



NORTH UMPQUA HYDROELECTRIC PROJECT

FERC P-1927

Protection, Mitigation, and
Enhancement Measures

2005
Annual Report

Contents

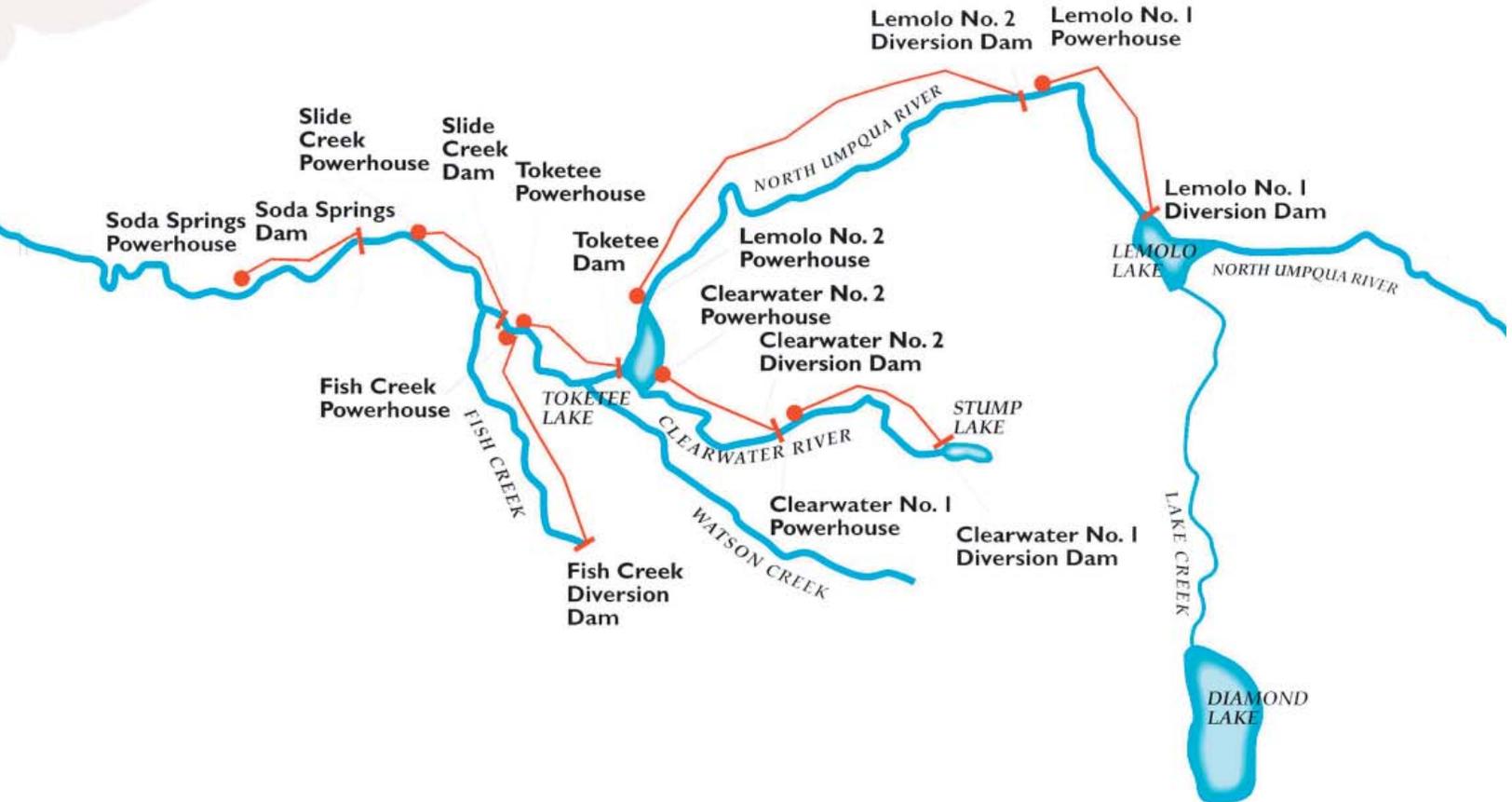
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Executive Summary

PacifiCorp is implementing Protection, Mitigation, and Enhancement measures (PM&Es) on the North Umpqua Hydroelectric Project identified in the 2001 Settlement Agreement and the Federal Energy Regulation Commission (FERC) license (FERC P-1927) issued in 2003. A motion was filed with the Ninth Circuit Court of Appeals concerning specific license elements in 2004. This appeal was ruled on in September 2005 and completed in October 2005, resulting in no change on the existing new License. Under the terms of the Settlement Agreement, the license was considered “final” with the judicial appeal period concluded. This milestone initiates additional PM&Es that were pending the close of legal proceedings. This annual report documents PacifiCorp’s project and fiduciary activities from January to December of 2005.

Representatives from the four federal and three state agencies that signed the Settlement Agreement, in addition to PacifiCorp, function as the Resource Coordination Committee (RCC), which facilitates activities associated with the Settlement Agreement. During the reporting period, the RCC met eight times, either in person or via conference call, with regular public participation. In September 2005, the RCC provided a hydro project tour to the public.

Settlement Agreement activities consist of Early Implementation Projects (EIPs), Date Certain Projects, or Final License-Dependent Projects. Each year after completion of the Settlement Agreement and until the license was determined to be final, the RCC selected EIPs from the Settlement Agreement list. The Settlement Agreement requires Date Certain Projects to be implemented in a specific year regardless of when the license is determined final. Final License Projects for this reporting year are those that were due once the License was considered final, October 18, 2005 through December 31, 2005.

In 2005, the RCC selected nine EIPs, continuing to focus on high-resource beneficial projects, such as erosion control, road decommissioning, noxious weed controls, and wildlife bridges.

Since 2001, Date Certain Projects and programs have accounted for more than 50 separate activities. Key construction actions were the Potter Creek Restoration, the Clearwater River Reconnection, and the installation of seven bypass facility improvements to meet new minimum flow requirements. Collaborative design development continued on the Soda Springs tailrace barrier, Fish Creek fish screens, and Lemolo No. 2 reconnection project.



The reporting period for this annual report is January to December 2005.

The RCC will continue to meet on a regular basis to oversee these actions. The RCC also made significant progress in the development of the Resource Coordination Plan, which will enable efficient facilitation of such activities and consider all resource needs throughout the license term.

SECTION 1.0

Introduction

Located on the west side of the Cascades mountain range in southern Oregon, the North Umpqua Hydroelectric Project consists of eight dams that, together, have the capacity to generate about 185 megawatts of power. The project was constructed between 1950 and 1956.

In the early 1990s, as the expiration of the first FERC license approached, PacifiCorp initiated the relicensing application preparation process. In June 2001, the relicensing process culminated in the development and signing of the North Umpqua Hydroelectric Project Settlement Agreement (Settlement Agreement, or SA). The Settlement Agreement identified annual reporting requirements that range from fiduciary reporting to narrative description of actions. The report period for this document is from January 1 2005 to December 31, 2005. This year's annual report represents a calendar year timeframe, per Section 21.4.2, and contains the Settlement Agreement reporting requirements, as described below:

- Section 7.2.3 (amended). Gravel Augmentation Program Funding and Accounting: Written annual report describing the amounts deposited and disbursed for projects pursuant to Section 7.2.
- Section 8.3.5 (amended). North Umpqua River Habitat Restoration/Creation Project Funding and Accounting: Written annual report describing the amounts deposited and disbursed for projects pursuant to Section 8.3.
- Section 19.1.1.3. Tributary Enhancement Account Reporting: Written annual report describing the amounts deposited into and disbursed from the Enhancement Account.
- Section 19.3.1. Mitigation Fund Annual Reporting: Written annual report describing the amounts deposited into and disbursed from the Mitigation Fund.
- Section 19.5.2. Early Implementation Fund Annual Report: Written annual report describing the amounts of payments deposited into and disbursed from the Early Implementation Fund.
- Section 21.4.2. Environmental Coordinator Reports: An annual report on the activities of the RCC and on the implementation of the PM&Es.



PacifiCorp began relicensing in 1990. In 2001, PacifiCorp signed a Settlement Agreement with seven state and federal agencies, and the Governor established the PM&E measures for a new license. In 2003, FERC issued a new 35-year license.

I.1 Background

On June 13, 2001, PacifiCorp filed a Settlement Agreement pursuant to FERC Rule 602, 18 Code of Federal Regulations § 385.602, to resolve issues concerning the relicensing of the North Umpqua Hydroelectric Project (FERC P-1927). 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 (NMFS), 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.”



Under the terms of the Settlement Agreement, the license was considered “final” with the judicial appeal period concluded. This milestone initiated additional PM&Es that were pending the close of legal proceedings.

As required by statute, FERC conducted a National Environmental Policy Act (NEPA) process that concluded with a Final Environmental Impact Statement (FEIS) issued in March 2003. Based on the findings of the FEIS, FERC developed articles for a new license for the North Umpqua Hydroelectric Project. FERC formally issued the new license on November 18, 2003, designating a term of 35 years.

Under the provisions of the Settlement Agreement, the license is not *final* until all administrative and judicial appeals are exhausted. The license was appealed to the Ninth U.S. Circuit Court of Appeals on May 21, 2004. The Court decided the case in favor of FERC, the USDA-FS, and PacifiCorp. On September 1, 2005, the Court upheld the new FERC license for the project, including the USDA-FS’s mandatory 4(e) conditions. In summary, the Court found the following: 1) it had jurisdiction to hear all the environmental groups’ claims, 2) the USDA-FS had followed proper administrative procedure in their rule change determining that FERC is the federal agency responsible for NEPA and consequently a Record of Decision was not required for the USDA-FS 4e conditions; and 3) the USDA-FS had adequately addressed the dam removal alternative and studies adequately showed that other conditions short of dam removal would positively enhance the North Umpqua river basin. The license was therefore considered *final* on October 18, 2005 after the conclusion of the 45-day appeal period.

Copies of the Settlement Agreement and the FERC license are available from FERC upon request or on the PacifiCorp Web site at:
<http://www.pacificorp.com/Article/Article44907.html>

I.2 Resource Coordination Committee

Section 21 of the Settlement Agreement establishes a process to facilitate coordination and decision-making concerning implementation of Settlement Agreement measures. To accomplish this objective, Section 21.1 of the Settlement Agreement provides for the creation of the RCC consisting of representatives from the signing Parties. The purposes of the RCC, discussed in detail in Section 2.0, are to 1) facilitate coordination and consultation on plans developed by PacifiCorp for the implementation of PM&Es; 2) coordinate the implementation of PM&Es and ongoing monitoring requirements by PacifiCorp; 3) establish appropriate procedures for conducting activities; and 4) establish subcommittees to accomplish these objectives.



The RCC facilitates and coordinates the implementation of PM&Es consistent with the Settlement Agreement.

I.3 Report Organization and Review

The 2005 North Umpqua Hydroelectric Project Annual Report provides the following information:

- Resource Coordination Committee Overview (Section 2.0)
 - 2.1 RCC Roles and Responsibilities
 - 2.2 RCC Members
 - 2.3 RCC Meetings
- Protection, Mitigation, and Enhancement Measures (Section 3.0)
 - 3.1 Settlement Agreement Amendments
 - 3.2 Early Implementation Program
 - 3.3 Implementation of PM&Es (Date Certain and License Dependent)
 - 3.4 FERC License Actions
- Fiduciary Reporting (Section 4.0)
 - 4.1 Summary of Fund Payments
- Conclusion (Section 5.0)
- Appendixes:
 - Appendix A: Detailed Accounting

This annual report was developed by PacifiCorp and underwent a 30-day review and comment period by the RCC members. Comments were received from USFWS, USDA-FS, OWRD, NMFS, and ODFW. Comments from these agencies were incorporated either directly or by reference into the final document. The BLM elected not to provide additional comments based on the other agency comments received.

SECTION 2.0

Resource Coordination Committee Overview

This section provides an overview of RCC roles and responsibilities according to the Settlement Agreement and as subsequently implemented. It also presents a summary of RCC meetings held during the 2005 report period, including a list of public comments received and major discussion points, decisions, and action items associated with each meeting.

2.1 RCC Roles and Responsibilities

The purpose and role of the RCC, as defined in Section 21.1 of the Settlement Agreement, is to facilitate coordination and implementation of PM&Es. The RCC also looks at implementation requirements, and through collaboration and sharing of information, works to achieve desired results. 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. However, 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 provide a forum to address time-sensitive matters, give early warning of problems, and coordinate member organization actions, schedules, and decisions to save time and expense. As described in the Settlement Agreement, the RCC must endeavor to conduct its business by consensus. However, in the event of disagreements, the Parties may refer disagreements to appropriate policy-level decision-makers. 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&Es.

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

- Prioritize EIPs (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 2006, this role will gain greater significance in future years.
- Coordinate and monitor implementation of PM&Es (SA 21.1), and coordinate ongoing monitoring requirements by PacifiCorp (SA 21.1).



The RCC provides a forum to address time-sensitive matters and to identify problems early. This helps to ensure the maximum value of environmental enhancements.

- 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).
- 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&Es (SA 21.4.2).
- Serve as a common point of contact for public information regarding Settlement Agreement implementation (SA 19.5.3).



The autonomous RCC serves as a common point of contact for public questions.

The following measures are specifically excluded from RCC responsibility:

- Administration of the Tributary Enhancement Program through ODFW's Memorandum of Understanding (SA 19.1).
- Administration of the Mitigation Fund through the USDA-FS (SA 19.3).
- Approval of plans and actions regarding specific PM&Es assigned to individual organizations for resource protection in the Settlement Agreement (SA 21.2).

The RCC defined discrete goals and functional responsibilities to enhance its effectiveness:

- Interpret the Settlement Agreement: Apply provisions to on-the-ground planning and implementation.
- Monitor implementation of the Settlement Agreement as a whole to 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 among organizations; communicate changes in policy, procedure, or regulation; consult before decision-making; and share technical resources.
- Implement the Settlement Agreement collaboratively to ensure that all Parties' interests continue to be valued throughout the new license term.
- Effectively communicate its progress through the development of a Web site at: <http://www.pacificorp.com/Article/Article44907.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 organizations.

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
Bill O'Sullivan	USDI Bureau of Land Management, Roseburg District, Roseburg, Oregon
Stephanie Burchfield	National Marine Fisheries Service, Portland, Oregon
Dave Harris	Oregon Department of Fish and Wildlife, Roseburg, Oregon
Dennis Belsky	Oregon Department of Environmental Quality, Medford, Oregon
Craig Kohanek	Oregon Water Resources Department, Salem, Oregon
Diane Barr	PacifiCorp, Medford, Oregon

2.3 RCC Meetings

During the 2005 reporting period, the RCC met three times in person and conducted business via conference call five times, for a total of eight RCC meetings. The purposes of the meetings were to finalize study plans, discuss implementation objectives for PM&Es, and facilitate the overall Settlement



Each ECC member works with a designated caucus within their respective organization.

Agreement implementation. The formal ground rules established and adopted by the RCC (amended in June 2005) provided the functional framework for this collaborative work. The RCC's ground rules are provided on the PacifiCorp website at: <http://www.pacificorp.com/Article/Article21838.html>



The RCC conducts business
by consensus and the public
is invited to participate.

This section summarizes the issues covered at these meetings and conference calls by the RCC and the items where consensus was reached during the 12-month report period. Meeting summaries are provided on the PacifiCorp website at: <http://www.pacificorp.com/Article/Article26523.html>

Meeting summaries are drafted for RCC meetings, technical work group meetings, and any conference calls. The draft meeting notes are then distributed to the RCC members for review and comment. At a subsequent meeting, after corrections have been made as appropriate and when work in progress is completed, the RCC approves the summaries by consensus.

Meetings are open to the public for comment, and any comments received are added to the meeting summaries.

RCC Meeting #1 January 26, 2005

- Discuss Sections 7.2, 8.2, 8.3, and 19.2 aquatic project activities, high flow events, next steps, expectations for 2005, and fund balances.
- Discuss Settlement Agreement requirement to pass "all flows" during high flow conditions as it relates to the Clearwater Reconnection Project, Section 7.5, 10.3 and Exhibit E.
- Approve statement: "The preferred conceptual design that allows flow splitting during high flows at Clearwater 2 best meets the overall intent of the Settlement Agreement, including the "all flows" language in 10.3 and Exhibit E, as well as other SA language related to passage of fish, amphibians, macroinvertebrates, sediment, and woody debris."

RCC Conference Call #1 February 25, 2005

- Report on Clearwater Reconnect project and proposals to ratify and record the RCC "all flows" interpretation.
- Report on final cost of 2004 Early Implementation Projects.

- Approve carry-over funds for the BLM noxious weed program to 2005.
- Review, discuss and propose updates to the RCC Ground Rules.

RCC Conference Call #2

April 12, 2005

- Report on final drawings, specifications and operations plans for the Clearwater Reconnect project.
- Agree to develop Settlement Agreement Amendment No. 2 related to the Clearwater Reconnect project and the existing “all flows” language for Policy Group review and approval.
- Discuss RCC ground rule updates including the role of technical work groups.

RCC Meeting #2

June 1, 2005

- Review RCC members’ final comments on the Draft Annual Report.
- Discuss status report on Aquatics Projects.
- Report on 2005 Early Implementation Projects and budget forecast.

RCC Conference Call #3

July 19, 2005

- Discuss Early Implementation Projects, Copeland Creek smolt trapping, Soda Springs hydro-acoustics work, and report on obtaining all Clearwater permits.
- Develop plans and details for a public information site tour in September.

RCC Conference Call #4

August 17, 2005

- Discuss status of Potter Creek restoration, Dorothy Creek and Tunnel Creek culvert replacements, wildlife crossings and aquatic connectivity sites, weed

control, road decommissioning, Rock Creek fishway design, the Stinkhole project, and the need for flexibility on timing the Clearwater instream work.

- Arrange details for the upcoming public tour to include Early Implementation Projects, Potter Creek restoration, Clearwater reconnection, wildlife bridges and underpasses, and spawning habitat at Soda Springs.

RCC Meeting #3 and Public Information Site Tour #1 September 29, 2005

- Discuss the Ninth Circuit Court decision to deny the appeal of the new license, and public comment to move forward on implementation projects.
- Agree to move quickly on road decommissioning and other expensive projects to fully apply the fiscal year's budgeted funds.
- Affirm collaboration with the Umpqua Basin Watershed Council on watershed assessment, information sharing, and leveraging offsite mitigation funds.
- Tour key implementation sites with members of the public and *News Review* reporter and photographer. Discuss results such as higher instream flows, increased spawning in the Slide and Soda reaches, gravel augmentation, erosion site remediation, gages at 19 locations, and facility upgrades.

RCC Conference Call #5 November 14, 2005

- Consider project reports on Potter Creek, Clearwater Creek reconnect, White Mule Creek design, minimum flow release projects, wildlife bridges, Deer Leap and Mill Creek asbestos culvert removal, predator control study and monitoring, Rock Creek design, road decommissioning, Diamond Lake restoration, Slide Creek gravel placement, Soda Springs habitat annual report, and development of the Resource Coordination Plan.
- Report on the testing phase of a cooperative project with the North Umpqua Foundation, PacifiCorp and the Forest Service on flow monitoring.
- Prepare for a January 2006 two-day work session to prioritize implementation activities and to clarify the RCC role now that the license has been issued.

SECTION 3.0

Protection, Mitigation, and Enhancement Measure Progress

Section 3.0 presents 2005 progress of PM&Es defined in the North Umpqua Settlement Agreement from the effective date of June 13, 2001. A summary of all documents submitted to FERC and their current status is also presented. The Settlement Agreement characterizes PM&Es into the following implementation categories:

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

These categories are defined as:

- **Early Implementation:** These measures are selected by the RCC to be conducted before the final license is issued and funded by PacifiCorp through the Early Implementation Fund. Measures may be either Date Certain or License-Dependent. Because the license became final in 2005, this is the last year of the Early Implementation Program.
- **Date Certain:** These measures are completed by a specified calendar date, regardless of when the final license is issued. Some measures were initiated coincident with the effective date (June 13, 2001) of the Settlement Agreement.
- **Final License-Dependent:** These measures are implemented after the new project license becomes final, which is defined in the Settlement Agreement as the end of all legal and administrative processes. This occurred on October 18, 2005. Actions that were stated in the Settlement Agreement as due “upon license becoming final” apply to this reporting year.

The activities associated with each of these three implementation categories are described in this section.

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. Delays in implementation are typically needed to further develop the action to ensure greater success.



The RCC is moving forward with License-Dependent PM&Es now that the new license is final.

3.1 Settlement Agreement Amendments

The Parties signed Settlement Agreement Amendment No. 2 for Section 10.3, Clearwater Reconnection on July 5, 2005. The original Section 10.3 of the Settlement Agreement provides that PacifiCorp shall design and construct a structure in the lower Clearwater River near Toketee Reservoir to reconnect the Clearwater River and the North Umpqua River (the Reconnection Structure). Section 10.3 of the Settlement Agreement also provides that the Reconnection Structure will permit a portion of the Clearwater No. 2 bypass reach flows to travel down the original Clearwater River channel to the confluence of the North Umpqua River downstream from Toketee Dam. Section 10.3 of the Settlement Agreement states that during high-flow periods, when flows are spilling at Toketee Dam, the Reconnection Structure will permit all of the flows from the Clearwater River to be directed through the reconnected channel. Section 10.3 likewise states that the Reconnection Structure will permit the movement of fish, amphibians, and macroinvertebrates between the North Umpqua River and the upper Clearwater River. The need for an amendment centered on the two different flow requirements stated in Section 10.3: “a portion of the flow,” and “all-flows.”



The Parties signed an amendment for the Clearwater Reconnection on July 5, 2005 and participated in a collaborative design process.

The Parties determined through a collaborative design process that the resource-based objective of passing woody debris and sediment could be met without necessarily passing all the flow through the bypass reach. The Parties also recognized that if they were to remain consistent with Settlement Agreement language by passing all flows during high-flow events, it would require a very large constructed instream facility with a lower success rate potential for fish and amphibian passage. Therefore, the Parties created an innovative design solution that met the resource objectives, but required a slight modification to the Settlement Agreement. Amendment No. 2 is on the PacifiCorp website at: <http://www.pacificorp.com/Article/Article22970.html>

3.2 Early Implementation Program

Under Section 19.5.1 of the Settlement Agreement, PacifiCorp established an Early Implementation Fund. This fund was available during the time period between the Settlement Agreement signing date (June 13, 2001) and when the new license became final (October 18, 2005). This fund is for measures that offer significant resource benefit, but would not otherwise be funded on an accelerated basis. Section 19.5.1 requires that the RCC annually identify and fund measures for early implementation as a subset of all the PM&Es identified in the Settlement Agreement. These measures include but are not limited to the following: (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. Since the project

license was determined *final* in October 2005, 2005 is the last year of the Early Implementation Program.

3.2.1 Early Implementation Projects

The following section describes actions completed since the inception of the EIP from 2002 through 2005. A detailed description of the 2005 EIPs is in section 3.2.2 of this document.

2002 EIPs

- Three Big Game Bridge Expansions, SA 11.1, Lemolo No. 2 Canal
- High-Priority Erosion Site Remediation, SA 14.4.2
 - Fish Creek: FC2, FC5, & FC7
 - Lemolo No. 2 Canal: LM2-27 Design and Construction
 - LM2-20: 25 Percent Design (Potter Creek)
- Road Decommissioning, Fish Creek, SA 15.4
 - Roads: 3701-220, 221, 233, 230, and “Upper FC Canal”
- Restoring Riparian Habitats, SA 10.5. “Potter Creek Riparian Restoration (25 Percent Design)”
- Aquatic Connectivity/Tributary Connections Site Visit and Work Plan, SA 10.6
- Noxious Weed Control, SA 12.2. Inventory of BLM Land

2003 EIPs

- Two Big Game Bridge Expansions, SA 11.1, Lemolo No. 2 Canal
- High-Priority Erosion Site Remediation, SA 14.4.2
 - Fish Creek: FC6
 - Lemolo No. 2 Canal: LM2-11, LM2-26, LM2-28
- Restoring Riparian Habitats, SA 10.5. “Potter Creek Riparian Restoration (50 Percent Design)”
- Aquatic Connectivity/Tributary Connections, SA 10.6
 - C2, F5, F6, F7 (Design); Culverts FC 3B and 4B Replacement
 - Lemolo No. 2 Canal Stream Diversion Removal



Since 2002, the EIPs have accelerated the schedules of more than 50 projects.

- Noxious Weed Control, SA 12.2. Inventory of USDA-FS Land
- Gravel Augmentation, SA 7.1, Gravel installation below Soda Springs Dam
- Impact Analysis of Pipe to Stinkhole, SA 6.1.1-Pond Turtle Survey
- Upgrading Culverts, SA 15.6. Lemolo No. 2 Canal: LM2-27 and Patricia Creek Culvert



In 2005, the RCC selected nine EIPs, continuing to focus on high-resource beneficial projects, such as erosion control, road decommissioning, noxious weed control, and wildlife bridges.

2004 EIPs

- One Wildlife Crossing Installation, SA 11.2, Lemolo No. 1 Canal
- Restoring Riparian Habitats, SA 10.5. “Potter Creek Riparian Restoration (95 Percent Design)”
- High-Priority Erosion Site Remediation, SA 14.4.2
 - Fish Creek: FC1
 - Lemolo No. 2 Canal: LM2-16, LM2-17, Burma Road Upgrades at eight locations
 - Deer Creek: DC1 (new site)
- Upgrading Culverts, SA 15.6. Lemolo No. 2 Canal: Nurse Creek, Laura Creek, and Spotted Owl Creek
- Road Decommissioning, SA 15.4. FS 3400-077 Design

2005 EIPs

- Road Decommissioning, SA 15.4, FS Road 3400-077
- Road Decommissioning, SA 15.4, three road segments related to other actions
- BLM Noxious Weed Controls, SA 12.2
- USDA-FS Noxious Weed Controls, SA 12.2
- Erosion Control High Priority Culvert (14.4. 15.6) – two culverts
- Wildlife Crossing/Aquatic Connectivity Sites (SA 11.2, 10.6) - four crossings for both wildlife and aquatic/terrestrial species, C01, C15, C16, L25
- Rock Creek Fish Ladder Design (SA 19. 1)

- Diversion Culvert removal (SA 10.4) – asbestos-wrapped culvert at Mill and Thorn Creek
- High Priority Erosion Control Sites (SA 14.4), LM2-22 and CW2-8

3.2.2 2005 Early Implementation Project Status

The following 2005 EIPs were selected by a subcommittee of the RCC. The subcommittee met in September 2004 and the RCC approved the subcommittee recommendations at the October 2004 RCC meeting. In January 2005, the BLM Noxious Weed Control Project was added to the project list as the funds went unspent in 2004. Detailed accounting is located in Section 4.0, Fiduciary Reporting.

- Road Decommissioning (SA 15.4): four segments equaling over three miles

Four road segments were selected for decommissioning. Three of these roads were initially built as part of the original project construction and are no longer needed for ongoing operation. The remaining road, 3400-077, resides above the Lemolo No. 2 Canal and beyond the FERC project boundary. It has been closed to public access for several years for resource protection needs. This road was originally a 2004 EIP but was postponed because of limited EIP funds and permitting issues. It had not been decommissioned by the end of 2005, but will be completed by July 2006. The delay is due to summer fire season and fall wet weather restrictions.

- Noxious Weed Control

The following two noxious weed projects were selected:

1. Funds were spent to treat noxious weeds in the transmission line right-of-way on BLM land. This project was a 2004 EIP, but was not completed.
2. Funds were allocated to the USDA-FS to remove eight species of noxious weeds on 45 acres of land within the FERC Project Boundary in the Umpqua National Forest. Approximately \$15,000 of the \$34,000 went unspent in 2005. These funds will be spent in 2006 on the North Umpqua Ranger District.

- High-Priority Erosion Control (SA 14.4)

Two erosion control sites (LM2-22 and CW2-8) were remediated as they were identified to provide significant resource value in the Erosion Control Plan.

- High-Priority Culvert Replacements (SA 15.6)

Six 100-year culverts on project roads have been completed. Dorothy Creek and No Tunnel Creek culverts were upgraded in 2005. These culverts were completed in conjunction with the High-Priority Erosion Sites listed above, and provided construction cost efficiency.

- Wildlife Crossings and Aquatic Connectivity Sites (SA 11.2 and 10.6)

The RCC selected four wildlife crossing bridges that also are aquatic connectivity sites requiring reconnection under Settlement Agreement 10.6 (C01, C15, C16, and L25). The crossings were not constructed in 2005, but will be completed by June 2006. These “dual purpose” bridges accounted for eight PM&Es being completed in a more cost-efficient manner. PacifiCorp consulted with the USDA-FS and ODFW staff to select the crossing locations as well as design-related project elements. These four wildlife crossings and four aquatic connectivity crossings are part of the total 34 additional bridges as well as 76 aquatic connectivity sites that will be addressed.

- Rock Creek Fishway Design (SA 19.1)

The RCC selected ODFW’s Rock Creek facility design because of the need for a finalized design to improve passage. Completing the design as an EIP would result in the fishway modification being constructed at least a year in advance of schedule. This project otherwise would be delayed pending a final license. The RCC elected to allocate a portion of the PacifiCorp-provided EIP funds toward this project, reducing PacifiCorp 2005 fund payment obligation into the Settlement Agreement 19.1 fund commensurately. The ODFW experienced unexpected contracting delays resulting in these monies not being spent. The funds were then reallocated to EIP projects with budget shortfalls.

- Stream Diversion Culvert Removal (SA 10.4)

The Mill and Thorn Creek diversion culverts are wrapped with an asbestos covering. These culverts present no harm to the public or environment in their current undisturbed state, but do require special safe handling and disposal. The water that once flowed in these culverts was returned back to their original streams in 2001, and the Settlement Agreement requires the removal of the old diversion infrastructure. All other diversion culverts mentioned in Settlement Agreement 10.4 have been removed with prior EIP funding. This project was not completed at that time as the EIP funds allocated were insufficient to address the asbestos handling costs.

Table 3.2.2-1 shows the 2005 opening balance and estimated project costs that the RCC reviewed to determine their allocations to projects. Costs were refined throughout the year with additional scoping and detailed estimates. Final year end accounting is in Section 4.0, Fiduciary Reporting.

TABLE 3.2.2-1
2005 EIPs

SUMMARY TOTALS	\$
2004 End of Year Balance	69,899
2005 EIP Account Funding	371,832
Total 2005 EIP Funds	441,731
2005 EIP Estimated Project Costs	483,965
2005 EIP Actual Costs (estimated)	468,115
Estimated EIP 2005 Remaining Balance	(26,384)

EIP 2005 Projects and RCC Allocations		
Ref #	Project Name	RCC Allocation
A List: 2005 Projects Previously Committed in 2004 (continued phases of existing projects)		
A1	Road Decommissioning-3400-077 (15.4)	118,000
A2	BLM Noxious Weed Controls	5,965
	A TOTAL	123,965
B List: 2005 New EIPs		
B1	Noxious Weed Control (12.2)	34,000
B2	Erosion Control and High-Priority Culvert (14.4, 15.6)	100,000
B3	Erosion Control and High-Priority Culvert (14.4, 15.6)	50,000
B4	Road Decommissioning (15.4 & 10.4)	11,000
B5	Wildlife Crossings (SA 11.2, 10.6)	80,000
B6	Rock Creek Fishway Design	45,000
B7	Asbestos Culverts	40,000
	B TOTAL	360,000
	TOTAL A + B	483,965

3.3 Implementation of PM&Es

In addition to the PM&Es that were implemented under the EIP described in 3.2 above, the Settlement Agreement identifies specific PM&Es as “Date Certain” by indicating a specific date for a measure’s commencement, completion, or as “Final License Dependent,” meaning that their implementation is subject to the issuance of the final license. These Final License Dependent actions are now on an active implementation schedule, with the license being considered final on October 18, 2005. The schedule for all PM&Es and their status is presented in Table 3.3-1. The status of the PM&Es specific to the timeframe of this report is presented in Table 3.3-2.

During the 2005 report period, Settlement Agreement and license actions focused on planning, monitoring, construction projects, and engineering designs. All Parties have worked cooperatively toward meeting Settlement Agreement schedule commitments. The status of 2005 projects is described in Table 3.3-2.

Key	
	Due Date
●	Completed
○	In Progress
→	Continuing

**TABLE 3.3-1
Implementation Schedule
and Status of PM&Es**

SA Section	PM&E	YEAR														
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015+
4.0	Fish Passage Measures															
4.1.1(a)	Soda Springs Fish Ladder Design															
4.1.1(d)	Soda Springs Ladder, O&M, and Eval. Program															
4.1.1(e)	Soda Springs Fish Ladder Construction															
4.1.1(f)	Soda Springs Tailrace Barrier Design/ Construction					○										
4.1.1(f)	Slide Creek Tailrace Barrier Design/Construction															
4.1.2(a)	Soda Springs Downstream Screen Design															
4.1.2(b)	Soda Springs Downstream Screen, O&M and Evaluation Program															
4.1.2(d)	Soda Springs Downstream Screen - Construction															
4.1.2(f)	Soda Springs Downstream Passage - Spillway Modifications Design															
4.1.2(f)	Soda Springs Downstream Passage - Construction															
4.3.1(a)	Lemolo 2 Fishway Modifications Design			○	○	●										
4.3.1(a)	Lemolo 2 Fishway Modifications Construction					○										
4.3.1(c/d)	Lemolo 2 Fishway Modifications O&M/ Evaluation Plan				○	●										
4.3.1(d)	Lemolo 2 Post-construction Evaluation															

SA Section	PM&E	YEAR														
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015+
4.3.2(a)	Fish Creek Downstream Screen - Design				○	○										
4.3.2(a)	Fish Creek Downstream Screen - Construction															
4.3.3	Toketee Trash Rack Modification															
5.0	Instream Flows															
5.1	Soda Springs Table 1 Flows			●												
5.1	Implement Table 1 Flows					●										
5.1	Implement Table 2 Flows															
5.3	Reconsideration of Instream Flows					●										
5.4	Lemolo 2 Full Flow Reach					○										
5.5	Instream Flow Gage Installation		●													
5.5	Instream Flow Monitoring Plan		○	○	●											
5.6	ODFW Holding Ponds Water Supply	●	●	●	●	●										→
5.9	Toketee Bypass Reach					●										→
6.0	Ramping															
6.1	Lemolo 2 Full Flow Reach Installation					○										
6.2.1	Slide Creek Ramping Monitoring Plan															
6.2.1	Slide Creek Ramping Monitoring Plan Implementation															
6.4	Wild & Scenic Ramping Restrictions	●	●	●	●	●										→
6.5	Bypass Reach Ramping Restrictions (0.2 ft/hr)	●	●	●	●	●										→
6.6	Project Maintenance App. D Schedule															→
6.7	Emergency Shutdown - Ramp Restrictions															→
6.8	Soda Springs Emergency Bypass Valve				●											
6.9	Slide Creek Emergency Bypass Valve Evaluation															
7.0	Restoration of Fluvial Processes															
7.1	Gravel Augmentation below Soda Springs Dam				●											
7.2	Gravel Augmentation Program	●	●	●	●	●										→
7.3	Passage of Woody Debris	●	●	●	●	●										→
7.4	Passage of Sediment (if high flows present)	●	●	●	●	●										→
7.5	Reconnection of Clearwater River - Design					●										
8.0	Mainstem Habitat Enhancement															
8.2.1	Slide Creek Implementation Plan	○	●													
8.2.2	Slide Creek Monitoring Plan		○	○	●											
8.2.3	Slide Creek Baseline Habitat Survey		●													
8.2.4	Slide Creek Test Boulder Placement		●	●	●	●										

SA Section	PM&E	YEAR														
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015+
8.3.1	Soda Springs Feasibility Assessment			●												
8.3.2	Soda Springs Implementation Plan			●												
8.3.3	Soda Springs Monitoring Plan			●												
8.3.4	Soda Springs Baseline Habitat Survey & Monitoring Plan				●											
8.3.5	Soda Springs Funding and Accounting				●	●										→
8.3.6	Soda Springs Completion				●											
9.0	Reservoir and Forebay Management															
9.1	Stocking of Rainbow Trout: Production Funding				●	●										→
9.2	Rainbow Trout Broodstock Development				●											
9.3	Management of Lemolo Lake Reservoir	●	●	●	●	●										→
9.3.3	Lemolo Reservoir Fluctuations (0.5 ft/day)															→
9.5	Salvage of Fish During Shutdowns	●	●	●	●	●										→
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 Removal															
10.5	Riparian Restoration – White Mule Creek				○	○										
10.5	Riparian Restoration – Potter Creek		○	○	○	○										
10.6	Reconnecting Aquatic Sites, P2															
10.6	Reconnecting Aquatic Sites, Re-evaluate 13 sites															
10.6	Aquatic Connectivity Priority I Site Reconnections (57)															
11.0	Terrestrial Resources															
11.1	Big Game Bridge Widening (29)			○	●											
11.2	Wildlife Crossings (34)					○										
11.3	Wildlife Monitoring Plan					○										
11.4	Wildlife Underpasses (9)				○	●										
11.5	Stillwater Habitat/Wetland Development (8)															
11.5	Stump Lake					○										
11.5	Stinkhole					○										
11.5	Fallen Mountain Creek – Lemolo 2															
11.5	Lemolo/Forebay Expansion Area															
11.5	Lemolo Campground Area															

SA Section	PM&E	YEAR														
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015+
11.5	Wetland Area #1, #2, #3															
12.0	Vegetation Management															
12.1	Vegetation Management Plan Development and Implementation		○	○	●	●										
12.2	Noxious Weed Control	●	●	●	●	●										
13.0	Avian Protection															
13.4	Records & Database Management System	●	●	●	●	●										
14.0	Erosion & Sediment Control															
14.2	Canal Shutoff & Drainage System															
14.4.2	High Priority Erosion Sites: Fish Creek			○	●											
14.4.2	High Priority Erosion Sites: Clearwater & Lemolo				○	○										
14.4.3	Medium Priority Erosion Site (27)					○										
14.5	Erosion Monitoring	●	●	●	●	●										
14.7	Seismic & Geological Hazard Evaluation			●												
15.0	Transportation															
15.1	Transportation Management Plan (TMP)				●											
15.1	TMP Implementation				●	●										
15.2	PPL Roads to USDA-FS Standards	●	●	●	●	●										
15.3	Cost Sharing for Joint Roads and Maintenance					○										
15.4	Road Decommissioning					○										
15.5	Bridges – Improvements	●	●	●	●	●										
15.5.1	Bridge Maintenance Cost Sharing					○										
15.6	Fish Culvert Upgrades															
15.6	100-Year Flood Culvert Upgrades					○										
15.6	Culvert Maintenance on PPL Use Roads		●	●	●	●										
16.0	Aesthetics															
16.1	Visual Resources Management Plan Implementation				●	●										
16.2	Landscaping Clearwater Shop															
16.2	Landscaping Clearwater Switchyard															
16.4	Transmission Line Evaluation (Design)					●										
16.4	Transmission Line Mitigation at 11 Sites															
17.0	Recreation															
17.2	O&M Funding to USDA-FS				●	●										
17.7	Law Enforcement Funding to USDA-FS				●	●										

SA Section	PM&E	YEAR														
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015+
17.8	Recreation – Deferred Capital Improvement Funds to USDA-FS		●	●	●											
17.8	Recreation – Capital Improvements															
17.9	Public Information Funding to USDA-FS				●	●										
17.10	Annual Monitoring Funding to USDA-FS				●	●										
17.11	Recreation – NW Forest Plan Compliance Funding to USDA-FS				●											
18.0	Cultural															
18.1	Cultural Resources Management Plan (HPMP)			●	●	○										
18.1	HPMP Implementation					○										
18.3/18.6	Site Discovery/Monitoring	●	●	●	●	●										
18.4	Protection, Restoration, and Recovery				●	●										
19.0	Mitigation															
19.1.1	Tributary Enhancement Account (MOU) Funding				●	●										
19.1.1	Tributary Enhancement Account – Use of Funds															
19.2	Long-Term Monitoring and Predator Control Funding				●	●										
19.2.1	Long-Term Monitoring and Predator Control Disbursements				●	●										
19.3.3	Federal Mitigation Funding				●	●										
19.3.3	Federal Mitigation Fund Disbursements															
19.5	Early Implementation Funding		●	●	●	●										
19.5.2	Early Implementation Fund Annual Reporting		●	●	●	○										
21.0	Coordination and Decisionmaking															
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 3.3-2
Status of 2005 PM&Es

SA Section	Date Certain PM&E Measures	Due Date	Status
4.1.1(f)	Soda Springs Tailrace Barrier Design	2007	Design and consultation in progress. PacifiCorp requested an extension of time from FERC on March 30, 2006 with support from the Settlement Parties. FERC granted an extension to January 31, 2007.
4.3.1(a, c, d)	Lemolo No. 2 Fishway Modification Design	2004/2005	Design work and construction is complete. Designs were completed in May 2005, evaluation and O+M plans were completed and approved by agencies in August 2005. Construction commenced in September 2005 and was completed April 2006.
4.3.2(a)	Fish Creek Downstream Fish Passage Design and Construction	2005/2007	In 2005, PacifiCorp provided the agencies a conceptual design preference for downstream passage. PacifiCorp is continuing to consult with the agencies on design and on evaluation and O+M plans. Construction is scheduled to be completed in 2007.
5.1	Soda Springs Instream Flow Increase	2003/2005	Flows increased from 150 cfs to 225 cfs during April and May, and 200 cfs during June-August 2005, based on an MOU with ODFW. Flows increased further in late August 2005 to meet the permanent minimum flow of 275 cfs.
5.1	Instream Flow Increases in Project Bypass Reaches (7)	2005	Designs submitted to FERC and construction commenced on instream flow release structures in 2005 with the exception of Slide Creek, where project was delayed due to design complexity. Construction will be completed at all sites during 2006. New minimum flows were met in all reaches in late December 2005 using a combination of new and existing facilities.
5.2	Instream Flow Re-evaluation	2004; extended to 2005.	FERC granted an extension of time on February 1, 2005. Draft study plan was submitted to the agencies on December 1, 2004, and consultation led to an agreement to not further pursue this study. Letter submitted to FERC April 4, 2005 and approved May 17, 2005.
5.4	Lemolo 2 Full Flow Reach	2011	PacifiCorp and the Parties met on multiple occasions to develop a collaborative design solution for the rerouting of the discharge from Lemolo No. 2 powerhouse to Toketee Lake. The collaborative teams will continue the alternative evaluation process in 2006.

SA Section	Date Certain PM&E Measures	Due Date	Status
5.5	Instream Flow Monitoring Plan	Ongoing	Approved by agencies on February 25, 2004, and approved by FERC on August 25, 2004. The gaging system is in place and operating. The U.S. Geological Survey (USGS) was contracted to operate related gages and provide public access to data. Real-time, public access to flow data in all bypass reaches and Boulder Creek was achieved during 2005 as required by the License.
6.1	Lemolo 2 Full Flow Reach	2011	PacifiCorp and the Parties met on multiple occasions to develop a collaborative design solution for the rerouting of the discharge from Lemolo No. 2 powerhouse to Toketee Lake. The collaborative teams will continue the alternative evaluation process in 2006.
6.4	Wild and Scenic Ramping Restrictions	Ongoing	Ramp rate requirements have been followed within the five percent tolerance to the extent possible within equipment limitations. A major upgrade and automation of Soda Springs Powerhouse was initiated in 2004 and has improved flow stability. Consultation continues as necessary per the Flow Monitoring Plan.
6.5	Bypass Reach Ramping Restrictions	2001-2005	Target ramp rate restrictions until one year after new license. PacifiCorp has followed these targets to the extent possible with existing equipment. A gaging system is in place to monitor compliance.
7.2	Gravel Augmentation below Soda Springs Dam (Long-Term, per SA Amendment 1)	2002+	Ongoing implementation; long-term program. RCC approved delay of project until 2004 to allow for permitting. Experimental gravel pulse was implemented during 2004. In 2005, site reconnaissance by science advisors determined that follow-up monitoring should be postponed until gravel pulse is exposed to higher winter flows.
7.2.2	Gravel Augmentation Monitoring Plan	2002+	Approved by the RCC on August 12, 2004, and approved by FERC on December 13, 2004. Monitoring began in 2004 and is ongoing.
7.3	Passage of Woody Debris at Soda Springs and Slide Creek Dams	Ongoing	Agency consultation on the operations plan was completed in 2004. Passage of woody debris is an annual ongoing commitment.

SA Section	Date Certain PM&E Measures	Due Date	Status
8.2.1	Slide Creek Implementation Plan	2002-2005	Plan completed in 2002; approved by the agencies in April 2004 and by FERC on September 28, 2004. Habitat enhancement work initiated in 2002 and modified in 2003 and 2004. In 2005, scientific advisors evaluated the reach, 700 cy of additional gravel was added, and interim monitoring was completed. A final report was provided to agencies in February 2006. This concludes the implementation phase.
8.2.2	Slide Creek Boulder Enhancement Monitoring Plan Implementation	Sept. 2002	Approved by the RCC on August 12, 2004, and by FERC on September 28, 2004. Implementation of the Monitoring Plan begins in 2006.
8.3.2	North Umpqua River Habitat Restoration/ Creation Implementation Plan	2004	Approved by the RCC on March 29, 2004, and by FERC on July 20, 2004. Construction completed in August 2004. Implementation completed.
8.3.3	North Umpqua River Habitat Restoration/ Creation Monitoring Plan	Ongoing	Approved by the RCC on November 19, 2004, and by FERC on March 3, 2005. Monitoring in 2005 resulted in minor boulder maintenance being completed in August 2005. Monitoring and periodic maintenance is an ongoing program.
8.3.4	North Umpqua River Habitat Restoration/ Creation Baseline Habitat Survey	2004	Completed in July 2004. Approved by the RCC on November 19, 2004, and by FERC on March 3, 2005.
9.3	Lemolo Lake Elevation Limits	Ongoing	Settlement Agreement terms as modified by the Lemolo Lake Management Plan. Ongoing obligation.
9.3.1.1	Lemolo Lake Management Plan Implementation	Ongoing	ODFW, USDA-FS, and PacifiCorp completed plan in March 2004, and the plan is being implemented.
10.3	Reconnection of Clearwater River	2005	PacifiCorp reconnected the Clearwater River through a complex facility that accommodated flows into Toketee Lake as well as flow in the reconnected channel that would pass woody debris, fish, and amphibians. Design was completed and construction commenced in 2005; facility began use in April 2006.
10.5	Riparian Restoration	2006	In 2005, PacifiCorp completed the design of White Mule Creek. The project will be constructed in 2006.

SA Section	Date Certain PM&E Measures	Due Date	Status
10.6	Aquatic Connectivity	Ongoing	PacifiCorp, ODFW, and USDA-FS reviewed the reconnection sites, determined preliminary design solutions, and established a schedule for the reconnections. This was summarized in a draft technical report. Final report is expected in 2006.
11.3	Wildlife Monitoring Plan	2007	PacifiCorp, ODFW, and USDA-FS met on several occasions to develop a technical report on the approach to the wildlife bridge installation and monitoring. The plan is expected to be completed in 2006.
11.4	Wildlife Underpasses (9)	2006	Nine locations were selected collaboratively with the resource agencies. Received agency and FERC approvals in June 2004. Construction was completed in 2005. This obligation was completed one year early.
11.5	Wetland Development	2006-2011	PacifiCorp and the Parties developed draft designs for the Lemolo and Stump Lake Wetlands through several collaborative work sessions. Collaborative alternative analysis continues on the Stinkhole wetland as it relates to the Lemolo No. 2 reconnection project (SA 6.1)
12.1	Vegetation Management Plan Implementation	Ongoing	The Plan was finalized in April 2004 and submitted to FERC. FERC reviewed the Plan and approved it in May 2005. Implementation of measures ongoing.
13.1	Power Pole Modification	Ongoing	In 2005, PacifiCorp and the USDA-FS met to review distribution poles around Toketee Lake. Poles requiring modification were identified, and designs were developed. Modifications are scheduled in 2006.
14.1	Erosion Control Plan Implementation	Ongoing	The Erosion Plan is final and undergoing implementation. Erosion sites were monitored and an annual report was produced and distributed in December 2005 to interested Parties.
14.2	Canal Shutoff and Drainage Systems	2007	PacifiCorp postponed further design on the canal drainage system at the Fish Creek facility as it could be influenced by another PM&E, Fish Creek downstream passage facility. Therefore, PacifiCorp, with the support of the Parties, requested a FERC extension and it was granted. The new design and construction is due October 18, 2007.
14.5	Erosion Monitoring	Ongoing/ Annual	PacifiCorp conducted monitoring of all erosion sites and developed a report for agency submittal. The report will be distributed to the agencies in early 2006.

SA Section	Date Certain PM&E Measures	Due Date	Status
15.1, 15.2, 15.3, 15.5	Transportation Management Plan Implementation	Ongoing	The Plan began implementation in 2004. Bridges were inspected and upgrades are under way. Culvert assessment was finalized and maintenance was performed. The 5-year rolling action plan development is in final phases, with cost shares for joint use roads identified.
16.1, 16.3, 16.4	Visual Resources (Aesthetics) Management Plan	Ongoing	The Plan was finalized in April 2004. PM&Es receive visual resources review before implementation. PacifiCorp consulted with the USDA-FS on the application of the visual assessment of facilities model in 2005. New construction and maintenance projects are evaluated for their visual impact per the Plan.
17.1	Recreation Resources Management Plan Implementation	Ongoing	The Plan was finalized in April 2004 and implementation is under way.
17.2	Campground Operations and Maintenance	Annual	In 2004, PacifiCorp provided the USDA-FS \$130,619. In 2005, PacifiCorp provided the USDA-FS \$83,307. (This amount is substantially less than previous year reflecting a reduction because of unspent 2004 funds carried forward.) These funds are to be used for the operation and maintenance expenses for campground facilities on or near PacifiCorp project waters.
17.7	Law Enforcement	Annual	In January 2004, PacifiCorp provided the USDA-FS \$8,399. In January 2005, PacifiCorp provided the USDA-FS \$8,499 for land-based law enforcement support at recreation facilities in the FERC project boundary.
17.8	Recreation Funds for Deferred Capital Projects to Forest Service	2002, 2003, 2004, 2007	In 2002, PacifiCorp provided \$56,287 to the USDA-FS. In 2003, PacifiCorp provided \$56,766 to the USDA-FS. In 2003, proposed actions included Boulder Flat boater put-in, Toketee Lake Campground picnic tables, and road improvements at Lemolo campgrounds (2002 project). With the exception of the raft launch, all of the proposed actions were completed. In 2004, PacifiCorp provided \$57,744 to the USDA-FS for a new toilet at Toketee campground. This item will remain until all funds have been spent.
17.9	Public Information	Annual	In 2004, PacifiCorp provided \$112,916 to the USDA-FS for Public Information Programs and visitor center operations and maintenance. In 2005, PacifiCorp provided \$7,617 to the USDA-FS for public information. Based on financial reporting, these monies have gone unspent.

SA Section	Date Certain PM&E Measures	Due Date	Status
17.10	Annual Monitoring	Annual	In 2004, PacifiCorp provided \$7,527 to the USDA-FS for the monitoring of recreation users at the facilities within the FERC project boundary. In 2005, PacifiCorp provided \$7,617 to the USDA-FS for monitoring. A large monitoring effort is being planned for 2006-2007.
17.11	Forest Plan Compliance	2004 and 2007	In 2004, PacifiCorp funded \$157,485 to the USDA-FS for actions necessary to meet the NW Forest Plan aquatic conservation strategies at recreation facilities. These funds have been spent on actions as defined in the RRMP.
18.1	Cultural Resources (Historic Properties) Management Plan Implementation	Ongoing	PacifiCorp submitted a renamed Historic Properties Management Plan (HPMP) to the USDA-FS, BLM, and SHPO for review and comment in December 2003, meeting the Settlement Agreement commitment. In 2004, agency comments and concerns were addressed and another draft produced in December. Tribes were notified for comment. Once all comments have been addressed the plan will be sent to FERC for review. This is anticipated in June 2006. All projects are following the HPMP review and approval procedures in the interim.
18.6	Cultural Resources Monitoring	Ongoing	PacifiCorp will continue to coordinate all activities with the USDA-FS, BLM, and SHPO to continue monitoring and protection of historic resources.
19.1.1	Tributary Enhancement Account	Annual	In 2005, PacifiCorp added \$409,015 to this account for future work associated the ODFW MOU.
19.2	Long-Term Monitoring and Predator Control	Annual	In 2005, PacifiCorp provided \$21,248. The RCC technical working group continued drafting a plan for use of these funds. A predator control study at Soda Springs reservoir began in 2004 and continued in 2005.
19.3	Mitigation Fund	Annual	In 2005, PacifiCorp added \$265,594 to this account.
19.5.4	2005 Early Implementation Account Deposit	2005	In 2005, PacifiCorp added \$371,832 to this account.
21.4.1	RCC	Ongoing	Implementation of the RCC to facilitate the PM&Es continues.

3.3.1 Construction of Date Certain PM&Es

During the report period, PacifiCorp continued progress on the construction of Date Certain PM&Es. Selected projects in this category are described below.

Instream Flow Implementation (SA 5.1)

PacifiCorp continued designing instream flow release mechanisms suitable for meeting new instream flow requirements at diversion dams. Construction commenced in 2005 at most diversion facilities. New minimum flows were met by December 31, 2005 at all bypass reaches. Minimum flows were provided through new and existing facilities. At Soda Springs, flows were increased to meet the new minimum of 275 cfs prior to September 1, 2005.



Slide Creek Bypass Reach Habitat Enhancement (SA 8.2)

PacifiCorp continued with the last year of habitat modifications in the Slide Creek bypass reach of the North Umpqua River between Slide Creek and Fish Creek, as indicated by the Slide Creek Implementation Plan (2002). PacifiCorp, Stillwater Sciences, and the agencies reviewed habitat changes related to the 2002, 2003, and 2004 work, and proceeded with an experimental addition of 700 cy of spawning gravel during fall 2005 to test the new boulder structures. Gravel was added over

a cliff using a 75-ton crane to minimize disturbance to the river. A final report was sent to the agencies in February 2006. Implementation is now complete.

North Umpqua River Habitat Restoration/Creation Project (SA 8.3)

PacifiCorp and the agencies completed an implementation plan, a monitoring plan, and baseline habitat surveys for this project during 2004. Habitat construction was completed in August 2004, creating a net increase in Chinook spawning habitat of 15,000 square feet over that available before construction. In 2005, this project was monitored and minor maintenance was done to

strengthen the most upstream log weir. The boulder garden was bolstered with 12 more large boulders secured with local cobbles to reduce scour and improve fish passage at this site. An annual report was provided to the RCC in November 2005.



Reconnection of the Clearwater River (SA 10.3)

PacifiCorp designed and completed approximately 75 percent of the construction of the Clearwater River reconnection structure during 2005. The structure will accommodate flows

into both Toketee Lake and the Toketee bypass reach. The system of gates and controls will allow for high flows, woody debris, and sediment to be directed into the bypass reach. The design also accommodates passage of fish and amphibians. The facility began use in April 2006.



Potter Creek Restoration (SA 10.5)

In 2005, Potter Creek restoration was completed after three years of developing a collaborative design solution with the Parties. The final constructed project resulted in re-establishing the stream

channel at a gradient that can accommodate fish movement, contouring the stream banks and hillside so that vegetation will re-establish, moving the flume, and reconfiguring access. PacifiCorp received a press visit to the site during the Public Tour in the fall of 2005. The article in the *Roseburg News Review* was complimentary to the efforts of the RCC and its role in accelerating the construction of this project. The site will continue to be monitored to ensure that the resource objectives are obtained.



Wildlife Underpasses (SA 11.4)

PacifiCorp completed the design and construction of all nine underpasses and overpasses in the spring of 2005, a year before the deadline required by the Settlement Agreement. During 2004, PacifiCorp, USDA-FS, and ODFW staff met on several occasions to site and design

wildlife access under and over penstocks. The Settlement Agreement requires at least nine underpasses to be designed and constructed by 2006. PacifiCorp determined that this project merited early construction, and therefore, initiated early consultation with the agencies. The agency consultation resulted in determining that overpasses, not underpasses, in certain locations were a better solution.

3.3.2 Design

The Settlement Agreement includes multiple design commitments. PacifiCorp initiated or continued this work during the 2004-2005 period in order to remain on schedule with future due dates. PacifiCorp is working on design drawings for the following projects:

- Soda Springs Tailrace Barrier (SA 4.1.1). PacifiCorp continued to evaluate design alternatives throughout 2005. FERC issued an extension to January 31, 2007 to complete the design.
- Fish Creek Downstream Passage (SA 4.3.2). PacifiCorp has progressed on preliminary design and agency consultation in 2005. FERC issued an extension to January 31, 2007 to complete the design.
- Instream Flow Re-evaluation (SA 5.2). The Settlement Agreement required PacifiCorp, USDA-FS, ODFW, and USFWS to determine if the USDA-FS Spatial Niche Analysis pertaining to minimum flows in the Clearwater No. 2 bypass reach should be re-evaluated. In 2005, PacifiCorp, with support of the other agencies, elected not to pursue this re-evaluation, and submitted notice of this decision to FERC by letter dated April 4, 2005. FERC approved PacifiCorp's request.

- Lemolo No. 2 Full-Flow Reach (SA 6.1). PacifiCorp has initiated a design alternative development process with the Parties. The Parties have met several times to develop their interest statements and evaluate work completed to date. This design alternative process will continue in 2006.
- Restoring Riparian Habitat (SA 10.5). PacifiCorp has completed design on the White Mule Creek Riparian Habitat Restoration with the Parties. PacifiCorp also finalized design on the Potter Creek Riparian Habitat Restoration as part of the EIPs. Agency consultation has occurred through multiple meetings and site visits.
- Aquatic Connectivity (SA 10.6). In June 2005, PacifiCorp began a comprehensive design approach to all the aquatic connectivity sites. This approach will involve evaluating the design requirements for the aquatic connection as it relates to erosion control projects, culvert replacements, and wildlife bridge installation. PacifiCorp is consulting with the USDA-FS and ODFW to ensure that aquatic resource design criteria are addressed. A technical memo will be finalized in 2006 identifying typical design alternatives for connections, a schedule, and supporting maps.
- Enhancement of Wetlands (SA 11.5). Lemolo Lake Wetland: Field reconnaissance was conducted and a survey of the existing wetland for expansion was completed. Preliminary design was completed in 2005. Stump Lake Wetland: Initial agency consultation was started in April 2004. In 2005, several site visits resulted in a 75 percent design for agency review. This project will be constructed in 2006.
- Canal Shutoff and Drainage System (SA 14.2). Conceptual designs have been approved by the consulting agencies. FERC issued an extension for the completion of construction to October 18, 2007, to coincide with the Fish Creek downstream passage facility as these projects will need to have shared control systems for operation.

3.3.3 Plans and Reports

Fish Creek Fish Ladder Operations and Maintenance Plan; Aug 2005 (SA 4.3.1(c))

The Fish Creek Ladder Operations and Maintenance Plan describes the requirements for optimizing fish passage at this site.

Lemolo 2 Fish Ladder Operations and Maintenance Plan; Aug 2005 (SA 4.3.1(c))

The Operations and Maintenance Plan describes the requirements for the operation and maintenance of the Lemolo 2 Fishway.

Lemolo 2 Fish Ladder Evaluation Plan; Aug 2005 (SA 4.3.1(d))

The postconstruction Lemolo 2 Fish Ladder Evaluation Plan includes biological and hydraulic evaluations to ensure optimum design performance of the facilities.

Slide Creek Bypass Reach Habitat Enhancement Project: Final Report. Stillwater Sciences. Feb 2006. (SA 8.2)

This report documents the history and conclusion of the habitat enhancement project, derived from progress reports in 2003 and 2004. The final report was completed in February 2006. It describes the habitat condition immediately after the conclusion of construction activities, and compares spawning habitat created by the project with that during baseline conditions.

North Umpqua Habitat Restoration/Creation Project: 2005 Annual Report; Nov 2005. (SA 8.3, amended)

This report describes monitoring and maintenance activity during 2005, submitted to the RCC in accordance with the Monitoring Plan.

Clearwater River Reconnection Operations and Maintenance Plan (SA 10.3)

In 2005, PacifiCorp, in consultation with and with approval by the Parties, prepared an operational strategy for the Clearwater Reconnection project. This strategy identifies the resource goals of the facility and how it can be operated and maintained to meet those goals.

Long-Term Monitoring and Predator Control Plan (SA 19.2)

Settlement Agreement 19.2 provides for the development of a study plan, implementation plan, and monitoring and adaptive management plan to monitor and evaluate the success of the anadromous fish reintroduction above Soda Springs Dam. In addition, it provides for the assessment of potential predation of anadromous salmonid juveniles by nonnative predator species in Soda Springs Reservoir, and also guides long-term monitoring of anadromous fish populations. In 2005, the technical working group continued working on the plan and continued with pilot study of predator populations.

Resource Management Plans

Resource management plans are required to establish resource goals, implementation measures, roles and responsibilities, schedules, and monitoring. In the last reporting year, considerable progress was made on the completion of plans. The development of these plans was a collaborative effort that will continue throughout their implementation. All of the following plans were finalized in May 2004 and filed with FERC. The Cultural (Historic) Resources Plan and the Resource Coordination Plan will be completed in 2006.

Final plans are available on PacifiCorp's Web site at:
<http://www.pacificorp.com/Article/Article40597.html>

- Erosion
- Transportation
- Aesthetics
- Recreation
- Flow Monitoring
- Vegetation

All of the plans contain a form of the "coordination and communication of activities requirement." Meetings are scheduled to develop 5-year rolling actions plans for those plans that contain more actions.

The **Erosion Control Plan (SA 14.1)** has an annual erosion monitoring report commitment. In 2004-2005, PacifiCorp prepared annual erosion monitoring reports as required by Settlement Agreement 14.5, which includes results from a field reconnaissance. These reports were distributed to the Parties. The **Erosion Control 5-year Rolling Action Plan** is under development and was distributed to the appropriate agencies in late May 2005 for review and comment.

The **Transportation 5-year Rolling Action Plan:** PacifiCorp and the USDA-FS met on several occasions to complete the rolling action plan. A draft version was completed in 2005, with a final anticipated in 2006.

The **Aesthetic, Vegetation, and Recreation 5-Year Rolling Action Plans** were not developed in 2005, but have been postponed until 2006 with the agreement of the Parties. This delay is to accommodate the final license issuance and the schedule influence this had on the development of the action lists for the plans.

The **Flow Monitoring Plan** requires reporting within three months of receiving final USGS data. Once the data are final (published), PacifiCorp reviews the data and produces a report of deviations from required flows or ramp rates. During 2005, PacifiCorp and USGS actively consulted to improve record accuracy, review the validity of records, and develop a process for improved record review and management. The 2004 water year ended September 30, 2004, and the USGS data were released in the summer of 2005, but were still provisional. The 2005 water year (ending on September 30, 2005) was not yet published by the end of 2005. PacifiCorp is hopeful that the WY 2004 and 2005 data will be final in 2006 and that the 2004 and 2005 water year reports can be submitted at the same time.

The **Lemolo Reservoir Management Plan** does not have an annual reporting requirement, but does include coordination meetings to discuss water year issues and potential issues. PacifiCorp, ODFW, and the USDA-FS have been coordinating lake elevations according to the plan.

The **Cultural Resources Plan (Historic Properties Management Plan) (SA 18.1)** continued agency review and approval. PacifiCorp submitted a final draft Historic Properties Management Plan to USDA-FS, BLM, and the State Historic Preservation Office in December 2003. Since that submittal, the Parties have been addressing necessary elements of the plan. The purpose of this plan is to carefully define and describe the manner in which archeological and historic resources will be protected, and how potential impacts to these resources will be mitigated. The plan also includes provisions for how archaeological sites will be monitored and surveyed. This plan is anticipated to be completed in June 2006 and submitted to FERC.

The **Resource Coordination Plan (SA 21.1)** is scheduled for completion at the end of 2005 but was extended until 2006 at the request of PacifiCorp and the Parties to create a more comprehensive plan. The objective of this plan is to provide a process that ensures that each individual action in the Settlement Agreement is coordinated with the appropriate Parties, and has taken into consideration its relationship to other actions and the potential regulatory changes that may occur over the term of the license. The plan also will define the purpose and need of the RCC, their ground rules, and their overall facilitation role. The parties have participated in several meetings in 2005 and have made considerable progress on this plan.

3.4 FERC License Actions

The FERC license contains actions that are required in addition to those actions in the Settlement Agreement. Table 3.4-1 summarizes the FERC License requirements that were fulfilled during the reporting period of January 1, 2005 through December 31, 2005.

TABLE 3.4-1
FERC License Actions Status from January 2005 to December 2005

Date Filed	Article #	SA #	Description	Status/Comments
1/31/05	411	n/a	2004 Threatened & Endangered Species Monitoring Report	Letter issued - filing requirement satisfied
2/18/05	401	4e Cond. 12	Fire Suppression Plan	Approved
3/1/05	401	4.3.1(d)	Request for Extension of Time to file Lemolo 2 Upstream Fishway Post-Construction Evaluation Plan to 8/31/05	Extension Granted
3/1/05	401	4.3.1(a)	Request for Extension of Time to file Lemolo 2 Upstream Fish Passage Modification Design to 8/31/05	Extension Granted
3/1/05	401	4.3.1(c)	Request for Extension of Time to file Fish Creek Upstream Fishway Operation & Maintenance Plan to 8/31/05	Extension Granted
3/1/05	401	4.3.1(c)	Request for Extension of Time to file Lemolo 2 Upstream Fishway Operation & Maintenance Plan to 8/31/05	Extension Granted
4/1/05	401	4.3.2(a) & (b)	Request for Extension of Time to file Fish Creek Fish Screen Design Plan to 4/1/07	Extension Granted
4/1/05	401	4.1.1(f)	Request for Extension of Time to file Soda Springs Tailrace Barrier Final Designs to 4/1/06	Extension Granted
4/1/05	401	10.5	Request for Extension of Time to file White Mule Creek Restoration Plan to 7/1/05	Extension Granted
4/4/05	401	5.2	Request to delete the requirement for a plan to re-evaluate instream flows in the Clearwater 2 bypass reach.	Approved
4/13/05	301	5.1	Instream flow release modification dwgs, specs, & QCIP (90% complete)	Approved
4/29/05	401	11.5	Wetland Restoration Plan	Awaiting approval
5/16/05	301	5.1	Instream flow release modification dwgs, specs, & QCIP (90% complete) - Revisions to QCIP	Approved
5/17/05	401	4e Cond. 13	Request for Extension of Time to file Solid Waste & Waste Water Plan to 11/30/05	Extension Granted
5/17/05	401	4e Cond. 14	Request for Extension of Time to file Spill Prevention & Control, and Hazardous Materials Management Plan to 11/30/05	Extension Granted
5/26/05	301	10.5	Potter Creek Restoration Plan (100% complete design plans)	Approved pending receipt of Erosion Control Plan Sheet III Revisions
6/13/05	401	21.4.2	2004-2005 Resource Coordination Committee Annual Report	Letter issued - filing requirement satisfied
6/30/05	304	10.5	Potter Creek Restoration Plan (100% complete design plans) - Permits & Revised Erosion Plan Sheet III	Approved
6/30/05	401	10.5	Potter Creek & White Mule Creek Restoration Plan	Approved

Date Filed	Article #	SA #	Description	Status/Comments
7/5/05	401	7.2.1	Request for Extension of Submittal Date for Report on Final Results of Experimental Gravel Pulse to within 30 days of finalizing the report.	Approved
7/7/05	301	10.3	Clearwater River Reconnect (Final plans, specs, QCIP, TEAP, & operations strategy)	Approved pending receipt of revised TEAP
7/11/05	301	4.3.1(a)	Lemolo 2 Upstream Fishway Modifications Design & Specs	Approved
8/19/05	306	10.3	Clearwater River Reconnect - Permits & Revisions to TEAP	E-mail transmittal acceptance
8/31/05	401	4.3.1(c) & (d)	Fish Creek & Lemolo 2 Fishway Operation & Maintenance Plans, and Lemolo 2 Fishway Operation & Maintenance Post Construction Evaluation Plan	Awaiting approval
9/9/05	301	Sch. 15.4	FS Road 3400-077 Road Decommissioning (Final designs & specs)	Approved
9/12/05	305/306	5.1	Instream flow release modifications (permits, cofferdam plans and specs, and TEAP)	Letter issued - filing requirement satisfied
11/16/05	401	4e Cond. 15	Request for Extension of Time to file USDA 4e Condition 15 to 6/30/06)	Awaiting approval
11/18/05	401	4e Cond. 17	Request to remove Species Plan under NU SA 4 USDA 4e Cond 17 from license requirements.	Awaiting approval
11/30/05	401	4e Cond. 13	Solid Waste and Waste Water Plan	Awaiting approval
11/30/05	401	4e Cond. 14	Spill Prevention & Control, and Hazard Materials Management Plan	Awaiting approval

SECTION 4.0

Fiduciary Reporting

Consistent with Settlement Agreement fiduciary account reporting requirements, this section provides account information for the following Settlement Agreement actions:

- Section 7.2.3 (amended). Gravel Augmentation Program Funding and Accounting
- Section 8.3.5 (amended). North Umpqua River Habitat Restoration/Creation Project Funding and Accounting
- Section 19.1.1.3. Tributary Enhancement Account Reporting
- Section 19.3.1. Mitigation Fund Annual Reporting
- Section 19.5.2. Early Implementation Fund Annual Report
- Section 21.4.2. Environmental Coordinator Reports

4.1 Summary of Fund Payments

As required by Settlement Agreement Sections 7.2.3, 8.3. 5, 19.1.1.3, 19.3.1, and 19.5.2, the annual amounts of total payments made by PacifiCorp are summarized in Table 4.1-1, fulfilling the Settlement Agreement requirement to annually report the amount deposited and disbursed for each account. The Settlement Agreement does not require annual reporting for the Settlement Agreement 19.2 Long-Term Monitoring and Predator Control Fund. Since this exclusion was likely an oversight, the deposited and disbursed amounts are provided in Table 4.1-1. A detailed accounting for Settlement Agreement Sections 7.2, 8.3, and 19.2 is provided in Appendix A.

The EIP funds distributed from 2002 to 2005, including expenses and interest, are summarized in Table 4.1-2. Funds are shown in more detail by project-specific expenditures for the 2005 EIPs in Table 4.1-3.

**TABLE 4.1-1
Settlement Agreement Fund Status Summary**

7.2.3 Gravel Augmentation Program	
2002 Opening Balance	\$ 175,000
2002 Expenditures	\$0
2002 Remaining Balance	\$ 175,000
2003 Escalation	\$ 1,337
2003 Opening Balance	\$ 176,337
2003 Expenditures	(\$10,385)
2003 Remaining Balance	\$ 165,952
2004 Escalation	\$ 2,655
2004 Opening Balance	\$ 168,607
2004 Expenditures	(\$119,488)
2004 Remaining Balance	\$ 49,119
2005 Escalation	\$ 688
2005 Opening Balance	\$ 49,807
2005 Expenditures	\$0
2005 Remaining Balance	\$ 49,807
8.3.5 North Umpqua Habitat Restoration/Creation Project	
2002 Opening Balance	\$ 410,000
2002 Expenditures	\$0
2002 Remaining Balance	\$ 410,000
2003 Escalation	\$ 3,132
2003 Opening Balance	\$ 413,132
2003 Expenditures	(\$ 47,340)
2003 Remaining Balance	\$ 365,792
2004 Escalation	\$ 5,853
2004 Opening Balance	\$ 371,645
2004 Expenditures	(\$ 102,715)
2004 Remaining Balance	\$ 268,930
2005 Escalation	\$ 3,765
2005 Opening Balance	\$ 272,695
2005 Expenditures	(\$ 9,010)
2005 Remaining Balance	\$ 263,685
19.1.1.3 Tributary Enhancement Account (State)	
2004 Opening Balance (Deposit)	\$ 2,078,174
2004 Additional Deposit *	\$ 17,242
2004 Expenditures	\$0
2004 Interest Earned	\$ 14,036
2005 Deposit	\$ 409,015
2005 Expenditures	\$0
2005 Interest Earned	\$ 60,216
Total Fund Value	\$ 2,578,683

19.2.1 Long Term Monitoring and Predator Control Fund	
2004 Opening Balance	\$20,954
2004 Expenditures	(\$8,387)
2004 Interest Earned	\$130
2005 Deposit	\$21,248
2005 Expenditures	(\$6,326)
2005 Interest Earned	\$1,013
Total Fund Value	\$28,632
19.3.1 Mitigation Account (Federal)	
2004 Opening Balance (Deposit)	\$1,298,859
2004 Additional Deposit *	\$10,776
2004 Expenditures/Interest Earned	\$0
2005 Deposit	\$265,594
2005 Expenditures/Interest Earned	\$0
Total Fund Value	\$1,575,229
19.5.1 Early Implementation Fund Financial Summary	
2002 Opening Balance (Deposit)	\$358,187
2002 Expenditures	(\$291,728)
2002 Interest Earned	\$3,910
2002 Adjustments	-
Total 2002 EIP Remaining Balance	\$70,369
2003 Opening Balance	\$70,369
2003 Deposit	\$360,923
2003 Expenditures	(\$358,986)
2003 Interest Earned	\$3,424
2002 Adjustments (BLM credit)	\$5,965
Total 2003 EIP Remaining Balance	\$81,694
2004 Opening Balance	\$81,694
2004 Deposit	\$366,698
2004 Expenditures	(\$383,984)
2004 Interest Earned	\$5,491
Total 2004 EIP Remaining Balance	\$69,899
2005 Opening Balance	\$69,899
2005 Deposit	371,832
2005 Expenditures	(\$219,759)
2005 Interest Earned	\$14,679
Total 2005 EIP Ending Balance **	\$236,651

* Additional deposit made due to Bureau of Economics escalation table changes

** Balance reflects two EIP projects that will be carried over to 2006 due to weather issues. Final EIP Fund Balance is estimated at (\$11,687)

TABLE 4.1-2
Early Implementation Program Financial Status

2002	
2002 Opening Balance (Deposit)	\$358,187
2002 Expenditures	(\$291,728)
2002 Interest Earned	\$3,910
Total 2002 EIP Remaining Balance	\$70,369
2003	
2003 Opening Balance	\$70,369
2003 Deposit	\$360,923
2003 Expenditures	(\$358,986)
2003 Interest Earned	\$3,424
2002 Adjustments (BLM credit)	\$5,965
Total 2003 EIP Remaining Balance	\$81,694
2004	
2004 Opening Balance	\$81,694
2004 Deposit	\$366,698
2004 Expenditures	(\$383,984)
2004 Interest Earned	\$5,491
Total 2004 Remaining Balance	\$69,899
2005	
2005 Opening Balance	\$69,899
2005 Deposit	\$371,832
2005 Expenditures	(\$219,759)
2005 Interest Earned	\$14,679
2005 Remaining Balance	\$236,651
EIP CLOSING BALANCE	
	\$236,651*

* Balance reflects two EIP projects that will be carried over to 2006 due to weather issues. Final EIP Fund Balance is estimated at (\$11,687)

TABLE 4.1-3
2005 EIP - Project Specific Expenditures

Beginning Balance	\$ 441,731
Interest Earned	\$ 14,697
Total Available	\$ 456,428
Estimated Expenditures	\$ (468,115)
2005 End-of-Year Balance	\$ (11,687)

2005 EIP Projects	Estimated Expenditures	Actual \$ Spent
3400-077	\$ (118,250)	\$ (2,344)
BLM Weeds	\$ (5,965)	\$ (5,965)
USFS Weeds	\$ (31,344)	\$ (31,344)
Dorothy Creek Culvert	\$ (96,275)	\$ (96,275)
No Tunnel Creek Culvert	\$ (37,609)	\$ (37,609)
3 Road Decommissioning	\$ (12,634)	\$ (12,634)
Wildlife Crossings	\$ (132,450)	-
Asbestos Culverts	\$ (33,588)	\$ (33,588)
Total	\$ (468,115)	\$ (219,759)

4.2 Early Implementation Fund Financial Summary

The 2005 EIP program was funded on January 31, 2005. The EIP fund was purposely over-allocated with the anticipation that the final license would be issued in 2005, marking the end of the EIPs. Since the license was issued in 2005 and the fund was overspent, there are no remaining funds for the EIP program.

SECTION 5.0

Conclusion

The material presented in the 2005 Annual Report represents the benefit of a productive year that was made possible by the dedication of the RCC members and their respective staff, PacifiCorp's North Umpqua Implementation Team members, and the public. This collaborative approach provided an effective framework for completing PM&Es in a highly valued watershed.

The RCC ground rules and protocols for interagency teamwork and communication have provided an effective, collaborative framework for watershed management in accordance with the goals of the Settlement Agreement. All Parties worked cooperatively toward meeting Settlement Agreement schedule commitments during the report period. None of the projects slated for implementation in 2005 are behind schedule: in fact, several are ahead of schedule, such as the Wildlife Underpasses, which will be completed in June 2006—1½ years early.

During the 2005 report period, two significant construction projects commenced: the Potter Creek Riparian Restoration and the Clearwater Reconnection project. Both of these projects required a multidisciplinary team approach for a successful design and installation.

Also during 2005, the FERC license was considered final when all challenges were resolved and appeal periods were expired on October 18, 2005. This culminated over ten years of agency and PacifiCorp effort in reaching a collaborative solution to the multiple resource values present in the North Umpqua basin. All the parties are encouraged that efforts will be focused fully on implementation now that the license is considered final.

The year ahead is likely to be equally as gratifying, as many key projects are slated for design and construction. The RCC and technical staff have been actively involved in these projects, ensuring that the range of interests has all been addressed.

PacifiCorp, in partnership with the Parties, continues to learn more each year, and values the increased role of FERC in the era of new license implementation.

APPENDIX A

Detailed Accounting

RCC REPORTING 2005

7.2 Gravel Augmentation

Date	Item	Amount	Balance
2002	Settlement Agreement Allocation	\$175,000	\$175,000
2002	Expenditures	\$0	\$175,000
2002	Remaining Balance		\$175,000
2003	2003 Escalation (as per SA 22.4.4)	\$1,337	\$176,337
2003	Opening Balance		\$176,337
2003	Expenditures		
	Jan 2003 - Implementation Plan support (Stillwater)	(\$582)	\$175,755
	Feb 2003 - Implementation Plan support (Stillwater)	(\$6,365)	\$169,390
	Mar 2003 - Implementation Plan draft (Stillwater assistance)	(\$2,148)	\$167,242
	April 2003 - Monitoring Plan support (Stillwater)	(\$840)	\$166,402
	Nov 2003 - DSL permit app fee for pulse exp.	(\$450)	\$165,952
2003	Remaining Balance		\$165,952
2004	2004 Escalation (as per SA 22.4.4)	\$2,655	\$168,607
2004	Opening Balance		\$168,607
2004	Expenditures		
	Jan 2004 - NEPA for pulse experiment (USFS)	(\$3,246)	\$165,361
	June 2004 - Monitoring Plan/Gravel Pulse support (Stillwater)	(\$201)	\$165,160
	July 2004 - Implementation/Monitoring/Gravel Pulse support (Stillwater)	(\$1,547)	\$163,613
	Aug 2004 - 3000 cy gravel, delivery and placement of gravel pulse	(\$97,326)	\$66,287
	Oct 2004 - USFS W+S determination costs	(\$3,061)	\$63,226
	Fall 2004 - Base monitoring: aerial basemap/video, river patch descriptions	(\$14,107)	\$49,119
	2004 Labor Charge	(\$4,695)	\$44,424
	2004 Labor Credit	\$4,695	\$49,119
2004	Remaining Balance		\$49,119
2005	2005 Escalation (as per SA 22.4.4)	\$688	\$49,807
2005	Opening Balance		\$49,807
2005	Expenditures		
	2005 Labor Charge	(\$627)	\$49,180
	2005 Labor Credit	\$627	\$49,807
2005	Remaining Balance		\$49,807

Services Donated:

PacifiCorp: technical assistance in design, plan writing, monitoring, maintenance planning and permitting

Agencies: technical assistance in design, plan review, monitoring, maintenance planning

PacifiCorp: watercraft for monitoring navigation

Updated: 6/6/06

RCC REPORTING 2005

SA 19.2 Long Term Monitoring and Predator Control

Date	Item	Costs	Balance
2004	Initial funding		\$20,954
2004	Expenditures		
	Oct 2004 – MaxDepth hydroacoustic survey Soda Springs reservoir Sep 04, draft report to TWG	(\$7,364)	\$13,590
	Nov 2004 – LAWES assistance with fish sampling Oct 04	(\$1,023)	\$12,567
	2004 Labor Charge	(\$1,590)	\$32,355
	2004 Labor Credit	\$1,590	\$33,945
2004	Interest Earned	\$130	\$12,697
2004	Remaining Balance		\$12,697
2005	Annual funding	\$21,248	\$33,945
2005	Expenditures		
2005	Aug 2005 – MaxDepth hydroacoustic survey work at Soda Springs	(\$6,326)	\$27,619
	2005 Labor Charge	(\$3,057)	\$24,562
	2005 Labor Credit	\$3,057	\$27,619
2005	Interest Earned	\$1,013	\$28,632
2005	Remaining Balance		\$28,632

Services Donated

PacifiCorp: Labor

Updated 6/6/06

RCC REPORTING 2005

SA 8.3 North Umpqua River Habitat Restoration/Creation Project

Date	Item	Amount	Balance
2002	Settlement Agreement Allocation	\$410,000	\$410,000
2002	Expenditures	\$0	\$410,000
2002	Remaining Balance		\$410,000
2003	Escalation (as per SA 22.4.4)	\$3,132	\$413,132
2003	Opening Balance		\$413,132
2003	Expenditures		
	Aug 2003 - Feasibility Report (Stillwater)	(\$46,035)	\$367,097
	Dec 2003 - RAT support for design visit (USFS)	(\$576)	\$366,521
	Dec 2003 - Provide survey data, review admin. (Stillwater)	(\$729)	\$365,792
2003	Remaining Balance		\$365,792
2004	Escalation (as per SA 22.4.4)	\$5,853	\$371,645
2004	Opening Balance		\$371,645
2004	Expenditures		
	Jan 2004 - NEPA for construction (USFS)	(\$14,789)	\$356,856
	Jan 2004 - Design review+Jan 15 conf. call (Stillwater)	(\$963)	\$355,893
	Mar 2004 - DSL permit application fee for construction	(\$450)	\$355,443
	July/Aug 2004 - Baseline habitat survey + post-construction survey	(\$6,540)	\$348,903
	July 2004 - Permeability pack	(\$1,750)	\$347,153
	Aug 2004 - Total construction costs (materials, labor, equipment)	(\$78,223)	\$268,930
	2004 Miscellaneous Charges	(\$51)	\$268,879
	2004 Miscellaneous Credit	\$51	\$268,930
	2004 Labor Charge	(\$22,172)	\$246,758
	2004 Labor Credit	\$22,172	\$268,930
	2004 AFUDC (Interest) Expense	(\$782)	\$268,148
	2004 AFUDC Credit	\$782	\$268,930
	2004 Construction Overheads Charge	(\$15,651)	\$253,279
	2004 Construction Overheads Credit	\$15,651	\$268,930
2004	Remaining Balance		\$268,930
2005	Escalation (as per SA 22.4.4)	\$3,765	\$272,695
2005	Opening Balance		\$272,695

Date	ITEM	Costs	Balance
2005	Expenditures		
	Aug 2005 - Habitat Maintenance below SS Dam (Weekly Bros.)	(\$5,681)	\$267,014
	Sept-Oct 2005 - Fish Sampling/Fish Count (Land & Water)	(\$3,329)	\$263,685
	2005 Construction Overheads Charge	(\$151)	\$263,534
	2005 Construction Overheads Credit	\$151	\$263,685
	2005 Labor Charge	(\$4,544)	\$259,141
	2005 Labor Credit	\$4,544	\$263,685
2005	Remaining Balance		\$263,685

Services Donated

PacifiCorp: technical assistance in design, plan writing, baseline survey, monitoring, maintenance planning and permitting

Agencies: technical assistance in design, plan review, baseline survey, monitoring, maintenance planning (current level)

PacifiCorp: engineering / drafting of construction drawings (if needed)

Agencies: technical effort associated with gage relocation

PacifiCorp: technical effort associated with gage relocation

PacifiCorp: comtech labor associated with gage relocation (make equipment and communications work)

PacifiCorp: hydrology services required to re-rate new gage location

USFS: RAT support for design (and construction oversight?)

USFS: logs for weirs

PacifiCorp: AFUDC (interest) & construction overheads (internal fees)

PacifiCorp: Misc. charges (Cookhouse, Bank charge for Permit fee)

Note: Gravel for upper pool weir (200 cy 7 times over license term) funded by SA 7.2.

Updated
6/6/06