense		391.35	0.00	391.35
	Construction Overheads		4,021.20	0.00	4,021.20
2002 Lemolo 2 Wildlife Bridges Total		\$90,000.00	84,836.69	(10,000.00)	74,836.69
				see note (1)	
Fish Creek Sidecast Removal					
	Internal Labor		1,393.56	2,000.00	3,393.56
	External Contract Services		33,625.27	2,443.82	36,069.09
	Misc. Expenses		0.00	0.00	0.00
	Interest Expense		7.76	0.00	7.76
	Construction Overheads		1,750.94	122.19	1,873.13
Fish Creek Side Cast Total		\$100,000.00	36,777.53	4,566.01	41,343.54
Fish Creek Road Decommissioning					
	Internal Labor		1,592.64	4,000.00	5,592.64
	External Contract Services		11,397.06	2,864.50	14,261.56
	Misc. Expenses		0.00	0.00	0.00
	Interest Expense		0.00	0.00	0.00
	Construction Overheads		649.49	143.23	792.72
Fish Creek Road Decommissioning Total		\$50,000.00	13,639.19	7,007.73	20,646.92
Lm2-27 Erosion Site Design					
	Internal Labor		1,094.94	4,000.00	5,094.94
	External Contract Services		103,307.22	3,755.20	107,062.42
	Misc. Expenses		0.00	0.00	0.00
	Interest Expense		453.59	0.00	453.59
	Construction Overheads		5,220.10	187.77	5,407.87
Lm2-27 Erosion Site Design Total		\$70,000.00	110,075.85	7,942.97	118,018.82
Potter Creek					
	Internal Labor		895.86	0.00	895.86
	External Contract Services		5,597.30	7,496.60	13,093.90
	Misc. Expenses		0.00	10.53	10.53
	Interest Expense		38.10	289.10	327.20
	Construction Overheads		324.66	353.99	678.65
Potter Creek Total		\$25,000.00	6,855.92	8,150.22	15,006.14
Tributary Connections					
	Internal Labor		2,090.34	0.00	2,090.34
	External Contract Services		0.00	2,459.66	2,459.66
	Misc. Expenses		68.53	77.73	146.26
	Interest Expense		11.33	56.16	67.49
	Construction Overheads		107.94	3.89	111.83
Tributary Connections Total		\$10,000.00	2,278.14	2,597.44	4,875.58
Noxious Weed Inventory-BLM					
	Internal Labor		0.00	0.00	0.00
	External Contract Services		17,000.00	0.00	17,000.00
	Misc. Expenses		0.00	0.00	0.00
	Interest Expense		0.00	0.00	0.00
	Construction Overheads		0.00	0.00	0.00
Noxious Weed Inventory-BLM Total		\$17,000.00	17,000.00	0.00	17,000.00
2002 EIP Project Totals		\$362,000.00	271,463.32	20,264.37	291,727.69

Note (1): The \$10,000 credit represents internal labor that was inaccurately charged to one project. This value was then redistributed between the other EIP projects shown as Internal Labor in 2003.

TOTALS	
Internal Labor	\$25,084.08
External Contract	\$252,256.80
Misc. Expenses	\$254.02
Interest Expense	\$1,247.39
Construction Overheads	\$12,885.40

Definitions:

Internal Labor: PacifiCorp internal labor for project management, engineering, and field staff services
 External Contract Services: Contracted services charge for engineering/environmental services, construction contracts, consulting/technical services.
 Misc. Expenses: Meals, accommodations, transportation, and indirect services
 Interest Expense: Interest allowance for funds used during construction (Applied to capital projects only.)
 Construction Overheads: General and administrative operating expenses

3.2.3 2002 Early Implementation Project Status

In 2002, the RCC selected the following 11 projects for Early Implementation Project funding:

Three Big Game Bridge Expansions
Fish Creek High Priority Erosion Sites (FC# 2,5,7)
Road Decommissioning
Lemolo Canal High Priority Erosion Site (LM2-27)
Potter Creek High Priority Erosion and Riparian Site 25% Design
Aquatic Connectivity/Tributary Connections Site Visit and Work Plan
Noxious Weed Survey

All of these projects were completed on schedule and under budget. Photographs of the Wildlife Bridge Expansions; Fish Creek High Priority Erosion Sites (FC# 2,5,7); Road Decommissioning; and Lemolo Canal High Priority Erosion Site (LM2-27) are provided in Figures 3.2.3-1 through 3.2.3-11.

3.2.4 2003 Early Implementation Projects

At the July 10, 2002 RCC meeting, 2003 Early Implementation Projects were approved. At the May 28, 2003 RCC meeting, funds were redistributed among projects based on new cost estimates and final accounting on the 2002 Early Implementation Projects. An additional project, spawning gravel in Soda Springs Bypass Reach, was added based on available funds. The 2003 Early Implementation Project Fund has approximately \$431,292 available for projects. The tabulation below summarizes this total.

2003 EIP Summary

EIP Account Amount Funded	\$360,923.04
2002 EIP Project Carryover Funds	\$70,369.29
Total Available	\$431,292.33

Table 3.2.4-1 describes each project and its current status. The projects listed in this table are currently in the planning and permitting stages. All projects are anticipated to be completed on schedule unless pending permitting timelines or requirements preclude the timeliness of actions.

In 2002, the RCC selected and PacifiCorp completed 11 Early Implementation Projects: three Big Game Bridge expansions, four erosion control projects, road decommissioning, Potter Creek restoration preliminary design, aquatic connectivity work plan for Lemolo No. 2, and the noxious weed survey.

The 2002 Early Implementation Projects were all completed and approximately \$70,000 was unspent. These monies roll over into the 2003 available funds.

TABLE 3.2.4-1
2003 Early Implementation Projects¹



Project Ref #	PM&E	Description/Comment	Estimated Cost
1	Big Game Bridge Expansions (2)	Expand the width of two existing wildlife bridges in the Lemolo No. 2 reach.	\$60,000
2	Fish Creek High Priority Erosion Site	Remediate FC#6 site.	\$80,000
3	Lemolo canal High Priority Erosion Site-Side Cast Removal	Side cast removal at erosion sites LM2-26 and LM2-28.	\$70,000
4	Potter Creek Design (50%)	50% design for the riparian and erosion restoration.	\$75,000
5	Tributary Reconnection Design	Design for aquatic connectivity at: CW1-2, FC-4A, FC-3A, and FC-3B.	\$10,000
6	Noxious Weed Inventory	Contribute \$10-20,000 towards Noxious Weed inventory on the Umpqua National Forest.	\$15,000
7	Turtle Surveys	Conduct surveys at the Stinkhole in preparation for the Lemolo 2 pipe reroute (6.1.1).	\$6,000
8	Culvert Replacement and road improvements along Lemolo 2 canal	Monies to be spent on the culvert and road realignment at Patricia Creek, LM2-11. This project was added later in the year with the excess funds from 2002 projects.	\$70,000
9	Culvert Replacement	Replace one or more culverts on Lemolo #2 canal road that needs aquatic connectivity improvements.	\$30,000
10	Spawning Gravel	Augment existing dollars under 7.1 to reach a 400-yd commitment. This project was added later in the year with the excess funds from 2002 projects.	\$5,000
Total			\$421,000
Additional Project If Funds Allow			
11	P1 Site reconnections-Lemolo	This project was added later in the year with the excess funds. The monies will go towards implementing the P1 work plan from EIP 2002 "Lemolo-named creeks."	\$10,000
12	LM2-27 Culvert Replacement	Road drainage culvert associated with LM2-27 Erosion site.	\$10,000

¹ Estimated Costs reflect 5/28/03 RCC Meeting Actions.

3.3 License-Dependent Implementation

PM&E measures scheduled for post-license implementation are presented in Table 3.3-1. At this time, all of these actions are on schedule.

Table 3.3-1 License-Dependent PM&E Implementation
North Umpqua Hydroelectric Project (FERC 1927-008) Settlement Agreement Protection,
Mitigation, and Enhancement Measures License-Dependent PM&E Implementation
Measures dependent on the final issuance of the license.

Key	
	Due Date
	Continues

		LICENSE +																
SA Sect.	PM&E	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
4.0	FISH PASSAGE MEASURES																	
4.1.1	Soda Upstream Fish Passage- Fish Ladder																	
4.1.1(f)	Soda Tailrace Barrier																	
4.1.1(f)	Slide Tailrace Barrier																	
4.1.2	Soda Downstream Passage-Eicher Screens																	
4.1.2(b)	Soda d.s. Operations, Maintenance, and Post Construction Plan																	
4.1.2(f)	Soda Downstream Passage-Spillway Modifications																	
4.1.2(f)	Soda Downstream Passage-Spillway Modifications Construction																	
4.3.1 a.	Lemolo 2 Fishway Modifications																	
4.3.1(a)	Lemolo 2 Fishway Construction																	
4.3.2 a.	Fish Downstream Passage Screen																	
4.3.2(b)	Lemolo Operations, Maintenance, and Evaluation Program																	
4.3.3	Toketee Trash Rack Modification																	
5.0	INSTREAM FLOWS																	
5.4	Lemolo 2 Reach																	
5.9	Toketee Bypass Reach																	
	All other flow measures are date certain.																	
6.0	RAMPING																	
6.1	Lemolo 2 Reach (Pipe to Stinkhole) Installation																	
6.1.1	Lemolo 2 Reach (Pipe to Stinkhole) Design																	
6.9	Slide Emergency Bypass Valve Evaluation																	
7.0	RESTORATION OF FLUVIAL PROCESSES																	
7.5	Reconnection of Clearwater River																	
8.0	MAIN STEM HABITAT ENHANCEMENT																	
	All actions are date certain.																	
9.0	RESERVOIR AND FORBAY MANAGEMENT																	
9.3.2	Lemolo Reservoir Fluctuations (.5ft/day)																	
10.0	AQUATIC RESOURCES																	
10.2	Stump Lake Connectivity Invertebrate Ladder																	
10.3	Clearwater River Reconnection																	
10.4	Diversion Structure Removal Lemolo Named Creeks																	
10.4	Potter Creek Diversion Removal																	
10.4	Deer Creek Diversion Modification																	
10.6	Aquatic Connectivity Priority 1 Site Reconnections (57 sites)																	
10.6	Reconnecting Aquatic Sites, P2																	
10.6	Reconnecting Aquatic Sites, Re-evaluation 13 sites																	
11.0	TERRESTRIAL RESOURCES																	
11.2	Wildlife Crossings (34) New [L4]																	
11.5	Stillwater Habitat/Wetland Development (8)																	
	Stump Lake																	
	Stinkhole																	
	Fallen Mountain Creek-Lemolo 2																	
	Lemolo 1 Forebay Expansion Area																	
	Lemolo Campground Area																	
	Wetland Area #1 , #2, #3																	
12.0	VEGETATION MANAGEMENT																	
	12.1-Vegetation Management Plan Implementation																	
14.0	EROSION AND SEDIMENT CONTROL																	
14.2	Canal Shutoff and Drainage System																	
14.4.3	Medium Priority Erosion Sites (27)																	
15.0	TRANSPORTATION																	
15.4	Road Decommissioning																	
15.5.1	Bridge Maintenance Cost Sharing																	
15.6	Fish Culvert Upgrade																	
15.6	100 Yr. Flood Culvert Upgrades																	
16.0	AESTHETICS																	
16.4	Tline Evaluation Mitigation at 11 Sites																	
17.0	RECREATION																	
17.8	Recreation Capital Improvements																	
18.0	CULTURAL																	
	Schedule of PM&E's Will be Developed in the CRMP in 2003																	
19.0	MITIGATION																	
19.1.1	Tributary Enhancement Fund Disbursements																	
19.2.1	Long Term Monitoring and Predator Control Fund Disbursements																	
19.3.3	Mitigation Fund Disbursements																	

3.4 Revisions to the Settlement Agreement

On November 1, 2002, PacifiCorp, on behalf of itself and the other Settlement Parties, filed Amendment No. 1 to the Settlement Agreement, amending and modifying Sections 5.1, 7.1, 7.2, and 8.3 of the Settlement Agreement (“the Amendment”) with the Federal Energy Regulation Commission. The Amendment and its Explanatory Statement are provided in Appendix D. Settlement Agreement Section 8.3, Soda Springs Bypass Reach Alluvial Restoration Project, required amending owing to the results of further engineering study in the bypass reach. The engineering analysis determined that the proposed action could not be fully installed in the reach based on natural gradient. Amending the commitments for Settlement Agreement Section 8.3 resulted in minor changes in Settlement Agreement Sections 5.1, 7.1, and 7.2. These changes were necessary to either clarify commitments or slightly alter them because of linked projects with Settlement Agreement Section 8.3.

The Parties amended the Settlement Agreement in November 2002. This amendment modified Sections 5.1, 7.1, 7.2, and 8.3 of the Settlement Agreement. The original Section 8.3 had links to these other sections, resulting in additional modification. The amendment is provided in Appendix D.

Section 4

Conclusion



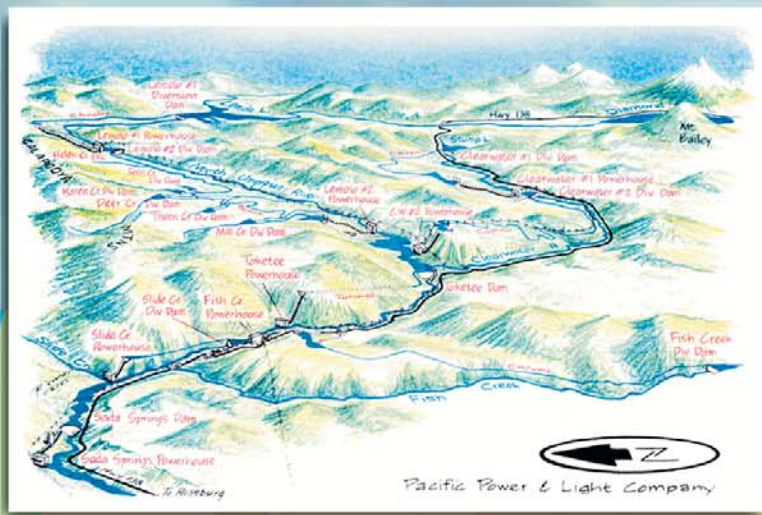
SECTION 4.0

Conclusion

This annual report demonstrates that the Parties have established detailed collaborative procedures for monitoring and implementing the Settlement Agreement, and have commenced working with each other to achieve the management goals of the Settlement Agreement.

This report likewise illustrates that the Parties have committed substantial time and resources to establishing and formalizing working relationships and procedures. More time and effort than expected was required to achieve on-the-ground progress given the need to: (1) prioritize early implementation activities and respond to seasonal conditions; (2) respond to National Environmental Policy Act and other permitting requirements; and (3) permit adequate coordination with the Parties and environmental contractors. Nevertheless, the Parties are pleased with the progress made during these first 2 years, and believe the investments made in developing these relationships and protocols will ensure that the Parties achieve the management goals of the Settlement Agreement.

The Parties have effectively and efficiently completed a second year of implementation. Some PM&Es are behind schedule because the Parties have taken extra time to ensure that the actions are implemented in a manner that meets the land management objectives and fulfills rate-payer needs. This delay results in a more successful final project.



Figures



FIGURE 3.2.3-1
Lemolo No. 2 Canal Big Game Bridge Expansion (View 1)



FIGURE 3.2.3-2
Lemolo No. 2 Canal Big Game Bridge Expansion (View 2)



FIGURE 3.2.3-3
Erosion Control Canal Wall Padding Fish Creek



FIGURE 3.2.3-4
Erosion Control Fish Creek



FIGURE 3.2.3-5
LM2-27 Erosion Control



FIGURE 3.2.3-6
Rock Fall Fence Site LM2



FIGURE 3.2.3-7
LM2-27 Upstream Site—Before



FIGURE 3.2.3-8
LM2-27 Upstream Site—After



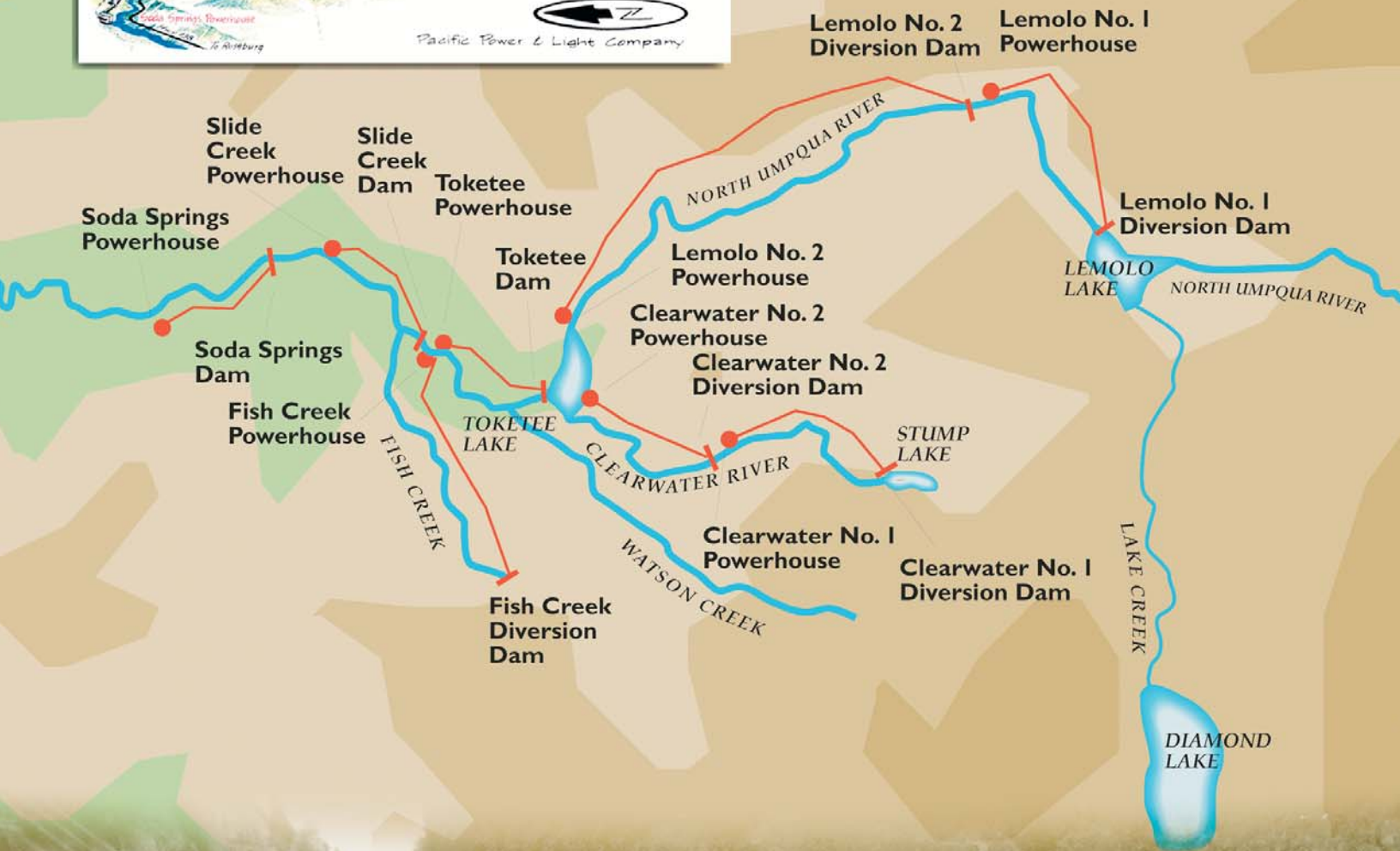
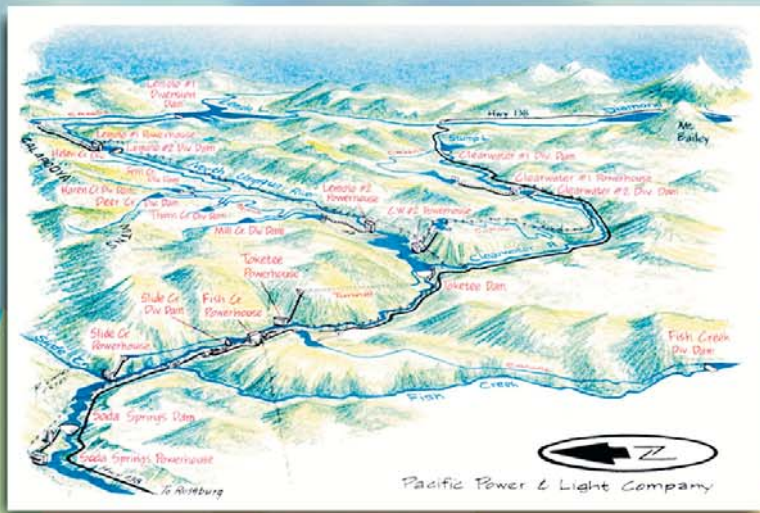
FIGURE 3.2.3-9
LM2-27 Downstream Site—Before



FIGURE 3.2.3-10
LM2-27 Downstream Site—After



FIGURE 3.2.3-11
Rock Wall Fencing



Appendixes

APPENDIX A

**Resource Coordination Committee
Members List**

Appendix A
Resource Coordination Committee Caucus Membership
(Including Alternates and Caucus Members)

Organization	RCC Member	Caucus Members
USDA Forest Service	John Sloan	Pam Sichting (Alternate) Walt Dortch John Ouimet
USDI Fish and Wildlife Service	Craig Tuss	Rob Burns (Alternate) Scott Center Peter Lickwar Dave Peterson
USDI Bureau of Land Management	Jay Carlson	Bill O'Sullivan (Alternate) Dan Couch Jeanne Klein Fred LaRue
National Marine Fisheries Service	Keith Kirkendall	
Oregon Department of Fish and Wildlife	Ken Homolka	Dave Loomis (Alternate) Stephanie Burchfield Steve Denney
Oregon Department of Environmental Quality	Dennis Belsky	Paul Heberling (Alternate) John Blanchard Greg McMurray
Oregon Department of Water Resources	Craig Kohanek	Dave Williams (Alternate) David Van't Hof
PacifiCorp	Diane Barr	Jim Wazlaw (Alternate) Terry Flores Jerry Roppe Charles Martin

APPENDIX B

Resource Coordination Committee
Ground Rules

**GROUND RULES
ADOPTED MAY 10, 2002
RESOURCE COORDINATION COMMITTEE
NORTH UMPQUA HYDROELECTRIC PROJECT SETTLEMENT
AGREEMENT, FERC #1927-008**

A. PURPOSE

These ground rules make explicit the common expectations with which the participants join the Resource Coordination Committee (RCC). They describe how government agencies and PacifiCorp will work together for effective communication, the decision-making process they will use, responsibilities of the committee members to one another and to their agencies, the spirit in which they will communicate, and the responsibilities of the facilitator.

B. ROLES AND RESPONSIBILITIES OF THE RCC

1. Role of the Resource Coordination Committee:

The Resource Coordination Committee (RCC) is created by Section 21 of the North Umpqua Hydroelectric Project (FERC #1927-008) Settlement Agreement, derives authority from that Settlement Agreement, and makes collective decisions while implementing the agreement. The structure and process of the RCC is intended to be value-added to its member organizations by providing a forum to address time sensitive matters, early warning of problems, and coordination of member organization actions, schedules, and decisions to save time and expense. The RCC shall not infringe on the authority of the agencies.

2. Responsibilities of the RCC according to the Settlement Agreement:

- Prioritize early implementation projects (SA 19.5.1).
- Facilitate coordination of the implementation of the Resource Coordination Plan (RCP), including ongoing operations and maintenance (SA 21.1). As the RCP will not be finalized until 2005, this role may not take place until future years.
- Coordinate and monitor implementation of Protection, Mitigation, and Enhancement (PM&E) Measures (SA 21.1), and coordinate ongoing monitoring requirements by PacifiCorp (SA 21.1)
- Coordinate responses and evaluations specifically assigned to the RCC in the Settlement Agreement (SA 8.2.2, 8.3.3, 12.2, 14.3.3, 14.5, 17.8, 19.2.1, 22.5.2)
- Facilitate coordination and consultation on plans developed by PacifiCorp (SA 21.1)
- Review and comment on the draft annual report of RCC activities and implementation of the PM&E Measures (SA 21.4.2).
- Serve as a common point of contact for public information regarding Settlement Agreement implementation (SA 19.5.3).

Settlement Agreement Actions specifically excluded from RCC responsibility include, but are not limited to:

- Administration of Tributary Enhancement Program through Oregon Department of Fish and Wildlife's (ODFW) Memorandum of Understanding (MOU) (SA 21.1)
- Administration of Mitigation Fund through the USDA Forest Service (SA 21.1)
- Approval of plans and actions regarding specific PM&E measures specifically assigned to individual organizations for resource protection in the Settlement Agreement (SA 21.2).

3. RCC Established Procedures (SA 21.1.c)

- **Interpret the Agreement:** Apply provisions to on-the-ground planning and implementation.
- **Monitor implementation of the Agreement as a whole:** Provide a wider view than one agency's perspective.
- **Avoid surprises and errors:** Through early warning and involvement, and through organization caucuses which transmit information to and from internal organization staff, head off conflicts early.
- **Track progress:** Serve as the interface for the parties to the Settlement Agreement as implementation takes place.
- **Identify policy issues:** As policy issues arise, work collectively to define and clarify issues and options, and recommendations for transmittal to the Executive Policy Group.
- **Provide public information:** Serve as a common point of contact for public information regarding Settlement Agreement implementation (SA 19.5.3).
- **Promote efficiency:** Share information between organizations. Communicate changes in policy, procedure or regulation. Consult prior to decision-making. Share technical resources.

C. STRUCTURE OF THE RCC

1. Composition

- The RCC consists of eight members with equal authority who represent each of the following eight organizations: USDA Forest Service; USDI Bureau of Land Management; USDI Fish and Wildlife Service; National Marine Fisheries Service; Oregon Department of Fish and Wildlife; Oregon Water Resources Department; Oregon Department of Environmental Quality; PacifiCorp.

2. Representation

- Each organization represented will appoint a member and an alternate to represent the interests and concerns of that entity. The RCC will be informed when changes in a member or alternate are necessary.

3. Caucus Structure

- Each RCC member will form a caucus within the organization they represent. Each caucus will develop procedures for keeping its members informed of the progress of the RCC and procedures for development, ratification and implementation of RCC recommendations within the spirit of these ground rules. In the event a caucus fails to send either the member or alternate to any two consecutive RCC meetings, the RCC may request selection of replacements.

D. RCC MEETINGS

1. Schedule and Agendas

- The RCC will meet regularly as scheduled in advance. Meetings will be task-oriented with specific agendas.
- Members will receive agendas and other information prior to meetings. It is each member's responsibility to keep abreast of upcoming meeting dates and agenda issues.
- A review of proposed agenda items for the next meeting will be provided at the conclusion of each RCC session. Draft agendas will be distributed at least seven and preferably fourteen days prior to RCC meetings.

2. Record Keeping

- A record will be kept of every meeting which documents, at a minimum, members present and decisions made.
- Meeting notes from the prior meeting will be distributed for review with each draft agenda.
- At the beginning of each meeting, the prior meeting's notes will be amended as needed and approved.
- Draft meeting notes containing RCC decisions and directives will be distributed to members only. Meeting notes are working documents until approved by the RCC. After approval, meeting notes become part of the public record.

3. Meeting Participation

- Consistency at the table is critical. Only one person can represent each organization at the table, but RCC members may be accompanied to meetings by other persons from within their agency or organization that are necessary to provide technical and other support. Individuals from outside the member organizations may be invited when approved by the RCC. These invitees may sit at the table when the member so requests for a specific purpose, and when the RCC agrees.
- Invitees will be asked to confine comments to issues at hand, subject to time limits, so as not to dilute discussion.
- Invitees who are not RCC members and not on any caucus may address the RCC and/or participate in discussions at the request of a member and with RCC agreement.

4. Public Participation

- Members of the public may attend RCC meetings as observers.
- Notification of RCC meeting dates and location will be made.
- Notification of meeting dates and location will also be made for open houses and other public meetings the RCC may sponsor (See Section H: Public Information).
- Public comment will be limited to two comment periods scheduled on the agenda. A period will be designated near the beginning of the meeting for agenda-specific comments, and a period will be designated near the close of the meeting for more general comments about Settlement Agreement implementation. Public comments shall be limited to three minutes per person. The RCC may expand or decrease the comment period for individual speaking time.
- Written comments to the RCC are encouraged and will be accepted at any time. Only written comments will be incorporated in the record.
- The RCC shall endeavor to address public comment on agenda items during that meeting, or on a subsequent meeting agenda by the RCC.
- In order to assure that the RCC remains a working committee, the time periods reserved for public comment may be contained with the use of a sign up sheet for a pre-determined number of slots.
- The agenda and ground rules will be available to members of the public attending the meeting.
- The RCC may hold a closed work session before, during or after an RCC meeting. In such a case, the RCC will report out any results of that work session at the subsequent public meeting. The RCC will not make final decisions during a closed work session.

E. RCC MEMBER PARTICIPATION

- Statements, positions, and offers made during the RCC process are voluntary and are made only for purposes of the planning process. They are not to be considered findings for any other purpose, including litigation and administrative procedures, except when duly recorded in the meeting notes.
- Members agree to work cooperatively to fulfill the responsibilities assigned to the RCC as established by the Settlement Agreement. No policies, approaches or decisions will be adopted unless there is agreement among the RCC members.
- The purpose of RCC discussions is to find agreement among members. Members will respect the interests of all participants and will try to incorporate the goals of all members into its recommendations.
- Members will act in good faith at all times. This includes the “No Surprises” rule: members will not act or speak in a place, time or manner that may surprise or put off-guard other members. Good faith also includes making the effort to resolve disagreements in person rather than using email, early disclosure of issues or problems, following through on commitments, sharing information on related matters, and characterizing individual or caucus viewpoints fully and accurately. Good faith efforts

include working directly with the RCC representative rather than seeking resolution with other members of an organization.

- Discussions of substance and development of solutions will focus on interests and concerns rather than positions and demands. Members will respect the concerns and interests of others, whether or not they are in agreement with them. Members will work in the spirit of giving the same priority to solving the problems of others as their own.
- Members will seek commonalities in their respective views and will seek to identify convergences of mission, opinion and values.
- Members will state their own concerns and interests clearly, listen carefully to others, and explore issues from all points of view before forming conclusions.

F. COMMUNICATION DURING PROCESS

- Committee and caucus members agree that successful collaboration depends upon individuals who refrain from speaking independently or characterizing the process.
- Participants agree to work collaboratively. To the extent that is practical, committee members will interact at the table or between meetings in person. If contacted by members of the public or the media, participants agree to speak only for his or her organization on specific elements of implementation, and to forward to the facilitator and the other parties inquiries that affect other members of the RCC.
- With regard to those portions of the Settlement Agreement relating to the RCC, participants will not attempt to influence the public, lobbyists or the media unless requested to do so by the RCC. Participants agree not to reach out as individuals or individual agencies to the public or the media in an effort to influence the RCC process, but to approach the public and media as a collective, collaborative entity.
- Public products related to RCC activities will be adopted by the RCC as a whole.
- With regard to internal written material, members agree not to characterize the motivations or positions of any other participant or caucus. Members agree to only represent positions of the RCC that have been agreed upon and to present those positions fully and accurately, including any formal dissent. This is not meant to restrict members from briefing their managers and appropriate public officials on the viewpoints and perspectives of other RCC members.
- The first avenue for resolving differences is through the RCC. If this is not successful, the Settlement Agreement provisions for dispute resolution in Section 22 will be used.
- The RCC does not intend to restrict the free flow of discussion or information, written or verbal, between the members, caucuses, or technical staff as they work to implement the

Settlement Agreement. The RCC is a problem-solving group available as needed to assist efficient Settlement Agreement implementation.

G. ROLE AND RESPONSIBILITIES OF THE FACILITATOR

- The facilitator is an impartial individual who guides the process. The facilitator chairs the RCC meetings, prepares agendas and meeting summaries, and coordinates logistics.
- The facilitator will keep the RCC focused on the mission, agenda, and agreed-upon tasks. S/he may suggest alternative procedures, and will encourage participation by all members.
- The facilitator shall be the designated contact point and spokesperson for the process and its progress unless otherwise agreed by the RCC. She will contact members of the RCC as needed to assist with public information needs.
- The facilitator may communicate between meetings with individual members and caucuses, and assist the free movement of ideas between members and caucuses.
- The members by consensus may change the facilitator's duties, replace the facilitator, or may choose to operate without a facilitator.

H. PUBLIC INFORMATION

- The RCC will provide public information as often as possible within the context of its responsibilities to speak as a group with consensus. The RCC will seek public involvement through public meetings, open houses, and/or other means of communication as agreed upon. At these times it will consult with the public about matters under discussion and receive suggestions.
- Public information through the RCC is separate from and in addition to public information through the site-specific National Environmental Policy Act process undertaken by public agencies.
- If the RCC wishes to make a public statement, a joint statement suitable for discussion with the media will be agreed to by the RCC in advance. When responding to the media, the members shall respond within the spirit of the media statement agreed to.

I. DECISION-MAKING

1. Consensus

- The principle which underlies RCC decision-making is that the RCC will do everything it can to carry out the Settlement Agreement, and will assist all members to identify mutually acceptable and appropriate means to do so.
- Approval of a *substantive decision* by the RCC shall be by consensus among its members though a formal polling process. Each member will register his or her

degree of agreement with the decision according to the language in the chart below. The facilitator will record the polling results as noted below.

- A *substantive decision* is defined as establishing priorities of early implementation projects, recommendations to the Executive Policy Group for amendments (SA 22.6) to the PM&E Measures implementation schedule, approval of any written product of the RCC for general circulation such as annual reports (SA 21.4.2), evaluations and monitoring assigned to the RCC in the Settlement Agreement, public information material, or other actions of the RCC required to carry out its roles and responsibilities described in Section B.
- A substantive decision will be made by the RCC in a manner that allows time to communicate within caucuses.
- Consensus is defined in terms of agreement along a continuum. Committee members will communicate the degree of their agreement with language from the first six columns:

Endorse	Endorse with a minor point of contention	Agree with reservations	Abstain	Stand aside	Formal disagreement but will go with the majority	Block
"I like it"	"Basically I like it"	"I can live with it"	"I have no opinion"	"I don't like this but I don't want to hold up the group"	"I want my disagreement to be noted in writing but I'll support the decision"	"I veto this proposal"

- The shaded column to the far right of the continuum is not acceptable for consensus.
- Any of the six columns to the left are considered "agreement by consensus".
- The purpose of the position statements in the first five columns to the left side of the chart is to share information with other RCC about degree of support. However, the facilitator will record each of these five positions as "Support". The facilitator will separately record "Formal Disagreement" and "Block" in the meeting notes.
- "Formal Disagreement but Support" is a position intended to note a member organization's dissent with the decision, yet allow it to concede that the decision is the best way to proceed to implement the Settlement Agreement. The rationale for the formal disagreement will be put into writing by the member and facilitator, agreed to by the RCC, and included in the description of the RCC decision. In this manner the RCC will support the rationale for the dissent, yet proceed with what it determines to be the best course of action.
- Registering a "Block", a "Formal Disagreement" or a "Stand Aside" by a member requires that the RCC revisit the language of the proposed decision to attempt to meet the interests of the party so registering. A second polling of the members will then take place. After the second poll, any register of a "Block" moves the decision into the dispute resolution process as described in Section 22 of the Settlement Agreement.

- If an RCC member is not present for a substantive decision and does not respond to three inquiries on that decision within two weeks after the pertinent RCC meeting, the organization's position shall be registered as support for the decision.
- Non-substantive decisions may be made by voice (aye/nay), or by the facilitator's request that any dissenting member disclose his or her dissent. In the absence of such objection, the facilitator may declare consensus.

2. Quorum

- A quorum of members must be present to conduct official business on behalf of the RCC. A quorum is four of the eight members. For substantive decisions, all eight members of the RCC must register a position at the RCC meeting, by written correspondence, or by recorded communications to the facilitator. In the event of support by default due to non-response, the facilitator will so note for the record (see two paragraphs above).

J. WORKING GROUPS & COMMITTEES

- Sub-committees and working groups will be formed by consensus of the RCC to undertake a specific task. These groups and sub-committees may include persons who are not members of a caucus.
- The RCC will define or ratify the scope of work and timeline for work groups and sub-committees. (Only activities outside of PM&Es can be modified by the RCC)
- Requests for technical information and research by participants of a work group or sub-committee of the RCC must come through the RCC. New research and data collection involving significant cost or time must be authorized by the RCC.

K. PRODUCTS

- The annual report shall be transmitted to the members 30 days before the scheduled date for consideration and approved by the RCC, as provided for in the Settlement Agreement.
- If additional written products and reports are agreed upon, there will not be minority reports. A single report encompassing both issues on which there is agreement and issues on which there are differing perspectives will be reviewed and approved by the RCC.

L. AMENDMENTS TO GROUND RULES

- Participating in RCC meetings signals an understanding and acceptance of the ground rules. The RCC may amend these ground rules by consensus. Modification of the ground rules will be considered a substantive decision.

END

APPENDIX C

**Approved Resource Coordination Committee
Meeting Summaries**

Meeting Notes for 7/10/02, approved on 9/17/02
Resource Coordination Committee
North Umpqua Hydroelectric Project, FERC# 1927-008

RCC Members Present

Jay Carlson	Bureau of Land Management	Ken Homolka	Or. Dept. Fish and Wildlife
John Sloan	USDA Forest Service	Craig Tuss	US Fish and Wildlife Service
Dennis Belsky	Or. Dept. of Environmental Quality	Diane Barr	PacifiCorp

Also Present

Jerry Roppe	PacifiCorp	Christine Champe	Stillwater Sciences
Pam Sichtung	USDA Forest Service	Frank Ligon	Stillwater Sciences

Old Business:

RCC meeting notes from May 10, 2002 were adopted by consensus as amended

Soda Springs Habitat Enhancement Alternatives

Stillwater reported on the analysis done at Soda Springs related to habitat enhancements and gravel augmentation and responded to questions from RCC members. Stillwater recommended a temporary access road for moving boulders and adding gravel at each microsite. Construction, design, and permitting costs total approximately \$100,000. Approximately \$70K for construction and \$30K for design and permitting. Stillwater considered the cost of gravel augmentation to be minimal. Stillwater agrees with the agencies' suggested focus on evaluating sites between Soda Springs bypass and Calf Creek, using Copeland Creek as a potential starting point.

The RCC accepted the responsibility to be the implementing group for an Executive Policy Group decision, given its responsibilities as the coordinator for Settlement Agreement implementation. Upon Policy Group "go ahead" the RCC would carry out this assignment as follows:

Next Steps:

Technical Group will reconvene with Stillwater Sciences to develop a proposal and cost estimate, and schedule a field trip

The RCC will adjust or approve the package

The Technical Group will revise the proposal and receive work assignments

Regarding the proposed funding of \$410,000, RCC members shared the following perspectives:

PacifiCorp representatives confirmed that they thought PacifiCorp's offer of \$410, 000 included "maintenance", i.e. gravel augmentation. They also confirmed PacifiCorp's intention to delegate to the RCC decision-making and oversight responsibilities for this fund. PacifiCorp representatives agreed to inform their policy group member that the RCC requests additional clarification about what activities are specifically included in the \$410K.

RCC members generally agreed with Stillwater Sciences' opinion that the \$410,000 fund would be sufficient to obtain a minimum of 5,000 sq. ft. habitat, including site evaluation, design and construction.

Agency members do not believe \$410,000 will cover costs related to gravel augmentation or monitoring related to SA section 7.2. These parties understand that PacifiCorp believes its Settlement Agreement obligation is met by restoring spawning habitat in the Soda Springs Bypass Reach only. The agencies believe that PacifiCorp's obligation is to provide at least 5,000 sq. ft. of spawning habitat.

The RCC agreed to forward a short report to the Policy Group to inform it's upcoming discussion on this topic. Lois Schwennesen will draft and circulate this report immediately.

Early Implementation Fund: Projects for 2003

The group reviewed the Early Implementation Sub-Committee project table in relation to capacity of projects to meet criteria.

The group proposed the following 2003 Early Implementation Project changes:

- A1 Potter Creek Design - Develop a check point for savings
- B2 Wildlife Bridges - 2 bridges rather than 3 for \$60,000
- B5 Culvert - added to project list, location to be determined upon agreement by agencies, and connectivity study for \$30,000.

The RCC adopted 2003 Early Implementation Measures as summarized on page 3 of these meeting notes.

The RCC recognizes that actual costs may exceed or be less than costs estimated here. PacifiCorp will provide periodic cost updates. In the event actual costs are greater than anticipated, the lowest priority projects will be affected first.

Public Outreach

The group confirmed the Public Open House for Sept.18, 2002 at the Douglas County Library in Roseburg, from 4:00-6:00pm.

The RCC letter to NGOs was approved as amended. RCC Members will be scheduled to meet with NGO groups once it is clear which organizations accept the RCC invitation for a briefing.

A field trip on project site will be scheduled at a later date, depending on the amount of interest shown at the public meeting.

Next Meeting August 22h, 2002, 8:30 am, USFS – Roseburg (Rescheduled to 9/17/02)

Next steps on spawning habitat enhancement (Implementation of section 8.3). Technical Team work on plan framework and cost estimates

2002 Early Implementation Projects status report

Designate RCC representative to carry out collective RCC direction on enhancement sites

Prep for Public Open House September 18th

Review assignments for NGO briefings and develop talking points

Other Meetings Scheduled:

Public Information Subcommittee scheduled for August 15, 2002, to:

- Develop an agenda for the Sept. 18th Public Open House
- Develop visual aids

RCC Conference Call: August 16, 2002, 7:30 am – 9:00 am

Next Meeting: August 22, 2002, 8:30 am – 4 pm, USFS, Roseburg (Rescheduled to 9/17/02)

Resource Coordination Committee (RCC)

2003 Early Implementation Projects Adopted by the RCC on July 10, 2002

*Cost includes design, implementation (contract) and contract admin.; does not include NEPA.

Ref#	RCC Priority	Project Name	Description & SA Category	NEPA	Design	Build	Cost* - \$	Proposed by	Remarks
A LIST—2003 EIP Projects Previously Committed in 2002 (2nd phase of 2002 projects)									
A1		Potter Creek Design 50%	Progress on Design while NEPA is initiated and potentially completed. Develop 50% design through Agency collaboration. Final design will be dependant upon NEPA outcomes. Further work on Potter Creek design is required under the SA, as the design project was committed to in 2002. SA Category: 19.5.1-Potter Creek (2)		X		75,000	RCC Sub-Cmmt	Work is required on Potter Creek Design to be compliant with the SA. 19.5.1. Check point is needed for savings.
A2		Tributary Reconnection Design	Develop Final Design to complete the EIP 2002 Project. Priority will be placed on those projects that are Year 1 or Year 2-3 in Schedule 10.6. SA Category: 19.5.1-Tribs (5)		X		30,000	RCC Sub-Cmmt	Work is required on Trib. Reconnection Design to be compliant with the SA. 19.5.1
A3		LM2 Sidecast Removal	Complete approx. 33% of the sidecast removal along LM2 canal. This material would be used for completing the LM2-27 Erosion site remediation.			X	50,000	RCC Sub-Cmmt	This was a priority in 2002, but needed LM2-27 completed first. Therefore the RCC committed to doing this project in 2003.
Subtotal A							155,000		
B LIST—2003 New EIP Projects									
B1		Turtle Surveys	Conduct Pond Turtle surveys at Stink Hole to determine presence.			X	6,000	RCC Sub-Cmmt	Survey is needed to determine species presence and potential design influence.
B2		Wildlife Bridges	Install 2 bridges on LM2 canal.			X	60,000	RCC Sub-Cmmt	LM2 canal is priority due to higher mortality.
B3		FC Erosion Control	FC6-Restoration of 1980's canal failure. Eroded area has 30' vertical pumice banks that are continuing to slump and deliver sediment. SA Category: 19.5.1-Erosion (1)		X	X	80,000	RCC Sub-Cmmt	Cost includes preliminary design, final design and remediation.
B4		Noxious Weeds	Removal or containment of known weeds. Funds would be used for both FS and BLM needs SA Category: 19.5.1 other.			X	10,000-20,000	RCC Sub-Cmmt	
B5		Culvert	Location to be determined upon agreement by agencies.		X	X	30,000	RCC	Connectivity Study is needed.
Subtotal B							186k-206k		
Total of A + B							\$341k-\$361k		

Meeting Notes for 8/16/02 Conference Call, approved on 9/17/02
Resource Coordination Committee
North Umpqua Hydroelectric Project, FERC# 1927-008

RCC Members Present

Diane Barr	PacifiCorp		
Ken Homolka	Or. Dept. Fish and Wildlife	John Sloan	USDA Forest Service
Craig Kohanek	Or. Dept. of Water Resources	Craig Tuss	USDI Fish and Wildlife Service
Keith Kirkendall	National Marine Fisheries Service		

Also Present

Bill O'Sullivan	Bureau of Land Management
John Sample	PacifiCorp

Old Business:

RCC meeting notes from July 10, 2002 were adopted by consensus as amended.

RCC Direction to the Technical Workgroup

The group appointed Craig Tuss as liaison to the RCC and the Technical Workgroup (TWG) for the Soda Springs Enhancement Alternatives project in the interim until the role of TWG Chair is defined. Craig will lead the TWG in carrying out the direction from the RCC and will report back to the RCC. The group reviewed and agreed upon the TWG 8/27/02 meeting agenda as amended. RCC members agreed to involve Stillwater Sciences in the TWG meeting and authorized payment for their participation at this meeting from the \$410,000 enhancement fund. It was agreed that expenditures from this fund would be made by the RCC group as a whole.

Public Outreach

Diane Barr reported on the 8/15/02 Public Outreach Subcommittee meeting on public open house planning.

The RCC agreed on an approach to the open house. The RCC rescheduled the open house to October, with a public field trip after that if needed.

The RCC directed the subcommittee to plan the details of the open house and report back to the RCC for approval. The subcommittee would reconvene on August 22nd to select a date for the open house, and to draft key messages for RCC approval.

NGO contacts will be notified that the Public Open House has been moved to October.

Policy Group Status

The Attorney Workgroup has not yet finalized the 8.3 amendment language. A conference call with the Attorney Workgroup to agree on amendment language will be scheduled as soon as possible. Sept. 6th is the goal for sending the final document to FERC.

John Sample reported that Stillwater Sciences is currently working on the PacifiCorp-sponsored ecological study to help with the discussion on 7.2 interpretation. John expects to be able to share a proposal with the RCC at the next meeting, and at the next Policy Group meeting in mid-to-late September.

Next Meeting September 17th, 2002, 8:30 am, USFS – Roseburg

Agenda will include:

- Technical Workgroup report on spawning habitat enhancement project
- 2002 Early Implementation Projects status report
- Report on Public Open House planning
- Report on Enhancement fund

Other Meetings Scheduled:

Public Information Subcommittee meeting on August 22 to:

- Select replacement date for Open House
- Draft key messages for RCC approval

Technical Workgroup meeting on August 27:

Next Meeting: September 17, 2002, 8:30 am – 4 pm, ODFW, Roseburg

Meeting Notes for 9/10/02 Conference Call, approved 9/17/02
Resource Coordination Committee
North Umpqua Hydroelectric Project, FERC# 1927-008

RCC Members Present

Diane Barr	PacifiCorp	John Sloan	USDA Forest Service
Ken Homolka	Or. Dept. Fish and Wildlife	Craig Tuss	US Fish and Wildlife Service
Craig Kohanek	Or. Dept. of Water Resources		

Also Present

John Sample	PacifiCorp
Pam Sichtung	USDA Forest Service

Announcement

John Sample announced his plans to transfer from the Project Manager position to the role of Hydro Attorney for PacifiCorp. PacifiCorp is actively seeking a replacement for his current position, and John will act as Project Manager in a transitional role until the new person is on board.

RCC Direction to the Open House Subcommittee

RCC members discussed the role of the RCC for public outreach as described in the Groundrules, pg. 6, Section H, and the Settlement Agreement, Section 19.5, and agreed that the focus is on implementation in general, rather than on just early implementation. The group agreed to focus the Open House on October 21st, 4:00 – 8:00 p.m., on the tasks and roles of the RCC within the context of the Settlement Agreement, including information on background and all pre-license activities to date.

The RCC reviewed the key messages as outlined in the August 15 and 22, 2002 Open House Subcommittee Meeting Notes. The group accepted the first three key messages for the Open House and agreed to discuss the answers for potential questions from the public and media at the next RCC meeting on Sept. 17th.

Suggestions were made informally by RCC members to advise the subcommittee on the details of the Open House stations. Some of these suggestions include providing a place (maybe at Station 7) for visitors to offer written comments, questions, or ideas; and highlighting the adaptive measures in the Settlement Agreement (at Station 6).

RCC members agreed that Lois Schwennesen would serve as media contact for the open house and that further discussion will take place at the next RCC meeting on how to staff the Open House stations for the purpose of answering any questions from the public.

Craig Tuss reported on how the current work of the Technical Workgroup relates to the Open House. The public message regarding this work would explain that although the RCC could not implement what was in the Settlement Agreement, it is now adapting its work with the technical team to meet the goals related to enhancement measures.

RCC members delegated the Open House Subcommittee to prepare graphic materials for the Public Open House that will be approved by the RCC during a conference call some time before October 21st.

Next Meeting: September 17, 2002, 8:30 am – 4 pm, ODFW, Roseburg

Agenda:

- Technical Workgroup report on spawning habitat enhancement project
- 2002 Early Implementation Projects status report
- Report on Public Open House planning
- Report on Enhancement fund

Meeting Notes for 9/17/02 approved on 10/16/02
Resource Coordination Committee
North Umpqua Hydroelectric Project, FERC# 1927-008

RCC Members Present

Diane Barr	PacifiCorp	Dennis Belsky	DEQ
Ken Homolka	Or. Dept. Fish and Wildlife	Craig Kohanek	Or. Dept. of Water Resources
John Sloan	USDA Forest Service	Craig Tuss	US Fish and Wildlife Service

Also Present

Jerry Ruppe	PacifiCorp	Pam Sighting	USDA Forest Service
John Sample	PacifiCorp		

Introductions and Updates

Members acknowledged the impact of forest fires and budget cutbacks on workloads and schedules. ODFW raised the issue of Section 9.3, management of Lemolo Reservoir, and the need for PacifiCorp to consult with ODFW about the augmentation of base flows. PacifiCorp has attempted to set up a discussion about this issue and will report on the result at the next RCC meeting.

Meeting notes for 7/10/02, 8/16/02, and 9/10/02 were approved as amended. There was a discussion about calling Stillwater Sciences to clarify their statement on 7/10/02 but it was agreed not to retroactively amend the statements recorded during that meeting.

Report on Technical Workgroup Status

Craig Tuss reported on the 8/27/02 Technical Workgroup (TWG) meeting. Field trips will take place Friday, September 20th and Friday, October 4th to evaluate potential sites below Soda Springs dam to Steamboat Creek for spawning habitat enhancement.

The RCC:

1. Accepted the work plan and schedule developed by the TWG on 8/27/02. Approved the TWG site criteria of 8/27/02 with two amendments (See Appendix A). The revised, approved site criteria are dated 9/17/02.
2. Will inform the Policy Group that the TWG schedule provides for completion of work in the bypass reach in 2003, which will trigger the flows that are required in section 5.1 of the Settlement Agreement.
3. Requests the TWG to develop site priorities during its field trip on 9/20/02, without regard to whether the sites are in the bypass reach or not. That information will be made available to the Policy Group.

The RCC agreed that while Craig Tuss is out of the office September 30 through October 14, Lois Schwennesen would serve as liaison between the RCC and the TWG with support from Ken Homolka and Pam Sighting. In this role Lois will communicate RCC and TWG actions and decisions to the Policy Group and the Attorney Workgroup.

PacifiCorp will allow continued TWG expenses and studies related to the proposed \$410K fund, even without final agreement on Section 8.3 amendment language, through October 15, 2002, with the good faith understanding that final agreement will likely be reached by that date.

Report on 2002 Early Implementation Projects

Diane Barr reviewed the Implementation Status Report-September 17, 2002 (See Appendix B).

The RCC agreed to PacifiCorp's proposal of \$10,000 for a field trip with Stillwater to create a scope of work for aquatics connectivity projects. Priority will be given to the five named creeks, Helen, Spotted Owl, Karen, Thorn, and Mill (Section 10.4). In Appendix 10.6 the same creeks are listed as priority sites for connectivity.

The group agreed to roll over funds into the 2003 fund if under budget.

For the stream gage installation project, RCC members agreed to the following actions:

1. RCC members will communicate to PacifiCorp about a site location.
2. PacifiCorp will arrange a site visit.
3. The agencies will coordinate a decision immediately after the field trip and will respond to PacifiCorp.
4. PacifiCorp will finalize the plan.
5. The USDA Forest Service will sign the final NEPA document.
6. The next RCC meeting agenda will include the RCC decision on the Fish Creek site.

Report on the October 21st Public Open House

Diane Barr reported on and the RCC concurred with the plans for the Open House.

RCC members agreed to participate in a conference call on October 16th at 8:30 am prepare for questions and approve a statement about the bypass reach to hand out when appropriate.

The group agreed that John Sloan and a PacifiCorp representative would attend the Douglas Timber Operators October 24th briefing with Lois Schwennesen. A similar threesome will attend any future NGO briefings that may occur.

UPCOMING MEETINGS:

October 16th, 8:30am – 10:00am Conference Call; RCC & Public Open House Subcommittee.

Members located in Roseburg will meet at ODFW. (Members will have read the agreement summary handed out 9-17 to discuss during the call).

October 21st, 4:00 – 8:00pm Open House at Douglas County Library

October 24th, 7:00am Briefing with Douglas Timber Operators, Elmer's Restaurant, Roseburg.

John Sloan, Diane Barr, and Lois Schwennesen

Next RCC Meeting: October 29, 2002, 8:30 am – 4 pm, ODFW, Roseburg.

Agenda Topics:

- Stillwater scope of work for Habitat Enhancement
- RCC liaison for Technical Work Group
- 2002 implementation projects update
- Debrief on Open House and NGO briefing
- Discussion of public field trip November 2nd
- Report on TWG field trips.
- Report on Fish Creek site

Topic for future meeting:

EMS process from PacifiCorp (Jerry Roppe will forward report to RCC members)

Meeting Adjourned

Meeting Notes for 10/16/02 Conference Call, approved 10/29/02
Resource Coordination Committee
North Umpqua Hydroelectric Project, FERC# 1927-008

RCC Members Present

Diane Barr	PacifiCorp	Dennis Belsky	Or. Dept. Environmental Quality
Jay Carlson	Bureau of Land Management	Ken Homolka	Or. Dept. Fish and Wildlife
John Sloan	USDA Forest Service		

Also Present

John Sample	PacifiCorp	Pam Sighting	USDA Forest Service
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Introductions and Updates

The 9/17/02 RCC meeting notes were approved as amended.

Technical Workgroup Report

Pam Sighting reported on the progress of the Technical Workgroup (TWG). The four priority sites that were identified at the 9/20 TWG meeting were evaluated during the 10/4 field trip. The TWG recommends habitat enhancement in the Upper Soda Bypass Reach site.

The group agreed to evaluate the TWG schedule at the 10/29 RCC meeting to determine whether it should be revised according to the assessment needs of this particular site.

Briefing on Policy Group Decisions

Lois Schwennesen reported on the status of Policy Group decisions related to sections 8.3, 5.1, 7.1 and 7.2.

In order to meet the 30-day deadline to FERC, the Policy Group gave the Attorney Workgroup direction to go forward with the amendment. The Policy Group will put closure on the amendment and FERC letter on 10/29/02.

The Policy Group directed the RCC to accomplish as much work as possible in 2003 related to habitat and gravel augmentation.

The US Forest Service will draft the explanatory statement with input from ODFW and NMFS. The RCC will discuss this draft at the next meeting on 10/29 if it is ready.

The Policy Group requested a written record of all Open House publications and information that was made available to agencies and the public.

RCC members requested clarification on whether the \$175,000 budget was intended to include NEPA work under section 7.2.

Report on Open House

Diane Barr reviewed the layout and key messages of the Open House.

RCC members will arrive at the Douglas County Library at 3:00pm on 10/21 for a walk-through before the Open House.

Report on Early Implementation Projects

Diane Barr reported on the following Early Implementation projects.

The Slide Creek test boulder placement project is complete.

The remainder of Early Implementation actions will take place over the next week.

All approvals are in place and all contracts have been awarded.

On the FS road-decommissioning project, an archaeologist was hired for cultural interests in the area.

The road decommissioning will begin by 10/22.

The field trip to the named creeks for evaluating aquatic connectivity will be arranged.

UPCOMING MEETINGS:

October 21st, 4:00 – 8:00pm Open House at Douglas County Library

October 24th, 7:00am Briefing with Douglas Timber Operators, Elmer's Restaurant, Roseburg
John Sloan, Diane Barr, and Lois Schwennesen

Next RCC Meeting: October 29, 2002, 8:30 am, ODFW, Roseburg.

Agenda Topics:

- Open House and Douglas Timber Operators debrief
- Public field trip on November 2nd
- Technical Workgroup scope of work and schedule
- 2002 Early Implementation projects
- 2002 NEPA process
- Policy Group and Attorney Workgroup activities
- RCC input to the Explanatory Statement

Topic for future meeting:

- EMS process from PacifiCorp (Jerry Roppe will forward report to RCC members)

Meeting Adjourned

Meeting Notes for 10/29/02, approved 12/10/02
Resource Coordination Committee
North Umpqua Hydroelectric Project, FERC# 1927-008

RCC Members Present

Diane Barr	PacifiCorp	Dennis Belsky	Dept. of Environmental Quality
Jay Carlson	Bureau of Land Management	Ken Homolka	Or. Dept. Fish and Wildlife
Craig Kohanek	Or. Dept. of Water Resources	John Sloan	USDA Forest Service
Craig Tuss	US Fish and Wildlife Service		

Also Present

Charlie Martin	PacifiCorp	Steve Nelson	USDA Forest Service
John Ouimet	USDA Forest Service	Jerry Roppe	PacifiCorp
Pam Sighting	USDA Forest Service	Craig Street	USDA Forest Service

Public

Bob Allen	Umpqua Watersheds, Inc	Robin Hartmann	North Umpqua Foundation
Penny Lind	Umpqua Watersheds, Inc.	Mike Piehl	Umpqua Watersheds, Inc.
Stan Vejtasa	Umpqua Valley Audubon Society		

Introductions and Updates

Meeting notes for 10/16/02 were approved as amended (Attached).

Public Comments

Visitors thanked the RCC for meeting in Roseburg, in a location convenient to the public. Visitors expressed interest in the projects, monitoring, and schedule.

Public Outreach

The group discussed input received at the Public Open House, the Douglas Timber Operators briefing, and other public outreach activities.

RCC members identified the need to clarify the RCC role versus the FERC role to the public.

A suggestion was made to offer briefings to local organizations on a regular basis. The RCC will discuss this at the next meeting.

The group discussed opportunities to display the Open House graphics for the public in Roseburg and elsewhere. Diane Barr will follow up.

Management Plans

PacifiCorp requested clarification on the role of the RCC in developing management plans. The RCC agreed it has an oversight role in the management plans, but during the development phase RCC members will review the plans for internal agency interest and consistency only. RCC approval is not necessary.

Forest Service District Report and Process Review

Steve Nelson, Supervisory Forester for the USDA Forest Service Timber Department, presented the "2002 PacifiCorp Early Implementation, Recreation, and PM&E Projects" report.

The presentation reviewed the accomplishments of the last phase and the lessons learned, and suggested ways to improve the process.

The RCC agreed to the following next steps:

1. **Project Plans** - Diane Barr will meet with Steve Nelson to define elements of a project plan, develop a 5-year project list, and address how license issuance affects the list.
2. **Funding Efficiency** - Jerry Roppe, Diane Barr, and Pam Sighting will meet to work on funding efficiency issues (and how to complete 2003 project planning work).
3. **Programmatic Consultation** - Craig Tuss will organize a programmatic consultation team once receiving the project plan information from Diane Barr and Steve Nelson.

Report on Technical Workgroup Status

Craig Tuss reported on the progress of the Technical Workgroup (TWG).

On the 9/20 and 10/4 field trips the TWG identified a preferred site for creating spawning habitat at the Soda Springs Bypass Reach (Loomis site).

The group reviewed a handout regarding the findings at this site. Although the site looks promising, the TWG will continue to evaluate the 3-4 second tier sites identified.

Next steps include a detailed work plan, cost feasibility, and preliminary design work for the preferred site.

Craig will follow-up with Stillwater Sciences regarding a scope of work and with John Sample (PacifiCorp) regarding funds for the work and will report back to the RCC.

Ken Homolka reported on the 10/7 Fish Creek site visit.

The group identified a site at the head of the bypass reach near the dam that would be appropriate for monitoring flows and ramping, but will not provide data on peak flows. When complete, the final gauging plan should resolve issues on peak flows.

Report on 2002 Early Implementation Projects

Diane Barr reported on the status of the 2002 Early Implementation Projects

RCC members will select agency representatives for the aquatics connectivity site visit.

Policy Group and Attorney Workgroup Activities

Lois Schwennesen reported that the Policy Group has agreed to a Settlement Agreement amendment and gave direction to the Attorney Workgroup to draft the amendment. The final version will be forwarded to the RCC for their files when it becomes available.

The Forest Service will draft the explanatory statement with input from other agencies.

Public Comments

Robin Hartmann offered to get citizens involved in the monitoring process to increase public involvement and to provide a vehicle for public input. Bob Allen and Stan Vejtasa encouraged the RCC to continue public outreach and consider public input about the project. Bob Allen noted it is important for the RCC not to avoid conflicts.

Next RCC Meeting: December 10, 2002, 9:00 am – 4 pm, ODFW, Roseburg.

Agenda Topics:

1. Policy Group direction on section 7.2 implementation - gravel augmentation program.
2. Technical Workgroup follow-up on feasibility and scope of work for habitat enhancement.
3. Follow-up reports on project planning, funding efficiency, and programmatic consultation.
4. Financial report on 2002 early implementation projects.

Topics for future meetings:

Environmental Management System process from PacifiCorp

Meeting Adjourned

Meeting Notes for 12/10/02, approved 1/30/03
Resource Coordination Committee
North Umpqua Hydroelectric Project, FERC# 1927-008

RCC Members Present

Dennis Belsky	DEQ	Jay Carlson	Bureau of Land Management
Ken Homolka	Or. Dept. Fish and Wildlife	Craig Kohanek	Or. Dept. of Water Resources
Keith Kirkendall	NMFS (by phone)	Jerry Roppe	PacifiCorp
John Sloan	USDA Forest Service	Craig Tuss	US Fish and Wildlife Service

Also Present

John Ouimet USDA Forest Service

Public

Penny Lind Umpqua Watersheds Stan Vejtasa Umpqua Valley Audubon Society

Introductions and Updates

- The Biological Opinion will soon be filed with FERC and posted on the FERC website. Copies will be sent to parties to the Settlement Agreement.
- As Craig Kohanek will be less available for RCC meetings in the near future. Dave Williams will represent the Department of Water Resources at RCC meetings in Craig's absence.
- USDA Forest Service review of the North Umpqua Recreation Resource Management Plan is complete and comments will be sent to PacifiCorp soon. Final review and comments on the Aesthetic Management and Transportation Management Plans will be completed mid-January.
- Meeting notes for 10/29/02 were approved as amended.

Public Comments

Stan Vejtasa read a statement from the Umpqua Valley Audubon Society regarding the recent Settlement Agreement amendment and flows in the Soda Springs bypass reach.

Technical Workgroup Report and Field Trips

- Stillwater Sciences' scope of work on the habitat enhancement project is expected by December 31st. It will include mapping potential sites; feasibility analysis; cost/benefit analysis, and reporting. This work is funded through the new habitat enhancement fund.
- Pam Sichting was appointed RCC liaison to work with PacifiCorp in developing an accounting system for the habitat enhancement project that includes: 1) feasibility, 2) permits and planning, 3) design/contract, and 4) monitoring/adaptive management. PacifiCorp will draft an accounting proposal for RCC review in January. RCC members agreed that budget allocations are part of the planning process and will be refined as information becomes available.
- The public field trip on November 2nd was cancelled due to lack of attendance. The RCC agreed to offer more field trips for the public during the summer months.
- Dean Grover, Forest Service, and Craig Street, USFWS, attended the Slide Creek field trip. They reported that the results of the test boulder placements and the replacement work done to repair impacts of the access road were impressive. The field trip was beneficial, but the short notice made it impossible for other interested parties to attend.
- RCC members agreed that at least two weeks notice will be given for field trips or meetings whenever possible. This requirement will be included in the habitat enhancement contract.

Report on Settlement Agreement Amendment

- The Amendment was developed to address new scientific information about conditions below Soda Dam, and to resolve differences in interpretation about the Agreement's intent regarding gravel augmentation and sediment transport.
- The Amendment adds over six hundred thousand dollars to implement the Settlement Agreement, and provides commitments for gravel augmentation. The parties set flows to specific dates instead of relying on triggers tied to project completion.

- RCC members will oversee the Amendment's implementation, which involves a number of deadlines. The group agreed to develop a work schedule through fall 2003 by the end of February. The RCC will identify gravel augmentation workgroup members by the next meeting in January, and will assign a workgroup liaison/manager for this project.
- John Sloan reported that the Explanatory Statement would be filed with FERC this month. It is now being reviewed by the Department of the Interior and PacifiCorp attorneys. The Explanatory Statement provides the rationale for the Settlement Agreement Amendment.

Process Improvements

Diane Barr met with Steve Nelson (Forest Service) to define elements of a project plan, develop a 5-year project list, and address how license issuance affects the list. They will present the results of that discussion to the RCC at the next meeting. Based upon the project planning information, Jerry Roppe, Diane Barr, and Pam Sichting will work on funding efficiency issues, and Craig Tuss will begin work with the programmatic consultation team.

PacifiCorp Briefing on Hydro Resources SPCC/Spill Response Program

Jerry Roppe summarized PacifiCorp's Hydro Resources Spill Response program, which identifies preparation, training, and response procedures for hydro spill events. PacifiCorp will inform RCC members of the schedule for drills at the North Umpqua project facilities next summer.

One-Year Assessment of RCC

The group evaluated the work of the RCC over the past year and identified some 2003 goals:

- Start planning the NEPA process for 2004 earlier in the year.
- Continue scheduling meetings as needed, with about 6 meetings scheduled during the year.
- Continue to work with professional facilitator through December 2003.
- Clarify the RCC role versus Policy Group role in communicating with attorneys.
- Keep website updated and provide email link for public comments and questions.
- Send invitation to NGO's offering RCC briefings on an on-going basis.

Public Comments

Penny Lind asked that the RCC to publish the Amendment press release on the PacifiCorp website.

Next RCC Meeting: January 30, 2003, 9:00 am – 4 pm, ODFW, Roseburg. Agenda Topics:

1. Habitat Enhancement Projects
 - a. Report on TWG scope of work.
 - b. Draft accounting proposal from PacifiCorp
2. Gravel Augmentation Project
 - a. Appointment of work group members and RCC chairperson for the work group.
 - b. Draft accounting proposal from PacifiCorp
3. Small Group Reports
 - a. Status of project planning – Diane Barr
 - b. Status of funding efficiency issues – Pam Sichting
 - c. Status of programmatic consultation team – Craig Tuss
4. Develop a Work Schedule Outline through fall of 2003
5. Report on Explanatory Statement
6. Public Outreach: Follow-up on website updates and NGO invitation for RCC briefings

Meeting Adjourned

Meeting Notes for 1/30/03, approved 3/17/03
Resource Coordination Committee
North Umpqua Hydroelectric Project, FERC# 1927-008

RCC Members Present

Diane Barr	PacifiCorp	Dennis Belsky	DEQ
Ken Homolka	Or. Dept. Fish and Wildlife	John Sloan	USDA Forest Service
Craig Tuss	US Fish and Wildlife Service		

Also Present

Dan Couch	BLM	Richard Grost	PacifiCorp
John House	USGS	Michael Jones	USDA Forest Service
Charlie Martin	PacifiCorp	John Ouimet	USDA Forest Service
Jerry Roppe	PacifiCorp	Jim Wazlaw	PacifiCorp

Introductions and Updates

- Jerry Roppe introduced Jim Wazlaw, Umpqua Project Manager for PacifiCorp, who will replace John Sample as an RCC caucus member. Jim joins the group with 25 years experience in the energy industry.
- Jerry Roppe presented PacifiCorp's new North Umpqua Licensing/Transition/Implementation Team Structure to the group.
- The December 10, 2002 RCC meeting notes were approved as written.

Update on Habitat Restoration/Creation

Craig Tuss presented the scope of work for the Habitat Restoration/Creation project. The first step is to develop a feasibility assessment for selecting the best of the potential sites identified by the Technical Workgroup. Next we will develop an implementation plan, monitoring plan, and baseline habitat survey for the selected site(s). The six parties present approved the scope of work as written.

- PacifiCorp will develop a draft contractual agreement for the Habitat Restoration/Creation Feasibility Assessment. RCC members will convene by phone on **Friday, February 7th at 11:00am** to make a decision on the bid proposal and cost break down.
- RCC members discussed the amount of work to be undertaken for the habitat project and agreed to discuss opening future elements of the project to outside bids, recognizing that time may be lost if new contractors are introduced to the project.

Gravel Augmentation Work Plan

- PacifiCorp reported that the draft Gravel Augmentation Implementation Plan would be available on Monday, February 3rd, for agency review.
- RCC members will appoint Gravel Augmentation Technical Workgroup (TWG) members during the conference call on Friday, February 7th. TWG members will include representatives from ODFW, USFWS, USDA Forest Service, PacifiCorp, and NMFS.
- Rich Grost agreed to be the RCC liaison for the Gravel Augmentation Technical Workgroup, and will represent Jim Wazlaw at RCC meetings to report on the status of this work.

2002 Early Implementation Projects and 2003 Planning Strategies

- Diane Barr made a presentation on 2002 Early Implementation Projects and 2003 Planning Strategies. She reported that all 2002 EIP projects have been completed and that a profit of \$86,835.31 can be rolled over to the 2003 projects.
- The group reached general consensus (6 of the 6 parties present) to apply the remaining 2002 project funds toward the Lemolo 2 Canal culvert and road upgrades. PacifiCorp will develop a project proposal for agency review.

- Diane proposed that the RCC apply \$30,000 of the aquatic connectivity funds to the Fish Creek project. Diane will provide background information on aquatic connectivity (Section 10.6) projects so that the RCC can take action on this proposal February 7.

Briefing on PacifiCorp's Environmental Management System

Jerry Roppe presented PacifiCorp's Environmental Management System, ISO 14001, which is based on the International EMS Standard. He also discussed the North Umpqua Implementation accounting system. Jerry reviewed system specifications, accreditation and training, requirements for planning, implementation and operations, and requirements for checking and corrective action.

Draft Stream Gauging Plan

- USDA Forest Service proposed that the RCC assign a technical workgroup to approve the draft Gauging Plan and consider opportunities that are efficient and cost effective and in the interest of all the parties, such as continuing to measure the full range of flows. This second request goes beyond the RCC role to coordinate implementation of Settlement Agreement requirements. PacifiCorp will consult internally regarding this second aspect and will contact John Sloan directly with a response.
- Stream Gauging TWG members are: Michael Jones, John House, Dennis Belsky, Ken Homolka, Craig Tuss or Janine Castro, Craig Kohanek or Dave Williams, Diane Barr, Rich Grost, and Hans Sebal. Rich Grost will serve as RCC liaison to the TWG and will convene the workgroup members on **February 19th from 1:00 to 4:00pm at ODFW in Roseburg**. The task of this group is to collectively review and comment on the draft gauging plan.

Public Outreach and Information

- In response to a suggestion that the RCC provide means for the public to submit comments and questions through the PacifiCorp website, the group discussed public outreach options.
- Based on the RCC ground rules, the group agreed not to proceed with the interactive portion of the website. In lieu of that, the public outreach portion of the ground rules will be posted on the website, highlighting ways that the public may comment on agenda items.
- A draft letter offering to brief NGO's on the RCC and projects to date, was approved for mailing.

Other Announcements

- ODFW reported that Coho salmon were found in the Soda bypass reach recently and requested that the agencies receive notification as soon as possible when such events occur.
- The Explanatory Statement will be filed with FERC on Friday, January 31st.
- DEQ updated the RCC on the Umpqua TMDL development status. TMDL to be completed in December 2003.

NEXT STEPS

- **Diane Barr:** Provide background information on aquatic connectivity (Section 10.6) to the RCC for a final decision regarding applying \$30,000 toward Fish Creek.
- **Craig Tuss:** Provide final scope of work to the RCC so that PacifiCorp can immediately begin contract discussions with Stillwater. Convene Habitat Restoration/Creation TWG as needed and provide a report on feasibility and site selection to the RCC on March 17th.
- **Jerry Roppe/Jim Wazlaw:** Provide Rock Creek study design to ODFW & BLM by Monday, February 3rd. Forward the proposed contract language for habitat feasibility work (and cost) to the RCC by Thursday, February 6th. Discuss internally PacifiCorp's response to the Forest Service request to broaden stream gauge discussion beyond the Settlement Agreement requirements and respond directly to John Sloan.

- **Rich Grost:** Convene the first Gravel Augmentation Workgroup and the Stream Gauging Workgroup (February 19, 1:00-4:00pm at ODFW).
- **Lois Schwennesen:** Contact NMFS for selection of gravel augmentation TWG member.
- **Roma Call:** Coordinate the public outreach information with Arianne Poindexter for the PacifiCorp website. Send the updated RCC and caucus contact lists to RCC members.

RCC Conference Call: Friday, February 7, 2003, 11:00am – 12:00pm

Agenda Topics:

1. Take action on cost estimate for Soda Springs Habitat Feasibility Assessment
2. Resolve any schedule conflicts with Rock Creek study design
3. Make decision whether to apply \$30,000 to Fish Creek connectivity
4. Review the Gravel Augmentation work plan
5. Establish Gravel Augmentation TWG and frame workgroup assignment

Next RCC Meeting: March 17, 2003, 9:00 am – 4 pm, ODFW, Roseburg.

Agenda Topics to date:

1. Report on Habitat Restoration/Creation Feasibility and site selection.
2. Report on the progress of the Stream Gauging TWG.
3. Report on the progress of the Gravel Augmentation TWG.

Meeting Adjourned

Meeting Notes for 2/7/03 and 2/14/03, approved 3/17/03
CONFERENCE CALLS
Resource Coordination Committee
North Umpqua Hydroelectric Project, FERC# 1927-008

RCC Members Present

Diane Barr	PacifiCorp	Dennis Belsky	DEQ
Ken Homolka	Or. Dept. Fish and Wildlife	Craig Kohanek	Oregon Dept. Water Resources
John Sloan	USDA Forest Service	Craig Tuss	US Fish and Wildlife Service

Also Present

Rich Barney	PacifiCorp (2/7 only)	Christine Champe	Stillwater Sciences
Dan Couch	BLM (2/7 only)	Richard Grost	PacifiCorp
Bill O'Sullivan	BLM (2/7 only)	John Ouimet	USDA Forest Service (2/7 only)
Pam Sighting	USDA Forest Service		
Jim Wazlaw	PacifiCorp (2/14 only)		

Update on Habitat Restoration/Creation

- Christine Champe of Stillwater Sciences presented a cost estimate for the Habitat Restoration/Creation project Feasibility Assessment, Task 3, and answered questions.
- The RCC agreed to adjust the final cost estimate to include assistance from the Forest Service, ODFW, US FWS, and other agencies (estimated \$4000 cost savings).
- The RCC agreed to include language in the contract stating that opportunities to reduce the budget would be explored and reflected in the bottom line cost.
- The RCC agreed that Craig Tuss would add a “plan b” scenario to the scope of work language, in the event that there is no significant flow event.
- Pam Sighting agreed to coordinate the painted rocks technical work with the agencies and Stillwater.

Rock Creek Study Design

- ODFW reported receiving the draft Rock Creek study design from PacifiCorp. There are no schedule conflicts with the habitat or gravel augmentation work.

Fish Creek Connectivity

- The RCC agreed to spend the \$30,000 in design funds allocated for connectivity on the Fish Creek sites. Diane Barr will evaluate the likelihood that the fund would cover all four sites and will report back to the group at the next meeting.
- At the next meeting on March 17th the RCC will discuss meeting both the aquatic connectivity and the water right issue (not a part of the settlement agreement) objectives at the same time.

Gravel Augmentation Work Plan

- RCC members appointed the following Gravel Augmentation Technical Workgroup (TWG) members: Rich Grost, Janine Castro, Mikeal Jones, Gordon Hanek, Ken Homolka, and a NMFS representative to be determined, with alternates: Dave Loomis, Pam Sighting, Craig Street, Craig Tuss, Diane Barr, Keith Kirkendall (or his representative).
- The RCC agreed to fund Yantao Cui's (Stillwater Sciences) participation in this initial field trip.
- Rich Grost, RCC liaison to the TWG, will convene TWG members on **February 21st from 10:00am to 2pm at the Soda Springs Powerhouse** to evaluate locations for gravel placement and will provide a written report to the RCC for discussion at the next meeting.

Draft Stream Gauging Plan

- Stream Gauging TWG members Mikeal Jones, John House, Dennis Belsky, Ken Homolka, Janine Castro, Dave Williams, Diane Barr, Rich Grost, and Hans Sebald will collectively review and

comment on the draft gauging plan. Although this is not an RCC responsibility, Rich Grost will report back to the RCC for information. The TWG will meet on **February 19th from 1:00 to 4:00pm at ODFW in Roseburg.**

NEXT STEPS

- **Craig Tuss:** Convene Habitat Restoration/Creation TWG as needed and provide a report on feasibility and site selection to the RCC on March 17th.
- **Jerry Roppe/Jim Wazlaw:** Discuss PacifiCorp's response to the Forest Service request to broaden stream gauge discussion beyond the Settlement Agreement requirements and respond directly to John Sloan.
- **Rich Grost:** Convene the first Gravel Augmentation Workgroup (tentative February 21st) and the Stream Gauging Workgroup (February 19th, 1:00-4:00pm at ODFW) and report to the RCC.
- **Diane Barr:** Provide letter to the RCC for their approval authorizing payment to Stillwater Sciences for Habitat Restoration/Creation work to date. Upon approval by RCC members Lois Schwennesen will execute the release for payment.

Next RCC Meeting: March 17, 2003, 9:00 am – 4:00 pm, ODFW, Roseburg.

Agenda Topics to date:

1. Report on Habitat Restoration/Creation Feasibility and site selection.
2. Report on the progress of the Gravel Augmentation TWG.
3. Informational status report on the draft stream gauging plan.
4. RCC Budget allocation for Habitat Restoration and Gravel Augmentation funds.

Meeting Notes for 3/17/03, approved 5/28/03
Resource Coordination Committee
North Umpqua Hydroelectric Project, FERC# 1927-008

RCC Members Present

Diane Barr	PacifiCorp (by phone)	Ken Homolka	Or. Dept. Fish and Wildlife
Jay Carlson	BLM	Craig Kohanek	Or. Dept. Water Resources (by phone)
John Sloan	USDA Forest Service		
Craig Tuss	US Fish and Wildlife Service		

Also Present

Richard Grost	PacifiCorp	Robin Hartmann	North Umpqua Foundation
Charlie Martin	PacifiCorp	John Ouimet	USDA Forest Service
Stan Vejtas	Umpqua Valley Audubon Society	Jim Wazlaw	PacifiCorp

Emergency Notification

- Charlie Martin reported that during a recent storm trees fell across a project line. Responding to the emergency, PacifiCorp ramped water, exceeding the ½ ft. ramp up in the bypass reach, and this will appear in the flow data reports.
- RCC members requested notification of flow events within 24 hours. Jim Wazlaw and Charlie Martin will follow-up on this procedure and the agencies will identify emergency contact personnel and informational needs.
- The January 30 and February 7-14 meeting summaries were approved by consensus as written.

Update on Habitat Restoration/Creation

- Craig Tuss reported that Stillwater Sciences has completed Tasks A and B, and is currently working on Tasks C and D of the Habitat Restoration/Creation project. The Technical Workgroup (TWG) and Stillwater Sciences will look at the results of the painted rocks project one week after the high flow event and will monitor any movement of the rocks at Site 9. In addition to the current list of nine sites, Stillwater has proposed other potential sites for consideration.
- A field trip will take place during the first week of April, when the TWG will meet with Stillwater to develop recommendations for the RCC. Those recommendations will be made available to the RCC at least two weeks before the next meeting when a decision will be made.
- Craig Tuss agreed to discuss the scheduling of the feasibility report and field trip with Stillwater this week and to report back to the RCC by email regarding the critical dates and confirmation of the next RCC meeting date. The next meeting was tentatively scheduled for May 12th with back-up dates scheduled for May 16th and 19th.

Gravel Augmentation Project

- Rich Grost reported that the Gravel Augmentation Technical Workgroup (TWG) met on Feb 21st and walked the bypass reach and downstream of the powerhouse. The TWG discussed scheduling. Since the project must be completed by Aug 30th, time is of the essence.
- The TWG discussed gravel specifications (3/8" – 5", more toward the middle sizes) and potential locations for the project. The group plans to place 4000 tons of gravel in the river to see how it distributes as it moves downstream. 3500 tons would be placed downstream of the powerhouse and 500 tons in the bypass reach, primarily in the lower habitat enhancement area. Also 400 cubic yards of gravel in the bypass reach this year, which is not a part of the study plan, would be placed in upper area of bypass reach and would be dealt with as part of the plan.
- The RCC requested more time to discuss the Gravel Augmentation Implementation Plan (dated March 10) with their agency and technical representatives before approving it. A conference call was

tentatively scheduled April 1st at 1:30pm on an “as needed” basis to discuss any potential revisions that may be required.

Stream Gauging Project

- Rich Grost reported that the Stream Gauging Technical Workgroup (TWG) has met twice and will have a third site visit on April 15th. The TWG is working through project issues and will develop a final draft plan over the next couple of months.

Management Plans

- Jim Wazlaw reported that the Aesthetic Management and Transportation Management Plans might be at risk for falling behind schedule due to delays in the review process. Jim Wazlaw will consult with Diane Barr and will report back to John Sloan about whether there is a need to expedite review of these draft plans.

NEXT STEPS

- **Craig Tuss:** Discuss the scheduling of the feasibility report and field trip with Stillwater this week and report back to the RCC by email regarding the critical dates and confirmation of the next RCC meeting date.
- **Jim Wazlaw:** Consult with Diane Barr and report back to John Sloan about whether there is a need to expedite the Aesthetic and Transportation Management plans. With Charlie Martin develop plans for RCC Emergency Notification during flow events.
- **Rich Grost:** Report to the RCC on the progress of the Gravel Augmentation Technical Workgroup and the results of the April 15 stream gauging field trip at the next meeting.
- **Diane Barr:** Provide a letter to the RCC for their approval authorizing payment to Stillwater Sciences for Habitat Restoration/Creation work to date.
- **ALL:** Discuss the Gravel Augmentation Implementation Plan (dated March 10) with agency and technical representatives and report back to Lois Schwennesen about whether or not revisions -and the April 1st 1:30pm Conference Call- will be needed.

Conference Call Tentatively Scheduled: April 1, 2003, 1:30pm

Next RCC Meeting: May 28, 2003, 9:00 am – 4:00 pm, Douglas County Library, Roseburg.

Agenda Topics to date:

1. Report on Habitat Restoration/Creation Feasibility and site selection.
2. Report on the progress of the Gravel Augmentation TWG.
3. Discussion of June Annual Report
4. RCC Budget allocation for Habitat Restoration and Gravel Augmentation funds.
5. Proposal for 2004 early implementation projects.

Meeting Notes for 4/1/03, approved 5/28/03
CONFERENCE CALL
Resource Coordination Committee
North Umpqua Hydroelectric Project, FERC# 1927-008

RCC Members Present

Dennis Belsky	DEQ	Jay Carlson	BLM
Ken Homolka	Or. Dept. Fish and Wildlife	Craig Kohanek	Oregon Dept. Water Resources
John Sloan	USDA Forest Service	Craig Tuss	US Fish and Wildlife Service

Also Present

Richard Grost	PacifiCorp	Ken Phippen	NMFS
Pam Sighting	USDA Forest Service	Jim Wazlaw	PacifiCorp

Gravel Augmentation Implementation Plan

RCC members discussed the USDA Forest Service and US Fish and Wildlife Service's revisions to the Gravel Augmentation Implementation Plan. The RCC gave authorization for PacifiCorp to go ahead with Stage 1 of the project: Permitting and Environmental Review.

Rich Grost will incorporate agency comments on the Gravel Augmentation Implementation Plan and will submit the final version to the RCC ten days before the May 28 meeting. He will segregate the Plan into two separate sections: Section 1 for permitting and environmental review, and Section 2 for long-term implementation and monitoring. Rich will discuss the monitoring and evaluation plan and the possibility of going beyond Boulder Creek to Steam Boat Creek with the technical consultants and will report back to the RCC at the next meeting.

Informational Items

- The lead agency on NEPA for the gravel augmentation plan will be the USDA Forest Service.
- The release of FERC's Environmental Impact Statement is expected on April 11th for a 90-day review by the agencies.

Next RCC Meeting: May 28, 2003, 9:00 am – 4 pm, Douglas County Library, Roseburg.

Agenda Topics to date:

1. Report on Habitat Restoration/Creation Feasibility and site selection.
2. Report on the progress of the Gravel Augmentation TWG.
3. Discussion of June Annual Report
4. RCC Budget allocation for Habitat Restoration and Gravel Augmentation funds.
5. Proposal for 2004 early implementation projects.

Adjourned

**Draft Meeting Notes for 5/28/03
Resource Coordination Committee
North Umpqua Hydroelectric Project, FERC# 1927-008**

RCC Members Present

Diane Barr	PacifiCorp	John Sloan	USDA Forest Service
Dennis Belsky	DEQ	Jay Carlson	BLM
Ken Homolka	Or. Dept. Fish and Wildlife	Craig Tuss	US Fish and Wildlife Service
Dave Williams	Or. Dept. Water Resources		

Also Present

Rich Barney	PacifiCorp	John Ouimet	USDA Forest Service
Beth Bendickson	PacifiCorp	Pam Sighting	USDA Forest Service
Richard Grost	PacifiCorp	Stan Vejtasa	Umpqua Valley Audubon Society
Mikeal Jones	USDA Forest Service	Dave Loomis	Or. Dept. Fish and Wildlife

PUBLIC COMMENT

On behalf of the Umpqua Valley Audubon Society, Stan Vejtasa expressed concern that delays occurring in the early implementation of PM&E Measures, especially the implementation of fish passage at Soda Springs dam, would increase costs and that the limitations in the Settlement Agreement funding would prevent successful completion of the technical work and associated monitoring.

HABITAT RESTORATION/CREATION PROJECT

Craig Tuss reported that the Technical Workgroup had a field trip in early April to evaluate sites and Stillwater Sciences had site visits in April for preliminary design and mapping. On April 30th the Technical Workgroup met in Arcata with Stillwater to discuss the five sites being considered: Site #1 - Soda Springs Bypass Reach, Site #3 - Boulder Creek Campground, Site #6 - Marsters Bridge, Site #9 - Otter Island Side Channel, and two additional sites #12 and #17, just above the mouth of Calf Creek. Although Sites #3, #12, and #9 are being considered, Site #1, Soda Springs Bypass Reach, looks most appropriate thus far for mitigation and enhancement of Section 8.3.

RCC members expressed concern that the project was falling behind schedule. In order to meet project deadlines, Stillwater will be requested to deliver the feasibility report by June 13, 2003, followed by a 30-day review period by the Technical Workgroup. Stillwater will revise the report by July 21st and will pass it on to the RCC for review and approval at the August 7th meeting. The NEPA process will begin in September, allowing time for PacifiCorp to begin its procurement process in the spring.

PARTICIPATION OF NOAA FISHERIES

RCC members discussed the role of NOAA Fisheries on the RCC and Technical Workgroups and its contribution toward the quality of the debate and decision-making. RCC members request that Ken Phippen be given clear authority to communicate NOAA Fisheries' input and direction on the Technical Workgroups and that Keith Kirkendall attend the key RCC meetings. On behalf of the RCC, Facilitator Lois Schwennesen will convey these requests in a letter to NOAA Fisheries.

SLIDE CREEK BYPASS REACH HABITAT ENHANCEMENT

Rich Grost reported on the status of the Slide Creek Habitat Enhancement Monitoring Plan, which describes monitoring that will begin in 2005 following final boulder placements. RCC and Technical Workgroup members will have until July 30th to review this plan and provide comments to Stillwater Sciences. In the meantime, RCC members would like to participate in the interim monitoring plan and Rich will provide a 1-2 page summary for their review and comment.

GRAVEL AUGMENTATION IMPLEMENTATION PLAN

RCC members approved by consensus the Gravel Augmentation Implementation Plan pending some minor revisions, including a section on public notification. Rich Grost will distribute the final plan to the RCC with these changes. A draft monitoring plan will be made available to the Technical Workgroup and RCC soon for review and comments. PacifiCorp has also drafted the DSL/ACOE joint permit application. In order to step up the permit application process, four (ODFW's letter also included support from OWRD, so five agencies have expressed support via letter) agencies have provided letters of support to PacifiCorp to include with the application.

NEPA PROCESS FOR GRAVEL AUGMENTATION

John Sloan reported that Categorical Exclusion would not be applicable for the gravel augmentation project and that the NEPA process is behind schedule. As a result, the pulse test of gravel cannot be implemented this year. He proposed that the RCC approve completion of both the gravel augmentation and habitat enhancement projects under the same NEPA document to provide a more cost effective and efficient process. The RCC concurred that a dual NEPA process be undertaken, and regretfully agreed that the Gravel Augmentation pulse test must be rescheduled for August 2004.

To avoid future NEPA delays, a subgroup with representatives from the Forest Service, PacifiCorp, NMFS and Fish and Wildlife Service was assigned to develop a new schedule and responsibilities for approval at the next RCC meeting on August 7th. On behalf of the RCC, Lois Schwennesen will draft formal notification to the parties regarding the delay and change in schedule.

STREAM GAUGING PLAN

Rich Grost reported on the progress of the Stream Gauging Plan. At Lemolo 1 it was discovered that under certain flow release scenarios the newly installed stream flow gauge on the outlet pipe at the base of the dam, indicated that minimum flow violations were occurring even when the river had plenty of water. All members of the TWG, as well as USGS, approved a new in-river gauge compliance point. Several members will view the point on a June 2nd field trip to this location. Finalization of the Gauging Plan will continue once development of the new compliance point is complete. The Gauging Technical Workgroup also had a site tour on April 15th to look at and verify the quality of all the bypass reach gauge site locations and installations in Lemolo 1.

Rich reported that the TWG discussed two outstanding issues regarding what to include in the long term Gauging Plan. The TWG agreed it would not be necessary for USGS to complete the ratings procedures and that meeting USGS standards for the gauging records is sufficient. Secondly, the group discussed whether or not full flow readings would be necessary as part of the Gauging Plan (Settlement Agreement Section 5.5). There were significant differences in the interpretation of Section 5.5 between PacifiCorp and the agencies and a resolution is still pending. ODFW, USFWS, and USFS are developing a letter to PacifiCorp outlining their proposed recommendations for gauging requirements. Dennis Belsky will provide the DEQ 401 Certification gauging requirements to the RCC in writing for consideration. PacifiCorp will review the agencies' letter and the 401 Certification requirements and will determine whether or not another approach may meet PacifiCorp's and the other parties' needs.

If no solution emerges, Rich Grost will draft a 1-page issue paper summarizing PacifiCorp's interpretation of the Settlement Agreement and recommendation, John Sloan will draft a 1-page issue paper summarizing the agencies' viewpoints, and Lois Schwennesen will combine the two into one document for review and discussion by the Policy Group.

ANNUAL REPORT

Diane Barr announced that the text version of the annual report would be distributed to the RCC by Friday, May 30th for their 30-day review and comments by email. PacifiCorp plans to forward the report to FERC by July 7th.

EXPENDITURES APPROVAL CYCLE

Diane Barr reviewed PacifiCorp's process for expenditure approval and presented Beth Bendickson of PacifiCorp as the coordinator for invoice processing and routing.

2002-2003 EARLY IMPLEMENTATION PROJECTS

Diane Barr reported on the status of 2002 and 2003 Early Implementation Projects. A balance of \$54,792.33 remained available for allocation, including the carryover amount from 2002 projects and adjustments from 2003 project estimates. Additional allocations were made as follows:

- The RCC authorized Ken Homolka and Diane Barr to select a culvert that falls within the \$30,000 budget estimate and meets the intent of previous RCC discussions.
- The RCC allocated \$20,000 toward the Lemolo 2 Side Cast Removal project
- The RCC agreed to allocate the remaining ~\$5,000 funds to gravel augmentation.
- The RCC agreed that any left over amount remaining in the allocation fund after completion of these projects would be applied toward the Lemolo 2-27 culvert project.

RCC members acknowledged that the 2003 tributary connection projects would cover the design work only. The group noted the need to separate culvert work from landslide remediation work in the contract when an additional landslide occurs on an erosion site.

RCC members unanimously agreed to accept and close the 2002 projects as of May 28th. The RCC approved the reallocation of funds as of the May 28 meeting date and as stated above in the draft (not yet final) meeting notes. The closing of the 2002 projects will include a note that future improvements to the construction of wildlife bridges, such as covers, would also apply to the 2002 project bridges.

RCC members tasked the Early Implementation Technical Workgroup with evaluating potential projects for 2004 and proposing a 2004 Early Implementation project list for approval at the next RCC meeting on August 7th.

PUBLIC OUTREACH OPPORTUNITY

Diane Barr reported on an opportunity for RCC members to speak at the Chamber of Commerce Forum. Diane will email potential dates to the group for scheduling.

RCC Conference Call: July 7, 2003, 1:00 pm – 3:30pm

Agenda Topics to date:

- Report from subgroup on a combined NEPA process; RCC to adopt August 7
- Discuss and approve Stream Gauging Section 5.5 issue paper
- Report on Stillwater budget
- Report on NOAA Fisheries role on RCC and Ken Phippen's authority.
- Accept Annual Report

Next RCC Meeting: August 7, 2003, 9:00 am – 4:00 pm, ODFW, Roseburg.

Agenda Topics to date:

- Adopt NEPA action plan and schedule
- Approve Habitat Restoration/Creation Feasibility Report
- Report on the progress of Stream Gauging Section 5.5
- Respond to 2004 Early Implementation projects proposal

Adjourned

APPENDIX D

**Settlement Agreement Amendment No. 1
and Explanatory Statement**



November 1, 2002

VIA OVERNIGHT MAIL

Ms. Magalie R. Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: North Umpqua Hydroelectric Project (P-1927-008); Amendment to the
North Umpqua Hydroelectric Project Settlement Agreement**

Dear Ms. Salas:

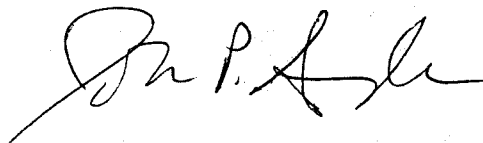
On behalf of the North Umpqua Hydroelectric Project Settlement Agreement ("the Settlement Agreement" or "the Agreement") parties, PacifiCorp transmits the following Amendment No. 1 for inclusion in the Commission's relicensing process. The parties request that the Commission include this amendment in the Commission's forthcoming National Environmental Policy Act analysis concerning project relicensing.

Since execution of the June 13, 2001, Settlement Agreement, the parties have commenced implementing various sections of this Agreement. During this process of implementation, the parties identified new information that warrants revisions to the June 13, 2001, Agreement. The enclosed Amendment No. 1 revises and modifies sections 5.1, 7.1, 7.2, and 8.3 of the Agreement. The Parties have revised these Agreement sections consistent with the parties' original goals and objectives as expressed in the June 13, 2001, Settlement Agreement and related documents.

Within the next 30 days, the parties intend to file with the Commission an explanatory statement supporting this amendment. As described in the amendment itself, to the extent necessary, each party will amend or supplement its existing terms, conditions, and recommendations regarding project relicensing consistent with this amendment.

We appreciate the Commission's patience in this matter. Please feel free to contact me at (503) 813-6688 if you have any questions concerning this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "John Sample", written in a cursive style.

John Sample
Senior Counsel, Hydropower
PacifiCorp

Enclosure

Cc: North Umpqua Settlement Agreement Parties
Service List
John Smith, FERC

**AMENDMENT NO. 1 TO THE
SETTLEMENT AGREEMENT
CONCERNING THE RELICENSING OF THE
NORTH UMPQUA HYDROELECTRIC PROJECT
FERC PROJECT NO. 1927-008
DOUGLAS COUNTY, OREGON**

This AMENDMENT NO. 1 TO THE JUNE 13, 2001, NORTH UMPQUA HYDROELECTRIC PROJECT SETTLEMENT AGREEMENT ("the Agreement") is made as of November 1, 2002, ("the Amendment Date") by and among PacifiCorp, an Oregon corporation; USDA Forest Service ("USDA-FS"); USDI Fish and Wildlife Service ("USFWS"); USDI Bureau of Land Management ("BLM"); National Marine Fisheries Service ("NMFS"); Oregon Department of Environmental Quality ("ODEQ"); Oregon Department of Fish and Wildlife ("ODFW"); and Oregon Water Resources Department ("OWRD"), each referred to individually as a "Party" and collectively as the "Parties." Parties other than PacifiCorp may be referred to collectively as the "Governmental Parties."

RECITALS

A. The Parties entered into a Settlement Agreement dated June 13, 2001. Section 8.3 of the Settlement Agreement provides that PacifiCorp shall prepare and implement a feasibility assessment, implementation plan, and monitoring plan concerning the restoration of spawning habitat in the Soda Springs bypass reach, subject to the agreed upon minimum flow regime and the natural constraints of the river channel (the "Soda Springs Bypass Reach Alluvial Restoration Project"). Approximately 5,000 to 15,000 square feet of spawning habitat was intended to be restored or created in this area. Analysis by PacifiCorp reviewed by the Governmental Parties now suggests that only about 1,200 to 1,500 square feet of spawning habitat can be restored or created in the Soda Springs bypass reach.

B. In view of the natural limitations of the Soda Springs bypass reach, the Parties are willing to expand the area considered for habitat projects. The work required under the amended section 8.3 would restore or create spawning habitat in the Soda Springs bypass reach and in additional locations below Soda Springs Dam.

C. Certain provisions of sections 5.1, 7.1, and 7.2 of the Agreement are related to implementation of the amended section 8.3. The Parties have revised these Agreement provisions consistent with the Parties' original goals and objectives as expressed in the June 13, 2001, Settlement Agreement.

NOW, THEREFORE, the Parties agree as follows:

1. Section 5.1 of the Agreement is amended by striking the last sentence and replacing with the following: "Commencing on September 1, 2003, PacifiCorp shall increase the minimum instream flow in the Soda Springs bypass reach to 95 cfs. Commencing on September

1, 2005, PacifiCorp shall increase the minimum instream flow in the Soda Springs bypass reach to 275 cfs for the term of the New License.”

2. Section 7.1 of the Agreement is amended, in the first sentence, by striking “until completion of the Soda Springs Bypass Reach Alluvial Restoration Project required under section 8.3 of this Agreement” and replacing with “until December 31, 2004” and is amended, in the second sentence, by striking “until the commencement of the Soda Springs Bypass Reach Alluvial Restoration Project” and replacing with “until December 31, 2004”.

3. Section 7.2 of the Agreement is struck in its entirety and replaced as follows:

7.2 Gravel Augmentation Program. Upon the Amendment Date, PacifiCorp shall commence preparing an implementation plan and monitoring plan to provide gravel augmentation below Soda Springs Dam to address the geomorphic effects of reduced sediment load below Soda Springs Dam. PacifiCorp shall prepare these plans in consultation with the USDA-FS, ODFW, NMFS, and USFWS (collectively, for purposes of this section 7.2, “the Agencies”), and shall obtain Agency approvals before finalizing such plans. This gravel augmentation program will be implemented with oversight from the Resource Coordination Committee (RCC) created under section 21.1 of the Agreement. Disputes concerning section 7.2 shall be resolved in accordance with section 21.2 of the Agreement. As discussed in sections 7.2.3 and 7.2.4 below, the Parties agree that in the event the cost of this program exceeds \$227,500, additional funding may be made available to implement this program through the use of the USDA-FS Mitigation Fund.

7.2.1 Implementation Plan. Within 90 days from the Amendment Date, PacifiCorp shall complete a draft Implementation Plan to provide gravel augmentation below Soda Springs Dam. The plan may take into consideration locations of existing facilities and sources and quantities of gravel. The Agencies shall complete a technical review of the draft Implementation Plan and provide any comments to PacifiCorp within 30 days of its receipt. PacifiCorp shall finalize the draft plan within 30 days from receipt of all Agency comments and provide copies of the final plan to each Agency and FERC. The final Implementation Plan shall provide for a one time pulse of about 4,000 tons of gravel by PacifiCorp below Soda Springs Dam in the Fall of 2003, unless otherwise agreed by the RCC. Thereafter, gravel augmentation will occur in accordance with the terms and schedule of the final Implementation Plan. An estimated 20 tons of gravel is anticipated to augment each of up to five sites about seven times during the term of the New License, unless otherwise agreed by RCC.

7.2.2 Monitoring Plan. Within 60 days from the completion of the final Implementation Plan required under section 7.2.1 above, PacifiCorp shall complete a draft Monitoring Plan for this gravel augmentation program. The Agencies shall complete a technical review of the Monitoring Plan and provide any comments to PacifiCorp within 30 days of its receipt. PacifiCorp shall revise and finalize the draft Monitoring Plan within 30 days from receipt of all Agency comments, and provide copies of the final plan to each Agency and FERC.

7.2.3 PacifiCorp Funding and Accounting. PacifiCorp shall fund actions taken pursuant to section 7.2 in an amount not to exceed \$175,000 in 2002 dollars (subject to section 22.4.4 of the Agreement). Such actions include, but are not limited to, the planning, design, permitting, construction, and monitoring of gravel augmentation measures required under section 7.2. In the event the cost of this program is less than \$175,000, PacifiCorp shall retain remaining funds at the expiration of the New License and all subsequent annual licenses. In the event the cost of this program exceeds \$175,000, PacifiCorp shall fund actions taken pursuant to section 7.2 in an amount not to exceed \$227,500 in 2002 dollars (subject to section 22.4.4 of the Agreement). PacifiCorp shall file with FERC and each Agency a written annual report describing amounts disbursed for projects conducted pursuant to section 7.2, and funded pursuant to section 7.2.3. Upon request, PacifiCorp shall provide additional supporting documentation to the requesting Agency regarding its disbursements.

7.2.4 USDA-FS Funding. In the event the cost of actions required under section 7.2 exceeds PacifiCorp's funding limit of \$227,500, additional funding may be made available through the use of the USDA-FS Mitigation Fund created under section 19.3 of the Agreement. Such additional funding may be made available upon an agreement by the RCC that such funding is necessary to achieve that Governmental Parties' ecological goals and objectives with respect to gravel augmentation below Soda Springs Dam.

4. Section 8.3 of the Agreement is struck in its entirety and replaced as follows:

8.3 North Umpqua River Habitat Restoration/Creation Project. Upon the Amendment Date, PacifiCorp shall commence preparing a feasibility assessment, implementation plan, and monitoring plan, as required below, for the restoration or creation of salmonid spawning habitat in the Soda Springs bypass reach and mainstem North Umpqua River and its tributaries, below Soda Springs Dam. PacifiCorp shall prepare these plans in consultation with the USDA-FS, ODFW, NMFS, and USFWS (collectively, for purposes of this section 8.3, "the Agencies"), and shall obtain Agency approvals before finalizing such plans. Such Agency approvals may include, if appropriate, a section 7 determination under the Wild and Scenic Rivers Act by the USDA-FS and BLM.

8.3.1 Feasibility Assessment. Within 90 days from the Amendment Date, PacifiCorp shall submit to the Agencies for technical review a draft assessment analyzing the feasibility, costs, and benefits of restoring or creating spawning habitat at various locations in the North Umpqua River and its tributaries, below Soda Springs Dam. The Agencies shall complete a technical review of the draft feasibility assessment and provide any comments to PacifiCorp within 30 days from its receipt. PacifiCorp shall finalize the draft feasibility assessment within 30 days from receipt of all Agency comments, and provide copies of the final feasibility assessment to each Agency and the Federal Energy Regulatory Commission ("FERC").

8.3.2 Implementation Plan. Within 90 days from the completion of the final feasibility assessment required under section 8.3.1 above, PacifiCorp, shall complete a draft implementation plan for habitat restoration or creation. Habitat will be designed to

function within the applicable flow regimes identified in Appendix C, Tables 1 and 2 of the Agreement, including the seasonal high flows expected for applicable reaches, and will take into consideration locations of existing facilities and sources and quantities of gravel necessary to maximize and sustain spawning habitat, subject to the funding limitations described below under section 8.3.5. The Agencies shall complete a technical review of the draft implementation plan and provide any comments to PacifiCorp within 30 days of its receipt. PacifiCorp shall finalize the draft plan within 30 days from receipt of all Agency comments and provide copies of the final plan to each Agency and FERC. Upon completion of the baseline habitat survey required by section 8.3.4 below, PacifiCorp shall perform the habitat restoration or creation measures in accordance with the terms and schedule of the final Implementation Plan.

8.3.3 Monitoring Plan. Within 120 days from the completion of the final Implementation Plan required under section 8.3.2 above, PacifiCorp shall complete a draft monitoring plan for this habitat restoration/creation project, including measures necessary to estimate the quality and quantity of spawning habitat created or restored. The Agencies shall complete a technical review of the monitoring plan and provide any comments to PacifiCorp within 30 days of its receipt. PacifiCorp shall revise and finalize the draft monitoring plan within 30 days from receipt of all Agency comments, and provide copies of the final plan to each Agency and FERC. As portions of the habitat restoration or creation measures are completed, PacifiCorp shall implement the monitoring plan for those portions to assess whether the estimated quantity and quality of spawning habitat is being restored or created as a result of this habitat restoration/creation project. Evaluation of the quality and quantity of spawning habitat shall include habitat characteristics such as patch area, patch depth, spawning gravel substrate size, amount of fine sediment, and appropriate hydraulic conditions such as intergravel flow to provide adequate dissolved oxygen to salmonid eggs. This evaluation will be conducted by a technical committee of the Resource Coordination Committee.

8.3.4 Baseline Habitat Survey. PacifiCorp shall, in consultation with the Agencies, conduct a baseline habitat survey of current spawning habitat at the selected habitat restoration or creation sites, under existing flow and channel conditions. The baseline survey shall commence within 60 days from the completion of the finalization of the Implementation Plan required under section 8.3.2 above, or as agreed in writing by PacifiCorp and the Agencies. The baseline survey shall be completed prior to initiation of in-water construction of habitat restoration or creation measures. The final results from the baseline habitat survey shall be submitted to each Agency and FERC.

8.3.5 Funding and Accounting. PacifiCorp shall fund actions taken pursuant to section 8.3 in an amount not to exceed \$410,000 in 2002 dollars (subject to section 22.4.4 of the Agreement). Such actions include, but are not limited to, the planning, design, permitting, construction, monitoring, and ongoing maintenance (including gravel augmentation) of habitat restored or created pursuant to section 8.3. PacifiCorp shall file with FERC and each Agency a written annual report describing amounts disbursed for projects conducted pursuant to section 8.3. Upon request, PacifiCorp shall provide

additional supporting documentation to the requesting Agency regarding such disbursements.

8.3.6 Completion. PacifiCorp shall complete habitat restoration or creation measures conducted pursuant to this amended section 8.3, except for ongoing monitoring and gravel augmentation, by December 31, 2004.

5. Appendix A of the Agreement, row commencing "7.1 Ongoing Gravel Augmentation below Soda" is amended by striking "2003" in the fourth column of this row entitled "End Date" and replacing with "2004". Appendix A of the Agreement, row commencing "7.2 Gravel Augmentation for Soda Alluvial Restoration Project" is amended by striking "for Soda Alluvial Restoration Project" in the second column entitled "Measure", and by striking "2004" in the third column of this row entitled "Start Date" and replacing with "2003". Appendix A of the Agreement, row commencing "8.3 Soda Habitat Enhancement Project" is amended by striking "Soda Habitat Enhancement" in the second column entitled "Measure" and replacing with "North Umpqua River Habitat Restoration/Creation Project," and by striking "2003" in the fourth column of this row entitled "End Date" and replacing with "2004". Appendix A of the Agreement, row commencing "8.3.4 Soda Baseline Habitat Survey" is amended by striking "Soda" in the second column entitled "Measure" and replacing with "North Umpqua River," and by striking "2002" in the fourth column entitled "End Date" and replacing with "2003".

6. Except as expressly amended by the previous sections, the Agreement remains in full force and effect as executed on June 13, 2001.

7. Within 30 days from the Amendment Date, the Parties shall file with FERC a joint statement outlining the purpose and need for this Amendment, and the benefits of measures to be conducted pursuant to this Amendment. Further, as appropriate, the Parties shall revise their respective comments, terms, conditions, and prescriptions consistent with the requirements of this Amendment, and file such revisions with the Commission.

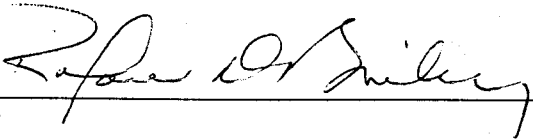
8. Each signatory to this Amendment certifies that he or she is authorized to execute this Amendment and to legally bind the Party he or she represents, and that such Party shall be fully bound by the terms hereof upon such signature without any further act, approval, or authorization by such Party.

9. This Amendment may be executed in any number of counterparts, and each executed counterpart shall have the same force and effect as an original instrument as if all the signatory Parties to all of the counterparts had signed the same instrument. Any signature page of this Amendment may be detached from any counterpart of this Amendment without impairing the legal effect of any signatures, and may be attached to another counterpart of this Amendment identical in form having attached to it one or more signature pages.

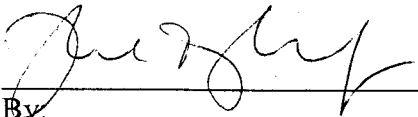
PacifiCorp

By: William Egan

Oregon Water Resources Department

By: 

Oregon Department of Environmental Quality

By: 

CERTIFICATE OF SERVICE

I certify that I have served, by U.S. Mail the foregoing document(s) upon each person designated on the official service list compiled by the Secretary of this proceeding.

In addition to the service list I also served the following:

John Smith, FERC, 888 First Street NE, Washington, DC 20426
Lois Schwennesen, PO Box 2638, Vashon Island, WA 98070
Roma Call, 4307 Second Ave NE #1, Seattle, WA 98105
Craig Tuss, US FWS, 2900 NW Stewart Parkway, Roseburg, OR 97470

North Umpqua Settlement Agreement Parties:

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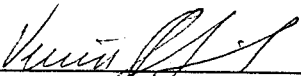
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Dated at Portland, Oregon this 1st day of November, 2002.



Veronica Stofiel
Licensing Project Coordinator
PacifiCorp

**EXPLANATORY STATEMENT FOR
AMENDMENT NO. 1 TO THE
NORTH UMPQUA HYDROELECTRIC PROJECT SETTLEMENT AGREEMENT
FERC Project No. 1927-008**

1. INTRODUCTION

Pursuant to the Federal Energy Regulatory Commission's ("FERC") regulations, PacifiCorp ("PacifiCorp" or "Licensee") is submitting this Explanatory Statement on behalf of the settlement parties which describes the rationale behind agreed-upon terms in Amendment No. 1 to the North Umpqua Settlement Agreement.¹

In 1995, PacifiCorp filed with FERC an application for a new license (the "New License") for the North Umpqua Hydroelectric Project, also known as FERC Project No. 1927-008 (the "Project"). After lengthy discussions between PacifiCorp, state and federal agencies, and various nongovernmental organizations, PacifiCorp submitted an Offer of Settlement describing the terms under which PacifiCorp and the agencies will support FERC's issuance of the New License. The Offer of Settlement includes a Settlement Agreement dated June 13, 2001 (the "Settlement Agreement" or "the Agreement"), among PacifiCorp, an Oregon corporation; USDA Forest Service ("USDA-FS"); USDI Fish and Wildlife Service ("USFWS"); USDI Bureau of Land Management ("BLM"); National Marine Fisheries Service ("NMFS"); Oregon Department of Environmental Quality ("ODEQ"); Oregon Department of Fish and Wildlife ("ODFW"); and Oregon Water Resources Department ("OWRD"), referred to collectively as the "Settlement Parties" or "the Parties."

On November 1, 2002, PacifiCorp, on behalf of itself and the other Settlement Parties, filed Amendment No. 1 to the Settlement Agreement, amending and modifying sections 5.1, 7.1, 7.2, and 8.3 of the Settlement Agreement ("the Amendment"). The purpose of this Explanatory Statement is to summarize the basis for the Amendment. Nothing in this Explanatory Statement is intended to modify the terms of Amendment No. 1 or the Settlement Agreement. The USDA-FS, BLM, NMFS, USFWS, ODEQ, ODFW, and OWRD, collectively, "the Governmental Parties," intend to submit final terms, conditions, and prescriptions consistent with this Amendment. In the event this Amendment is rejected or materially altered by FERC or through subsequent litigation, the Parties will employ dispute resolution procedures contained in the Settlement Agreement to resolve inconsistencies.

The Settlement Parties resubmit that the Settlement Agreement and this Amendment are fair and reasonable and in the public interest within the meaning of FERC Rule 602, 18 C.F.R. § 385.602(g)(3), for the following reasons:

¹ On December 9, 2002, a group of non-governmental organizations ("the NGOs") submitted a letter to FERC objecting to the Amendment. A number of the comments contained in the NGO letter reflect an incomplete understanding of measures contemplated by the Amendment. The Parties address many of these objections in this Explanatory Statement.

- (1) The Settlement Agreement and Amendment contain specific measures that will substantially improve environmental conditions in the Umpqua River Watershed;
- (2) The Settlement Agreement and Amendment provide that certain important resource protection measures will be implemented immediately, providing immediate benefit to fish and other natural resources;
- (3) The Settlement Agreement and Amendment provide for various interests and waterway uses, including power production and natural resource values; and
- (4) The Settlement Agreement and Amendment establish a process for the Parties to collaborate to manage and enhance natural resources in the Umpqua River Watershed throughout the term of the New License.

For these reasons, the Parties request that FERC accept and incorporate, without material modification, as license articles in the New License all relevant provisions of the Settlement Agreement, the Amendment, and the provisions of Governmental Parties' Final Terms and Conditions filed with FERC in connection with the Settlement Agreement and this Amendment.

2. BACKGROUND AND NEED FOR AMENDMENT

Section 8.3 of the Settlement Agreement, entitled the "Soda Springs Bypass Reach Alluvial Restoration Project," provides for the restoration of spawning habitat in the Soda Springs bypass reach. Section 8.1 of the Agreement states that in carrying out actions under section 8.3, PacifiCorp shall maximize spawning habitat in areas described within section 8.3, with a priority on chinook salmon spawning, given the natural constraints of the river channels.

Upon submittal of the Settlement Agreement, the Settlement Parties began implementing section 8.3 of the Agreement in accordance with its terms and schedules. Section 8.3.1 of the Settlement Agreement requires PacifiCorp to prepare a study plan analyzing the feasibility, costs, and benefits of this restoration measure. Section 8.3.4 of the Settlement Agreement requires PacifiCorp to prepare a baseline habitat survey of areas within the Soda Springs bypass reach to evaluate the benefit of habitat restoration efforts in this reach. In accordance with the terms of the Settlement Agreement, in late 2001 PacifiCorp began collecting field data to prepare a baseline habitat survey. Baseline spawning habitat conditions, as well as channel topography and hydraulic conditions, were assessed within the Soda Springs bypass reach (Stillwater Sciences 2002a; Stillwater Sciences 2002b). The results and conclusions derived from these assessments are summarized below. Based upon these results, the Settlement Parties conclude that the Parties' original goals and objectives with respect to section 8.3 of the Settlement Agreement can not be satisfactorily met due to natural river constraints in the Soda Springs bypass reach.

2.1 Reach Description

The Soda Springs enhancement reach is located within the mainstem Soda Springs bypass reach and extends from the Soda Springs powerhouse upstream approximately 210 m (700 ft). The

reach was selected as a potential enhancement area due to the relatively unconfined channel morphology of the reach, which is uncommon in the mainstem North Umpqua River (Stillwater Sciences 1998). The channel width in this reach averages approximately 110 m (350 ft), compared with channel widths of approximately 40 m (130 ft) upstream and downstream of the enhancement reach. On signing the Settlement Agreement, the Parties believed that the relatively unconfined channel morphology in this reach would allow the channel to be manipulated to increase storage of spawning gravels in this reach.

The enhancement reach does not currently provide any significant spawning habitat. The channel bed is dominated by large boulders and bedrock outcrops, and gravel deposits suitable for spawning are absent. Several reasons exist for the lack of spawning habitat in this reach. The most important constraint is the steep channel slope, which averages five percent through the study reach. Channels this steep do not typically retain gravel because of the high shear stresses generated during even moderate discharge events. A second constraint is the frequency of high discharges from natural storm events that are released through the dam spillway, which for example exceed 5,000 cfs every other year on average. Frequent high discharges, in combination with the steep channel slope, make it especially difficult to create stable gravel deposits, and to satisfy flow and velocity requirements suitable for spawning. Due to the steep channel slope and frequent high discharges, the study reach likely did not provide spawning habitat under historical (pre-project) conditions. The enhancement reach is bounded on both banks by deep-seated landslides that supply the boulders that dominate the channel bed. The steep channel slope predates the dam construction, and is partly responsible for the location of the dam and bypass reach.

2.2 Methods of Reach Evaluation

In August 2001, Stillwater Sciences conducted a detailed topographic survey of the study reach using a laser total station, tied to permanent survey benchmarks on the dam, penstock, and powerhouse (Stillwater Sciences 2002a). A network of semi-permanent benchmarks was established throughout the study reach for use in any subsequent channel modification construction work. Stillwater Sciences mapped the significant geomorphic features, such as the principal base flow pathways, bank full channel boundaries, boulders large enough to create localized eddies of diminished velocity or gradient, and large woody debris, and characterized the channel substrate materials. These field observations were used in combination with salmonid spawning habitat criteria to examine the potential for habitat enhancement. Spawning salmonids require extensive deposits of well-sorted gravel in which to build their redds. In addition, the flow velocity must be sufficient (> 1 ft/s) to maintain flow through the surface gravel but not so great (< 3 ft/s) as to prevent redd construction. The water depth must be greater than 0.8 ft to provide sufficient hydraulic head, and the gravel deposit must be greater than 2 ft deep to allow for redd construction. Furthermore, the gravel must remain immobile throughout the incubation period, otherwise redds will be destroyed before the eggs can hatch.

Baseline spawning habitat conditions were assessed on September 4 and 5, 2001, in the Soda Springs enhancement reach (Stillwater Sciences 2002a). Flows in the Soda Springs bypass reach were approximately 40 cfs ($1.1 \text{ m}^3/\text{s}$) during the survey. Potentially suitable spawning patches were identified in the field by Science Team members and their suitability was assessed based on

area, depth, velocity, particle size, hydraulics, and other physical characteristics of the patches. On the first day of each survey, members of the Science Team conducted a walking survey of the reach and identified all spawning gravel patches considered to be potentially suitable for chinook salmon and/or steelhead. For each patch, the team determined the extent of the patch (including division of patches into subpatches where different substrate facies were evident) and whether each patch was most likely suitable for chinook salmon and/or steelhead. A qualitative ranking of overall suitability from 1 (poor) to 10 (good) was assigned to each subpatch based on an overall impression of physical patch characteristics (e.g., depth, velocity, particle size, hydraulics). Only patches considered potentially suitable for spawning under flows proposed in the Settlement Agreement (i.e., 275 cfs [7.79 m³/s] in the Soda Springs bypass reach were included.

Additional information regarding baseline quality and quantity of spawning habitat in the enhancement reaches was measured by Stillwater Sciences subsequent to each initial survey. For each patch identified by the survey team, a sketch of each patch was made to scale and used to calculate patch area. Photographs and video documentation were used to supplement data collection. The following physical parameters were measured for each patch and/or subpatch to evaluate the quality of the patches:

- D₅₀,
- Sorting (very well sorted, well sorted, moderately sorted, poorly sorted, very poorly sorted)
- Angularity (very angular, angular, sub-angular, sub-rounded, rounded, well rounded)
- Estimate of patch substrate depth
- Water depth
- Distance from wetted channel under current conditions
- Causal mechanism of patch formation.

Substrate permeability was measured within each patch and/or subpatch (when possible) at a depth of 23 cm (0.75 ft) using a modified Mark VI standpipe (Terhune 1958, Barnard and McBain 1994) to quantify intergravel flow conditions. Egg-to-emergence survival based on gravel permeability was predicted for each location where permeability was measured, based on a relationship developed from studies by Tagart (1976) using coho salmon, and McCuddin (1977) using chinook salmon.

2.3 Soda Springs Bypass Reach Evaluation Results

Results from hydraulic calculations suggest that channel slope should not be steeper than 0.007 and discharge per unit width should be at least 0.8 ft²/s to have potential spawning habitat in the lower bypass reach within normal flow conditions (i.e., areas without flow obstructions). The current channel has a slope of more than 0.05, except in a very short reach (120 ft) at the upstream end (the “upper base-flow reach”), and thus does not provide potential spawning habitat under current conditions, even with adequate gravel supply. These calculations indicated that the limiting factors for potential spawning habitat are water depth and flow velocity for low-flow conditions, and flow velocity for high-flow conditions. Small patches in the lee of boulders where normal flow conditions do not occur could support conditions favorable for spawning. These areas were addressed during the baseline habitat survey (Stillwater Sciences 2002a).

Baseline habitat evaluations indicate a total of seven potential spawning gravel patches (composed of 12 subpatches) in the Soda Springs bypass reach. In general, patches in this reach were small, occurred as thin layers, and had poor to fair suitability. Subpatch area ranged from 0.5 to 20.1 m² (5.4 to 216 ft²) and averaged 4.2 m² (45 ft²). Three subpatches (in two patches) were identified as being potentially suitable for chinook salmon, and 11 subpatches (in seven patches) were identified as being potentially suitable for steelhead. No patches in this reach were identified as having “good” suitability for either chinook salmon or steelhead. All patches and subpatches were associated with boulders that led to patch formation.

Substrate permeability was measured at three locations within the reach. Since only one of the seven patches was completely submerged at the time of the survey, few permeability samples could be collected in this reach. Two of the permeability samples were collected adjacent to Patch 3 where suitable sample sites were available in patches that were too small to be classified as being suitable for spawning. Results of the permeability sampling effort indicate that permeability varied substantially among locations. Predicted egg-to-emergence survival for the three locations sampled was 35%, 55%, and 59%.

2.4 Conclusions Regarding the Soda Springs Bypass Reach Evaluation

As discussed in section 8.1 of the Settlement Agreement, PacifiCorp is required under section 8.3 to maximize spawning habitat for anadromous fish in the Soda Springs bypass reach, with a priority on chinook salmon spawning, subject to natural constraints of the river channel. As discussed in section 8.3 of the Settlement Agreement, the Settlement Parties intended that approximately 5,000 to 15,000 square feet of spawning habitat would be created or restored in the Soda Springs bypass reach, subject to the provisions of section 8.1.

Based upon fieldwork and analysis conducted after the signing of the Settlement Agreement, the Settlement Parties conclude that the Parties’ original goals and objectives with respect to section 8.3 of the Settlement Agreement would not be satisfactorily met due to natural river constraints in the Soda Springs bypass reach. The Parties found this site was not an alluvial site and through detailed physical surveys and hydrological modeling, found the channel gradient to be too steep to hold significant amounts of spawning gravel. Available data indicate that due to the steep gradient and existing channel configuration in the Soda Springs bypass reach, coupled with anticipated stream velocities in this area, only about 1,500 square feet of spawning habitat could be created or restored in this reach. In view of these circumstances, the Settlement Parties agreed to devise an alternative strategy for addressing the Parties’ habitat goals as they relate to section 8.3 of the Settlement Agreement.

2.5 Related Agreement Sections

After concluding that revisions to section 8.3 of the Settlement Agreement were warranted, the Settlement Parties commenced a detailed review of the Settlement Agreement to ascertain what, if any, related sections required amendment in view of contemplated changes to section 8.3. The Settlement Parties determined that sections 5.1, 7.1, and 7.2 required amendment as a result of amendments to section 8.3.

Section 5.1 of the Settlement Agreement states that “PacifiCorp shall implement Table 1 flows for the Soda Springs bypass reach in 2003, upon completion of the Soda Springs bypass alluvial restoration project in accordance with Section 8.3 of this Agreement.” The Parties agree that the requirement for increasing bypass reach flows upon completion of measures conducted pursuant to section 8.3 necessitates amending section 5.1 to clarify when, and in what amount, instream flows could be increased in view of changes to measures contained in section 8.3.

Section 7.1 of the Settlement Agreement states that “PacifiCorp shall continue the ongoing gravel augmentation below Soda Springs dam until completion of the Soda Springs Bypass Reach Alluvial Restoration Project required under Section 8.3 of this Agreement.” The Settlement Parties agree that the requirement for continued ongoing gravel augmentation below Soda Springs dam until completion of measures conducted pursuant to section 8.3 necessitates amending section 7.1 to clarify the nature and timing of gravel augmentation required in view of changes to measures contained in section 8.3.

Section 7.2 of the Settlement Agreement states that beginning in 2004, “PacifiCorp shall provide gravel augmentation in coordination with the Soda Springs bypass reach alluvial restoration project after consulting with the USDA-FS, ODEQ, NMFS, USFWS, and ODFW, regarding the quantity, quality, and timing of gravel augmentation.” The Settlement Parties agree that the requirement that gravel augmentation be provided in coordination with measures conducted pursuant to section 8.3 necessitates amending section 7.2 to clarify the nature and timing of gravel augmentation required in view of changes to measures contained in section 8.3.

3. DISCUSSION OF AND RATIONALE FOR AGREEMENT AMENDMENTS

As an alternative to the Soda Springs bypass reach enhancements contemplated in the Settlement Agreement, the Settlement Parties have agreed to (1) devise an alternative habitat restoration/creation program and schedule of bypass reach flow augmentation that will maximize usable spawning habitat for anadromous fish, with a priority on chinook salmon spawning, given the natural constraints of the river channels; and (2) devise a gravel augmentation program in view of amendments to section 8.3 of the Settlement Agreement to enhance habitat downstream from Soda Springs dam.

3.1 North Umpqua River Habitat Restoration/Creation Project (Amendment Section 4; Settlement Agreement Section 8.3)

Numerous studies conducted during the watershed analysis and subsequent investigations provide the technical basis for determining the effects of the Project and the expected effectiveness of the spawning habitat enhancement measures contained in the Settlement Agreement (PacifiCorp 2001b). Investigations conducted to assess spawning gravel availability and redd superimposition indicate that spawning gravel availability in the main-stem North Umpqua River limits spring chinook salmon production in the basin.

A summary of issues related to anadromous salmonid habitat in the main-stem North Umpqua River is provided in Section 7 of the Synthesis Report (“Anadromous fish passage and off-site mitigation”). Additional reports concerning anadromous fish spawning habitat include:

- Appendix 7-1 of the Synthesis Report (“Bed substrate mobility in the North Umpqua River, Copeland gauging station”),
- Appendix 7-2 of the Synthesis Report (“Spawning gravel availability and redd superimposition among spring chinook salmon in the North Umpqua River”),
- “Assessment of historical habitat conditions in the reach of the North Umpqua River currently inundated by Soda Springs Reservoir” (Stillwater Sciences 1998),
- “Preliminary assessment of issues related to sediment augmentation at Soda Springs Dam” (Stillwater Sciences 1999),
- “Geomorphic effects of Soda Springs Dam and potential effects on aquatic habitat” (Stillwater Sciences 2000),
- “Potential spawning habitat for anadromous salmonids in the upper reach of Soda Springs Reservoir” (Stillwater Sciences 2000), and
- “Assessment of spawning gravel in the North Umpqua River reach upstream of Slide Creek Dam” (Stillwater Sciences 2000).

In view of the natural constraints existing in the Soda Springs bypass reach, the Parties agree to amend section 8.3 of the Settlement Agreement by striking entirely the previous version of section 8.3, and replace it with a program the focus of which is broader than simply the Soda Springs bypass reach. The amended section 8.3 provides for the restoration or creation of salmonid habitat below Soda Springs dam, both within select areas of the bypass reach, as well as the mainstem North Umpqua below the Soda Springs powerhouse, and tributary areas below Soda Springs powerhouse. Habitat restoration efforts may focus on areas in the upper Soda Springs bypass reach, and areas between Soda Springs dam and Rock Creek that are conducive to such efforts.

Similar to the previous section 8.3, the amended section 8.3 requires PacifiCorp to prepare a feasibility assessment, implementation plan, and monitoring plan in conjunction with the Agencies as part of this habitat restoration project. Further, prior to initiation of habitat restoration efforts, PacifiCorp shall prepare a baseline habitat survey of habitat restoration sites to evaluate the benefits of such measures. Aside from ongoing monitoring and gravel augmentation efforts, restoration or creation measures conducted pursuant to amended section 8.3 will be completed by December 31, 2004.

Originally, the Settlement Parties agreed to restore and/or create about 5,000 to 15,000 square feet of salmonid spawning habitat in the Soda Springs bypass reach, subject to the natural constraints of the river channel. However, after conducting preliminary baseline surveys, the Parties determined that only about 1,500 square feet of marginal salmonid spawning habitat could potentially be created in this reach due to limitations arising from the steep gradient and high water velocities. To achieve similar habitat benefits in other areas conducive to habitat restoration, the Parties agree that PacifiCorp will fund habitat restoration projects in an amount not to exceed \$410,000 in 2002 dollars.² This funding level covers all aspects of the habitat

² In arriving at this funding level, the Settlement Parties evaluated the estimated costs of restoring or enhancing spawning habitat in the Soda Springs bypass reach and in other areas downstream from Soda Springs Dam. After reviewing and discussing such estimates, the Settlement Parties concluded that this funding level would

restoration project contemplated in amended section 8.3, including, but not limited to, the planning, design, permitting, construction, monitoring and ongoing maintenance (including gravel augmentation) of habitat restored and/or created.

In establishing PacifiCorp's financial obligation under amended section 8.3, the Parties evaluated a variety of technical information, including (1) the amount of suitable spawning habitat that could be created in the Soda Springs bypass reach given natural constraints; (2) potential habitat restoration/creation at alternative sites; and (3) the estimated cost of habitat restoration measures in the bypass reach and alternative areas. Cost estimates were extrapolated to estimate the cost of providing equivalent habitat benefits in the upper Soda Springs bypass reach and areas downstream from Soda Springs dam, relative to the anticipated benefits of the previous section 8.3. The Parties conclude the resulting financial obligation on the part of PacifiCorp to fund habitat restoration measures associated with amended section 8.3 in an amount not to exceed \$410,000, coupled with the anticipated benefits of amended section 7.2 described below, fully satisfy the Parties' goals, objectives, and legal mandates, as they relate to the previous section 8.3.

3.2 Timing of Instream Flows (Amendment Section 1; Settlement Agreement Section 5.1)

Instream flows are an important component of the physical and ecological processes that influence aquatic and riparian habitat conditions in the North Umpqua basin. Instream flows are discussed in Section 4 of the Synthesis Report (Stillwater Sciences 2001).

Amended section 5.1 strikes the last sentence in the original section 5.1 and replaces that sentence as follows:

Commencing on September 1, 2003, PacifiCorp shall increase the minimum instream flow in the Soda Springs bypass reach to 95 cfs. Commencing on September 1, 2005, PacifiCorp shall increase the minimum instream flow in the Soda Springs bypass reach to 275 cfs for the term of the New License.

Originally section 5.1 of the Settlement Agreement required that instream flows in the Soda Springs bypass reach increase to 275 cfs in 2003, upon completion of habitat restoration activities in this reach. In revising section 5.1 of the Settlement Agreement, the Settlement Parties agree to increase instream flows prior to completion of activities under amended section 8.3 to provide enhanced habitat conditions in this reach. The Settlement Parties agree that increasing flows to 95 cfs by September 1, 2003, will provide increased near-term habitat benefits for spawning salmonids.³ For example, available information indicates that increasing

provide sufficient financial resources to achieve the Parties' original ecological objectives associated with section 8.3 of the Agreement.

³ The NGOs comment in their December 9, 2002, letter that the Settlement Parties provide no explanation why the Amendment alters the timetable for increasing instream flows in the Soda Springs bypass reach. In arriving at the agreement reflected in amended section 5.1, the Parties evaluated the biological benefits of increasing instream flows in the Soda Springs bypass reach prior to completion of habitat restoration actions contemplated under amended section 8.3. The Parties conclude that increasing instream flows in this reach to 95 cfs will provide substantial interim benefits to aquatic species as indicated in Stillwater Sciences (1998), and that increasing instream

instream flows in the Soda Springs bypass reach to 95 cfs increases available weighted usable area (WUA) for spawning spring chinook salmon (PacifiCorp 1995). After carefully considering the potential biological benefits and economic costs of increasing instream flows in this reach, the Parties conclude that increasing instream flows to 95 cfs meet their respective near-term objectives for this reach as originally contemplated in section 5.1.

As with the original section 5.1, the Parties agree to increase instream flows to 275 cfs upon completion of habitat restoration measures in the Soda Springs bypass reach, and in areas below this reach. The Settlement Parties previously determined that increasing instream flows in this reach to 275 cfs would result in substantial benefits to spawning salmonids (PacifiCorp 2001b).

3.3 Continuation of Ongoing Gravel Augmentation until Completion of Habitat Restoration Project under Amended Section 8.3 (Amendment Section 2; Agreement Section 7.1)

Fluvial geomorphic processes influence stream channel morphology and the types and quality of aquatic and riparian habitats found within a watershed. The hydrologic regime, sediment regime, riparian vegetation, and LWD are important components of fluvial geomorphic processes. The watershed analysis examined the effects of the Project, forest management activities, and other land uses on fluvial geomorphic processes, channel morphology, and aquatic and riparian habitats in the North Umpqua River basin. A summary of these analyses is presented in Section 2 of the Synthesis Report (“Fluvial geomorphic processes, channel morphology, and aquatic and riparian habitats”).

The Settlement Parties agree to amend section 7.1 of the Settlement Agreement by striking “until completion of the Soda Springs Bypass Reach Alluvial Restoration Project required by section 8.3 of this Agreement” and replacing it with “until December 31, 2004. The second sentence of section 7.1 is amended by striking “until the commencement of the Soda Springs Bypass Reach Alluvial Restoration Project” and likewise replacing it with “until December 31, 2004.” This amendment results in a requirement for PacifiCorp to continue its existing ongoing gravel augmentation program below Soda Springs dam (consisting of passing 400 cubic yards of gravel per year past the dam at a cost of up to \$5,000 per year) until December 31, 2004.

Originally, the first and second sentences of section 7.1 of the Settlement Agreement, conflicted since the first required PacifiCorp to continue its ongoing gravel augmentation program below Soda Springs dam until completion of measures required by section 8.3 while the second sentence required ongoing gravel augmentation until commencement of measures required by section 8.3. The Parties resolved this inconsistency by agreeing that ongoing gravel augmentation would continue until December 31, 2004, a date corresponding with the completion date of habitat restoration measures under amended section 8.3 (see amended section 8.3.6).

The purpose of the ongoing gravel augmentation program is to continue gravel supplies below Soda Springs dam until completion of habitat restoration measures required by amended section

flows to 275 cfs in this reach is not required until completion of habitat restoration measures contemplated by amended section 8.3, resulting in the creation of additional salmonid spawning habitat in this reach.

8.3. Upon completion of measures under section 8.3, alternative gravel augmentation measures will commence that focus on restored or created habitat areas. Further, as discussed below, upon completion of measures required by amended section 8.3, a more comprehensive gravel augmentation program will commence to enhance habitat below Soda Springs dam.

3.4 Amended Gravel Augmentation Program (Amendment Section 3; Settlement Agreement Section 7.2)

Numerous studies conducted during the watershed analysis and subsequent investigations provide the technical basis for determining the effects of the Project and the expected effectiveness of the measures contained in the Settlement Agreement. Investigations conducted as part of the sediment budget analysis indicates that Project impoundments trap nearly all bed load transported from upstream reaches. Bed load delivery to the Soda Springs bypass reach and the reach from Soda Springs powerhouse to Boulder Creek has been reduced. Available estimates suggest that gravel recruitment has been reduced by about 4,000 tons a year in this area (Stillwater Sciences 1998). The magnitude of bed load supply reductions downstream of Soda Springs dam decreases in a downstream direction between Boulder Creek and Steamboat Creek, due to increased sediment production associated with roads and timber harvest in tributary basins. Downstream of Steamboat Creek, the sediment budget analysis indicates that bedload supply is higher than under pre-project conditions.

Additional investigations (e.g., geomorphic effects analyses) indicate little evidence of substantial change in channel morphology due to Soda Springs dam downstream of Boulder Creek (USDA-FS 1999). Upstream of Boulder Creek, however, the changes were evident as a result of reduction of bed load supply from the upper basin. Similarly, the effects of Soda Springs dam on downstream aquatic habitat are limited to the reaches just below the dam, and there is little evidence of channel change downstream of Boulder Creek (USDA-FS 1999).

Additional reports concerning fluvial geomorphic processes in the watershed include:

- Appendix 2-1 of the Synthesis Report (“Sediment budget report”),
- Appendix 4-1 of the Synthesis Report (“Daily average hydrographs for in-stream flow studies”),
- Appendix 7-1 of the Synthesis Report (“Bed substrate mobility in the North Umpqua River, Copeland gauging station”),
- “Geomorphic effects of Soda Springs Dam and potential effects on aquatic habitat” (Stillwater Sciences 2000),
- “Criteria for evaluation of management alternatives for connectivity at Soda Springs Dam” (Stillwater Sciences 1999),
- “Methods for achieving connectivity at Soda Springs Dam under a dam-in-place scenario” (Stillwater Sciences 1999),
- “Dam-in-place alternative: further responses to questions from the Soda Springs Connectivity Subgroup” (Stillwater Sciences 1999),
- “Summary of existing information related to connectivity at Soda Springs Dam” (Stillwater Sciences 1999), and

- “Preliminary assessment of issues related to sediment augmentation at Soda Springs Dam” (Stillwater Sciences 1999).

Originally, section 7.2 of the Settlement Agreement provided that beginning in 2004, PacifiCorp would provide gravel augmentation in coordination with the previous Soda Springs Bypass Reach Alluvial Restoration Project (previous section 8.3). Implementation of the previous Soda Springs Bypass Reach Alluvial Restoration Project (December 31, 2003) coincided with the initiation of the gravel augmentation program required under the previous section 7.2.

The Settlement Parties discussed at length the purpose and need for a gravel augmentation program below Soda Springs Dam. In doing so, the Settlement Parties designed a gravel augmentation program that meets all of the Parties’ goals and objectives. Below follows a brief summary of an analysis on this subject completed by Stillwater Sciences at the direction of PacifiCorp. A more detailed discussion of this analysis is contained in Stillwater Sciences (2002c).

The watershed analysis report “Geomorphic Effects of Soda Springs Dam and Potential Effects on Aquatic Habitat” (Stillwater Sciences 2000) describes the gravel deposits and other channel features downstream of the dam. In addition to the agency and Stillwater representatives on the Science Team, this report was produced in consultation with and reviewed by Dr. Gordon Grant of the USDA Forest Service and Dr. Bill Dietrich of the Geology Department at U.C. Berkeley, who directed the research and helped develop the conclusions contained in this report. There was little evidence of substantial change in channel morphology due to Soda Springs dam downstream of Boulder Creek; change appears to be limited to the reach between Soda Springs dam and Boulder Creek. The report documented that eddy zones appear to be undersaturated upstream of Boulder Creek, and saturated downstream of Boulder Creek. Therefore, the most direct way of addressing the morphological effects of Soda Springs dam is to augment gravel in the reach between Soda Springs dam and Boulder Creek, in those places that would have had gravel patches (or larger patches) before the Project was constructed, but do not have them now. This approach would have the additional advantage of creating spawning habitat over and above what would be created as a result of the Section 8.3 habitat enhancements.

Since gravel bars are absent in the reach from Soda Springs dam to Boulder Creek, the sites most likely to have contained gravel under historical conditions are eddies associated with both boulders and irregularities in the channel bank. The dynamics of sediment deposition in eddies associated with boulders are poorly understood, and are therefore difficult to predict. In addition, the gravel saturation of the eddy zones under pre-Project conditions is unknown, and is therefore limited to our best scientific estimates. Stillwater Sciences mapped the extent of gravel deposits in the reach in December 1998, and found that two of ten eddy zones had some gravel associated with them. Since Soda Springs dam has been in place for a long period of time, it is likely that these gravel deposits resulted from gravel augmentation that began in 1992 upstream of the Soda Springs Powerhouse. About 770 tons of gravel per year has been added to the Soda Springs Bypass Reach between 1992 and 1998, and no other sources of equivalent magnitude occur between Soda Springs dam and the confluence with Boulder Creek. With the above considerations, the Settlement Parties have designed a two-stage augmentation program, as described below.

Stage 1: PacifiCorp will add a large pulse of gravel to the river downstream of Soda Springs dam, and monitor where new gravel patches form (or existing patches expand) to assess which locations are most likely to retain gravel. In order to assess which sites may have contained gravel patches under reference conditions, the volume of gravel augmentation should be equivalent to the estimated annual supply prior to dam construction. Since gravel depositional dynamics change based on the flow regime, the locations where gravel should be stable likely change depending on the magnitude of high flows. Therefore, the results of this pulse can be used to indicate locations where gravel deposition could have occurred, and these locations can be monitored and/or directly augmented in the future in an effort to re-create the pre-dam patterns of gravel deposition. Identified sites would then be maintained using a targeted, site-specific gravel augmentation program over the course of the New License. Using these considerations, the Parties will add a one-time pulse of about 4,000 tons gravel to the reach to identify potential depositional zones. The gravel pulse would be conducted during the first year of the gravel augmentation program. Monitoring before and after the pulse would allow identification of the affected depositional zones. The depositional zones affected by the pulse would be used as the augmentation sites for the second stage of the program.

Stage 2: The depositional zones identified after the Stage 1 gravel pulse would serve as the initial gravel augmentation sites. For budgeting purposes, the Settlement Parties assume that 5 of the sites will be identified that are able to retain gravel, and thus will be periodically augmented over the term of the New License. The Settlement Parties further assume that augmentation will take place every five years, i.e., gravel deposits will be augmented seven times during the 35-year license period. The amount of gravel to be augmented at each site is assumed to be 20 tons, or roughly 13.5 cubic yards. This will allow for a gravel patch of 100 square ft with a depth of about 3.65 ft. Larger or deeper patches are unlikely to occur because the gravel in larger patches would be lost during high-flow events. As part of Stage 2, the Parties will conduct a monitoring program that includes pre-augmentation monitoring to document the pre-implementation condition of the reach, and three post-implementation monitoring visits to document the evolution of the augmented gravel.

The Settlement Parties agree that PacifiCorp's commitment to fund the proposed gravel augmentation program in an amount not to exceed \$227,500 (2002 dollars), coupled with the Settlement Parties' agreement to potentially use the USDA-FS mitigation fund for additional costs, fully satisfies the Settlement Parties' respective goals, objectives, and legal mandates. In arriving at this cost estimate, the Settlement Parties considered the costs of a one time pulse experiment and associated monitoring, as well as the costs of site specific gravel augmentation, oversight, permitting, and monitoring (Stillwater Sciences 2002b). The Settlement Parties agreed to adjust preliminary cost estimates (\$175,000) upwards by 30 percent to account for uncertainty; thus, the resulting funding level represents a conservative estimate of the potential cost of program implementation. Finally, the Settlement Parties agree that if actual program costs exceed \$227,500, additional funding may be made available through use of USDA-FS mitigation funds.

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