

NORTH UMPQUA HYDROELECTRIC PROJECT

FERC P-1927

Protection, Mitigation, and Enhancement Measures



2007 Annual Report

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Executive Summary

PacifiCorp Energy (“PacifiCorp”) is implementing Protection, Mitigation, and Enhancement measures (PM&Es) on the North Umpqua Hydroelectric Project (“Project”) identified in the 2001 Settlement Agreement (“Settlement Agreement, or SA”) and the Federal Energy Regulation Commission (FERC) license (FERC P-1927) issued on November 18, 2003. The license was considered final on October 18, 2005, as defined in the Settlement Agreement. This milestone initiated full implementation of PM&Es identified in the Settlement Agreement. This annual report documents PacifiCorp’s project and fiduciary activities from January to December of 2007.

Representatives from the four federal and three state agencies that signed the Settlement Agreement, in addition to PacifiCorp, function as the Resource Coordination Committee, which facilitates activities associated with the Settlement Agreement. During the reporting period, the Resource Coordination Committee conducted 11 meetings that involved opportunities for public participation. The Policy Group, established to make decisions regarding policy-level issues, conducted meetings in February and October. Also in October, the Resource Commission Committee conducted a hydro-project tour to inform the public and provide an overview of the implementation program to interested parties.

Settlement Agreement PM&Es follow a schedule outlined in the Settlement Agreement. License PM&Es for this reporting year are those due between January and December 2007.

In 2007, key accomplishments included:

- Completion of construction and beginning operation of the Soda Springs tailrace barrier (SA Section 4.1.1f).
- Began development of design for the Soda Springs fish passage facilities, including modification of the spillway to protect out-migrating juvenile salmonids (SA Section 4.1.2).
- Began construction of the Fish Creek fish screen, expected to be fully functional in 2008 (SA Section 4.3.2a).
- Completion of facilities to ensure delivery of minimum instream flows and ramping requirements for Lemolo 1, Lemolo 2, Clearwater 1, and Clearwater 2; and significant progress on a similar facility at Slide Creek (SA Section 5.1).
- Agreement with parties to the Settlement Agreement on a conceptual design for a facility to reroute flow from the Lemolo 2 powerhouse and eliminate ramping in the full-flow reach (SA Sections 5.4, 6.1).
- Completion of most of the construction of a feature on the Clearwater 1 diversion dam to provide upstream and downstream passage for macro-invertebrates and amphibians; expected to be completed in 2008 (SA Section 10.2).

- Progress on development of an Aquatic Connectivity Plan, which will include designs, locations, and schedule for reconnection of aquatic sites along project waterways (SA Section 10.6).
- Completion of nine wildlife crossings, resulting in a total of 15 structures that provide crossing opportunities for wildlife along project waterways (SA Section 11.2).
- Completion of design and construction of a wetland adjacent to Lemolo Lake, the second of a total of eight wetlands to be enhanced or constructed during the license period (SA Section 11.5).
- Completion of most construction of a canal shutoff and drainage system along the Fish Creek waterway, expected to be fully functional in 2008 (SA Section 14.2).
- Remediation of four erosion sites, bringing to a total of 39 erosion sites completed since signing of the Settlement Agreement (SA Section 14.4).
- Beginning of joint implementation of the Transportation Management Plan, initiating a cost-share arrangement between PacifiCorp and USDA-FS in managing and maintaining roads and bridges in the Project area (SA Section 15.1).
- Completion of 35 fish habitat enhancement structures in East Fork Rock Creek, part of a long-term study that will guide future use of funding to provide for aquatic resources in the Rock Creek basin (SA Section 19.1).
- Completion of five-year rolling action plans, as part of various Management Plans, that provide long-term guidance for cooperative management of multiple resources within the Project area (SA Section 21.1)

The Resource Coordination Committee met in January to plan actions for 2007, as specified in the Resource Coordination Plan. This forum is conducted annually to coordinate the Parties' collaborative efforts in meeting the intent of the Settlement Agreement. The Resource Coordination Committee will continue to meet on a regular basis to oversee these and future actions.

SECTION 1.0 INTRODUCTION

Located on the west side of the Cascades mountain range in southwest Oregon, the North Umpqua Hydroelectric Project consists of eight dams that have a combined 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 with FERC. In June 2001, the relicensing process culminated in the development and signing of the Settlement Agreement. The Settlement Agreement identified annual reporting requirements that range from fiduciary reporting to narrative description of actions. This annual report represents a calendar year timeframe (January to December 2007), per SA Section 21.4.2, and contains the SA reporting requirements, as described below:

- SA Section 7.2.3 (amended). Gravel Augmentation Program Funding and Accounting: Written annual report describing the amounts deposited and disbursed.
- SA Section 8.3.5 (amended). North Umpqua River Habitat Restoration/Creation Project Funding and Accounting: Written annual report describing the amounts deposited and disbursed.
- SA Section 19.1.1.3 Tributary Enhancement Account Reporting: Written annual report describing the amounts deposited and disbursed.
- SA Section 19.3.1 Mitigation Fund Annual Reporting: Written annual report describing the amounts deposited and disbursed.
- SA Section 21.4.2 Environmental Coordinator Reports: An annual report on the activities of the Resource Coordination Committee and on the implementation of the PM&Es.

1.1 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.” 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 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 was not final until all administrative and judicial appeals were exhausted. The license was appealed to the Ninth U.S. Circuit Court of Appeals on May 21, 2004. On September 1, 2005, the Court ruled the case in favor of FERC, USDA-FS, and PacifiCorp. The license was therefore considered final on October 18, 2005.

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>

1.2 Resource Coordination Committee

SA Section 21 establishes a process to facilitate coordination and decision-making concerning implementation of Settlement Agreement measures. To accomplish this objective, SA Section 21.1 provides for the creation of the Resource Coordination Committee consisting of representatives from the signing Parties. The purposes of the Resource Coordination Committee, detailed in SA 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 (technical working groups) to accomplish these objectives.

1.3 Report Organization and Review

The 2007 North Umpqua Hydroelectric Project Annual Report provides the following information:

Section 2.0 Resource Coordination Committee

- Section 2.1 Resource Coordination Committee Roles and Responsibilities
- Section 2.2 Resource Coordination Committee Members
- Section 2.3 Resource Coordination Committee Meetings

Section 3.0 Protection, Mitigation, and Enhancement Measures

- Section 3.1 Implementation of PM&Es

Section 3.2 FERC License Actions

Section 4.0 Fiduciary Reporting

Section 4.1 Summary of Fund Activity

Section 5.0 Conclusion

Appendix A Fund Status Summary

Appendix B – Detailed Accounting

This annual report was developed by PacifiCorp and underwent a 30-day review and comment period by the Resource Coordination Committee members. Comments from these agencies were incorporated either directly or by reference into the final document.

SECTION 2.0

RESOURCE COORDINATION COMMITTEE

This section provides an overview of Resource Coordination Committee (RCC) roles and responsibilities according to the Settlement Agreement and as subsequently implemented. It also presents a summary of RCC meetings held during the 2007 report period, including a list of public comments received, major discussion points, decisions, and action items associated with each meeting.

2.1 Resource Coordination Committee Roles and Responsibilities

The purpose and role of the RCC, as defined in SA Section 21.1, 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 SA Section 19. 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:

- Facilitate coordination of the implementation of the Resource Coordination Plan (RCP), including ongoing operations and maintenance (SA Section 21.1).
- Coordinate the implementation of PM&Es and ongoing monitoring requirements by PacifiCorp (SA Section 21.1).
- Coordinate responses and evaluations specifically assigned to the RCC (SA Sections 8.2.2, 8.3.3, 12.2, 14.3.3, 14.5, 17.8, 19.2.1 and 22.5.2, and SA Amendment Section 7.2).
- Facilitate coordination and consultation on plans developed by PacifiCorp (SA Section 21.1).

- Review and comment on the draft annual report of RCC activities and implementation of the PM&Es (SA Section 21.4.2).
- Serve as a common point of contact for public information regarding Settlement Agreement implementation.

The following measures are specifically excluded from RCC responsibility:

- Administration of the Tributary Enhancement Program through ODFW's Memorandum of Understanding (SA Section 19.1).
- Administration of the Mitigation Fund through USDA-FS (SA Section 19.3).
- Approval of plans and actions regarding specific PM&Es assigned to individual organizations for resource protection (SA Section 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 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.
- 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 Resource Coordination Committee 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
2007 Resource Coordination Committee Members

RCC Member	Organization
Pam Sichting	USDA Forest Service, Umpqua National Forest, Roseburg, Oregon
Craig Tuss	USDI Fish and Wildlife Service, Roseburg, Oregon
Robert Hall	USDI Bureau of Land Management - Roseburg District, Roseburg, Oregon
Ed Meyer	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
Monte Garrett	PacifiCorp Energy, Portland, Oregon

2.3 Resource Coordination Committee Meetings

During the 2007 reporting period, the RCC conducted eleven meetings to finalize study plans, discuss implementation objectives for PM&Es, and facilitate the overall Settlement Agreement implementation. The formal ground rules established and adopted by the RCC provide the functional framework for this collaborative work. These ground rules are provided on the PacifiCorp Web site at: www.pacificorp.com/File/File52306.pdf.

This section summarizes the issues covered at RCC meetings and the items where consensus was reached during the 12-month report period. Meeting summaries are provided on the PacifiCorp Web site at: www.pacificorp.com/Article/Article26523.

Meeting summaries are drafted for RCC meetings and Technical Work Group (TWG) meetings. The draft summaries are 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 No. 1
February 21, 2007

- Agreed to advise the USDA-Forest Supervisor that the Diamond Lake Water Quality Study is appropriate for SA Section 19.3 funding.
- Approved twenty 2007 project work plans.
- Approved spending of up to \$237,000 from SA Section 19.2 fund.

RCC Meeting No. 2
March 21, 2007

- Decision made to invite representatives from both Army Corps of Engineers (CoE) and Department of State Lands (DSL) to participate in RCC meetings.
- Approved modification to ground rules authorizing TWG updates on RCC approved documents under specific circumstances.

RCC Meeting No. 3
April 18, 2007

- Approved TWG request for a temporary ramping allowance in Soda Springs bypass reach to acquire data for building a tailwater rating curve necessary for taking the Soda Springs fish passage designs into the 30% level.

RCC Meeting No. 4
May 16 2007

- DSL and CoE gave overviews of their permitting processes.
- Reported that exploratory borings have started for the SA Section 4.1 Soda Springs Fish Passage facilities.

RCC Meeting No. 5
June 20, 2007

- Reported that the SA Section 4.1.1f Soda Springs tailrace barrier cofferdam is in place.
- Reported that July 2 will be the start date for the Fish Creek project.

- Approved request for support of ramping allowance for special one-day test to replicate an emergency shutdown (June 29) under high flow conditions for hydraulic modeling, required for Fish Creek canal shutoff and drainage design.

RCC Meeting No. 6
July 18, 2007

- Discussed SA Section 4.1.1f Soda Springs tailrace barrier construction project turbidity issue.
- Discussed SA Section 4.3.2a Fish Creek fish screen project 401 certification permit issue.
- Discussed Lemolo Lake water quality issue due to ongoing algal bloom.

RCC Meeting No. 7
August 15, 2007

- Discussed 401 certification issue regarding SA Section 4.3.2a Fish Creek fish screen project.
- Discussed Lemolo Lake water quality management.
- Reported a tentative October timeframe for removal of the SA Section 4.1.1f Soda Springs tailrace barrier coffer dam.
- Reported that due to 401 certification delay on SA Section 4.3.2a Fish Creek fish screen, project completion will move to 2008.

RCC Meeting No. 8
September 19, 2007

- Discussed plans and details for October 16 public information site tour and RCC interviews for video update.
- Reported that SA Section 4.1.1f Soda Springs tailrace barrier is on schedule for completion within the timeframe originally envisioned and that cofferdam removal is tentatively scheduled for week of October 10-17.
- Reported that SA Section 4.3.2a Fish Creek fish screen and SA Section 14.2 Fish Creek Canal Shutoff & Drainage projects are proceeding rapidly now that all permits have been received.

RCC Meeting No. 9
October 17, 2007

- Reported that underwater portions of SA Section 4.1.1f Soda Springs tailrace barrier is complete and river water is being let back in; cofferdam is in the process of being removed slowly to minimize turbidity effects.
- Reported on a successful October 16 public tour.

RCC Meeting No. 10
November 29, 2007

- Approved allocation of approximately \$18,000 to extend two current temporary ODFW positions dedicated to SA Section 19.2 work through March 2008.
- Approved the revised Flow Monitoring Plan
- Reported the SA Section 4.1.1f Soda Springs tailrace barrier cofferdam was fully removed on October 25, 2007 and facility is now operating at full-flow capacity.

RCC Meeting No. 11
December 19, 2007

- Replaced the previously approved \$18,000 additional allocation for SA Section 19.2 Long Term Monitoring/Predator Control project with new 2008 budget amount of \$162,000.

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SECTION 3.0

PROTECTION, MITIGATION, AND ENHANCEMENT MEASURE PROGRESS

This section presents 2007 progress of Protection, Mitigation, and Enhancement Measures (PM&Es) defined in the North Umpqua Settlement Agreement (effective June 13, 2001) and the FERC license (final as of October 18, 2005). A summary of all documents submitted to FERC and their current status is also presented.

The Parties have agreed to modify the schedule of PM&Es, if necessary. In such instances, 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.

3.1 Implementation of Protection, Mitigation, and Enhancement Measures

The schedule for all PM&Es and their status is presented in Table 3.1-1. The status of the PM&Es specific to the timeframe of this report is presented in Table 3.1-2.

During the report period, Settlement Agreement and license actions focused on planning, monitoring, construction projects, and engineering designs. Parties have cooperated in meeting Settlement Agreement schedule commitments.

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Key	
	Due Date
●	Completed
○	In Progress

**TABLE 3.1-1
Implementation Schedule and Status of
Protection, Mitigation, and Enhancement Measures**

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 Evaluation 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															
4.1.1(f)	Slide Creek Tailrace Barrier - 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	●	●	●	●	●	●	●								
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 Appendix D Schedule						●	●								
6.7	Emergency Shutdown - Ramp Restrictions						●	●								
6.8	Soda Springs Emergency Bypass Valve				●											
6.9	Slide Creek Emergency Bypass Valve Evaluation						●									

SA Section	PM&E	YEAR														
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015+
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		●	●	●	●										
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				●											

SA Section	PM&E	YEAR														
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015+
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 – Design/Construction					●	●									
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 Connectivity Priority 1 Sites						○	○				●				
10.6	Reconnecting Aquatic Connectivity Priority 2 Sites						○	○								●
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	Stump Lake Wetland						●									
11.5	Stinkhole Wetland							○				●				
11.5	Fallen Mountain Creek – Lemolo 2									●						
11.5	Lemolo/Forebay Expansion Area										●					

SA Section	PM&E	YEAR														
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015+
11.5	Lemolo Campground Area							●								
11.5	Wetland Areas #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 – Fish Creek							○	○							
14.2	Canal Shutoff & Drainage System – Clearwater 2							○								
14.2	Canal Shutoff & Drainage System – Lemolo 2															
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				●											
15.1	Transportation Management Plan Implementation				●	●	●	●								
15.2	PPL Roads to USDA-FS Standards	●	●	●	●	●	●	●								
15.3	Cost Sharing for Joint Roads and Maintenance					●	●	●								

SA Section	PM&E	YEAR														
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015+
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	Aesthetics Management Plan Implementation				●	●	●	●								
16.2	Landscaping Clearwater Shop						●	●								
16.2	Landscaping Clearwater Switchyard						●	●								
16.4	Transmission Line Evaluation (Design)					●										
16.4	Transmission Line Mitigation (11 Sites)															
17.0	RECREATION															
17.2	O&M Funding to USDA-FS				●	●	●	●								
17.7	Law Enforcement Funding to USDA-FS				●	●	●	●								
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	Historic Properties Management Plan			●	●	●	●	●								

SA Section	PM&E	YEAR														
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015+
18.1	Historic Properties Management Plan 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				•	•	•	•								
19.5	Early Implementation Funding		•	•	•	•										
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
Detailed Status of Protection, Mitigation, and Enhancement Measures**

SA Section	PM&E	Due Date	Status
4.1	Fish Passage at Soda Springs Dam Design/Construct/ Evaluate/Operations and Maintenance	2008 - design 2011 - construction	Site geotechnical investigations were completed and conceptual designs for the facilities were developed. The conceptual designs were reviewed and approved by the agencies and engineering designs were developed to the 30% design level. Final design of the facilities is expected to be completed in 2008, along with the evaluation and operations and maintenance plans.
4.1.1(f)	Soda Springs Tailrace Barrier Design/ Construct	2007	The final design was approved in January. The project was permitted and built during spring and summer. It became operational in October.
4.3.1(a, c, d)	Lemolo 2 Fishway Modification Design/Construct/ Evaluate/Operations and Maintenance	2004-2007	The biological evaluation was completed during June and demonstrated that trout can easily navigate the ladder. The agencies accepted the final report and the evaluation as concluded.
4.3.2(a)	Fish Creek Downstream Fish Passage Design/ Construct/Evaluate/ Operations and Maintenance	2005/2008	The final design was completed in March. Contractor was ready to begin construction in June; however, permitting delays caused a late August start date. Contractor reached 75% completion before end of year. An early 2008 completion is expected. Wetland plantings occurred. Remaining habitat restoration, along with site stabilization, will occur in 2008.
5.1	Instream Flow Increases in Project Bypass Reaches (7)	2005	New minimum flows continue to be met in all reaches using a combination of new and existing facilities. Construction at Slide Creek dam was completed; however, further modifications are planned for 2008 to improve performance.
5.4, 6.1	Lemolo 2 Full Flow Reach	2011	A conceptual design was agreed upon. Geotechnical field recon is planned for 2008.

SA Section	PM&E	Due Date	Status
5.5	Instream Flow Monitoring Plan	Ongoing	The Flow Monitoring Plan was revised to reflect improvements in flow monitoring equipment and processes since 2004. Monitoring and reporting continues as required in the Plan.
6.4	Wild and Scenic Ramping Restrictions	Ongoing	Ramp rate requirements have been followed within equipment limitations per the Flow Monitoring Plan.
6.5, 6.6	Bypass Reach Ramping Restrictions	Ongoing	New ramping restrictions have been followed per the Flow Monitoring Plan. New facilities were constructed at Slide and Fish Creek diversions. Further improvements are planned at these and other sites.
6.9	Slide Creek Powerhouse Emergency Ramping Evaluation	2006	The evaluation was completed in 2006 and consultation concluded this year. Aquatic impacts are minimal and do not warrant facility modifications.
7.2	Gravel Augmentation Program (as per SA Amendment No. 1)	2002+	Monitoring of the experimental gravel pulse built in 2004 was completed in late last year. Additional gravel was contributed during the Soda Springs tailrace barrier construction. The TWG will use these findings during 2008 to modify the implementation and monitoring plans for long-term use.
7.3	Passage of Woody Debris at Soda Springs and Slide Creek Dams	Ongoing	Passage of woody debris continued according to the plan.
8.2.1	Slide Creek Bypass Reach Habitat Project Implementation/ Monitoring	2002-2011	The final 2006 monitoring report was submitted to the RCC and FERC. The second and final year of monitoring is expected to be 2011.
8.3.2	North Umpqua River Habitat Restoration/ Creation Implementation/ Monitoring	2004+	Annual monitoring occurred according to the plan. An annual report was submitted to the RCC.

SA Section	PM&E	Due Date	Status
9.1	Funding for Production of Rainbow Trout for Stocking	2004+	PacifiCorp provided \$17,417.89 to ODFW.
9.3	Lemolo Lake Management Plan and Limits on Drawdown Rate and Elevations	Ongoing	Water levels and drawdown rates were monitored according to the Flow Monitoring Plan. Lake management and consultation proceeded according to the Lemolo Reservoir Management Plan. A new TWG was convened to address the issue of blue-green algae blooms.
9.5	Salvage of Fish During Maintenance Shutdowns	Ongoing	Advance notice of maintenance shutdowns and the salvage and liberation of fish continued as required.
10.3	Reconnection of Clearwater River	2005	An evaluation plan was approved and the evaluation began as required in the MOU with ODFW. It is expected to take one to two winters to complete.
10.4	Breaching Diversions	2006	All required diversions have been modified to return full flows to the stream channel and support natural processes as required.
10.5	Riparian Restoration	2006	The White Mule Creek restoration project was constructed last year. Over 4,000 native plantings were installed this year. Species included trees, shrubs, and grasses. Permanent photo points were established for the long term monitoring of the success of these efforts.
10.6	Aquatic Connectivity	Ongoing	PacifiCorp, ODFW, and USDA-FS reviewed the reconnection sites and determined preliminary design solutions, which were summarized in a draft plan. Additional review and planning occurred this year and will continue through 2008. The final report is expected in 2008.

SA Section	PM&E	Due Date	Status
11.1, 11.2, 11.3, 11.4	Terrestrial Connectivity Plan	2007	PacifiCorp, ODFW, and USDA-FS collaboratively developed and finalized a Terrestrial Connectivity Plan, which focused on selecting wildlife crossing locations and establishing monitoring protocols.
11.2	Wildlife Crossings	2009	Nine crossing were constructed in winter of this year. Six sites were completed in previous years. 24 sites will be constructed in 2008.
11.5	Wetland Development	2006-2011	Revegetation was completed on Stump Lake wetland, constructed last year. PacifiCorp, ODFW, and USDA-FS finalized the designs for Lemolo Lake wetland, constructed this year. Native plantings were installed in the fall. Design consultation continued for the Stinkhole wetland (as it relates to the Lemolo 2 reconnection project, SA Section 6.1). Planning for remaining wetland enhancement projects will likely commence in 2008 and 2009.
12.1	Vegetation Management Plan Implementation	Ongoing	The Vegetation Management Plan is final and undergoing implementation. The 2008 draft Vegetation Management 5-year rolling action plan was presented to USDA-FS and BLM in December.
13.1	Power Pole Modification	Ongoing	Modifications for bird protection were made to five power poles that were changed out within the FERC Project Boundary. All of the new poles were configured to meet current raptor-safe standards that consist of either cross-arm framing with 60-inch separation between conductors or when this was not possible, installation of insulating covers on phases and jumper wires.

SA Section	PM&E	Due Date	Status
13.4	Records Database Management System	Ongoing	PacifiCorp continued to maintain a database for management of birds on power lines. An annual report summarizing avian-powerline program activities occurring within the Project area was submitted to USDA-FS.
14.1, 14.5	Erosion Control Plan Implementation/ Monitoring	Ongoing/ Annual	The Erosion Control Plan is final and undergoing implementation. Erosion sites were monitored and an annual report was produced and distributed to the agencies in December.
14.2	Canal Shutoff and Drainage Systems	2007	To minimize design and construction conflicts, this project was combined with the Fish Creek fish screen (SA Section 4.3) but was delayed by permit issues for the fish screen. Construction completion is expected in early 2008. Revegetation of disturbed areas was completed in the fall. The Clearwater 2 system reached 60% design by the end of the year.
15.1, 15.2, 15.3, 15.5	Transportation Management Plan Implementation	Ongoing	The Transportation Management Plan is final and undergoing implementation. Bridges were inspected and upgrades are underway. Culvert assessment was finalized and maintenance was performed. The 5-year rolling action plan is developed annually with cost shares for joint use roads identified. Road decommissioning will continue in 2008 and be completed by 2009.
15.6	Fish Passage and Q100 Culvert Upgrades	Ongoing	PacifiCorp completed the design and construction of two fish passage culverts. Velvet and Cedar Springs' culverts were designed using stream simulation criteria so that fish can safely pass beneath the roadway without having the culvert as a barrier.

SA Section	PM&E	Due Date	Status
16.1, 16.3, 16.4	Visual Resources (Aesthetics) Management Plan	Ongoing	The Visual Resources (Aesthetics) Management Plan is final and undergoing implementation. The 5-year rolling action plan is developed annually in December. The transmission line visual screen sites will be planted in 2008.
17.1	Recreation Resources Management Plan Implementation	Ongoing	The Plan is final and undergoing implementation. The 2007 5-year rolling action plan for implementation was developed in consultation with USDA-FS.
17.2	Campground Operations and Maintenance	Annual	PacifiCorp provided \$103,794 to USDA-FS. 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	PacifiCorp provided \$9,290 to USDA-FS 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 – 2004, 2007	PacifiCorp provided \$191,598 to USDA-FS in 2007. This was the final capital improvement deferred/backlog payment.
17.9	Public Information	Annual	PacifiCorp provided \$8,326 to USDA-FS.
17.10	Recreation Monitoring Recreation Monitoring (Periodic Surveys)	Annual 2007, 2013, 2019, 2025, 2031, and 2037	PacifiCorp provided \$8,326 to USDA-FS. PacifiCorp provided \$15,264 to USDA-FS.
17.11	Forest Plan Compliance	2004 and 2007	PacifiCorp provided \$174,180 to 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 Recreation Resources Mgmt. Plan.

SA Section	PM&E	Due Date	Status
18.1	Cultural Resources (Historic Properties) Management Plan Implementation	Ongoing	The Historic Properties Management Plan is finalized and undergoing implementation. The 2007 5-year rolling action plan was developed in consultation with the USFS, BLM, and SHPO. A draft Historic Structures Plan (HSP) was submitted to SHPO for review and comments were received. The HSP will be finalized in 2008 and distributed to operations staff and SHPO.
18.6	Cultural Resources Monitoring	Ongoing	PacifiCorp will continue to coordinate ground-disturbing activities with USDA-FS, BLM, and SHPO to continue monitoring and protection of historic properties.
19.1.1	Tributary Enhancement Account	Annual	PacifiCorp deposited \$499,312.78 to this account for future work associated with ODFW Memorandum of Understanding.
19.2	Long-Term Monitoring and Predator Control	Annual	PacifiCorp deposited \$116,119.25 to this account. A major predator study was implemented, and long-term monitoring and reporting proceeded according to the study plan.
19.3	Mitigation Fund	Annual	PacifiCorp deposited \$330,875.82 to USDA-FS account.
19.4	Oversight Costs	2006+	PacifiCorp provided \$188,113.19 to ODFW for the funding of two full-time ODFW personnel to help oversee and monitor work associated with ODFW MOU.
21.4.1	RCC	Ongoing	The RCC continued to facilitate the implementation of PM&Es. It held one 2-day work session, one public tour, and routine monthly meetings. Technical working groups met much more frequently to address detailed consultation issues.

3.1.1 Major Accomplishments

During the report period, PacifiCorp continued progress on implementing PM&Es in compliance with the Settlement Agreement. Major accomplishments are described below by Settlement Agreement section.

Soda Springs Tailrace Barrier (SA Section 4.1.1f)

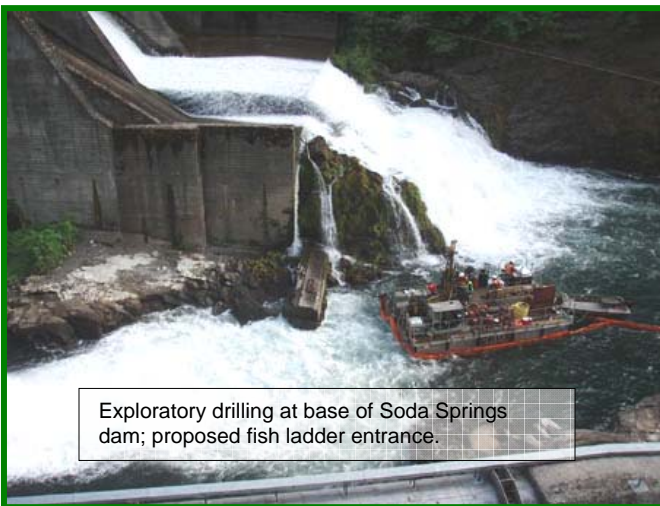


PacifiCorp has completed the first of two tailrace barriers to be built on the North Umpqua (Soda Springs and Slide Creek).



The Soda Spring tailrace barrier was designed to prevent salmonids from swimming upstream into the tailrace of the powerhouse and keep from delaying their migration. Construction was completed and the facility became operational in October.

Fish Passage at Soda Springs Dam (SA Section 4.1-2)



Design work proceeded in earnest for the fish ladder, fish screens, and spillway modifications. Comprehensive geotechnical investigations were completed in the vicinity of Soda Springs dam to assist in the design process. Facility design is expected to be complete in 2008, with construction complete by 2012.



Fish Passage at Lemolo 2 and Fish Creek
(SA Section 4.3)

At the Lemolo 2 diversion dam, the evaluation of the recently modified fish ladder was completed. It showed that resident trout easily navigate the ladder. At the Fish Creek diversion, construction began on the fish screen, but was delayed due to permitting and premature winter weather. Construction is expected to be completed in summer 2008, followed by evaluation in 2009.

Fish Creek Fish Screen (SA Section 4.3.2a)

Major progress was made on constructing the first Fish Creek fish screen facility. Design of the structure began this year, on a fast track, in conjunction with the Fish Creek canal shutoff and drainage system. With both projects being in close proximity with each other and sharing a communication network, it seemed prudent. The fish screen facility was constructed within the existing settling pond in order to protect the facility from flashy flows that periodically occur in the Fish Creek basin. Using tee type screens and an air burst system, the fish screen should allow safe passage for fish of all stages. Construction of the facility is 75% complete as of December, with anticipated completion in August 2008.



Instream Flow Facilities (SA Section 5.1)



To ensure delivery of new in-stream flow requirements in project bypass reaches, facilities were completed at the Lemolo 1, Lemolo 2, Clearwater 1, and Clearwater 2 diversion dams. Construction of a weir at the Slide Creek dam was completed in April. This weir will provide for minimum in-stream flow in the Slide Creek bypasses reach and also minimize ramping due to project operations. However, deficiencies in the design delayed the facility from functioning properly. Minor modifications will

be made in early 2008 to make the facility fully operational.

Lemolo 2 Full-Flow Reach (SA Section 6.1)

The Parties have agreed to design a facility that will reroute tail water from the powerhouse in a mostly buried pipe to upper Toketee Lake. It will go along the existing Forest Service roadway and diverge away from known turtle nesting areas. Initial surveying was completed this year, cultural studies will begin in 2008 and geotechnical investigation is planned for 2009. This will lead to further cultural studies and to a final design in 2010. Construction is scheduled for 2011.

Stump Lake Connectivity Invertebrate Ladder (SA Section 10.2)

PacifiCorp began construction on a structure at Stump Lake that will allow aquatic amphibians and macro-invertebrates (but not fish) to move across the dam. Between 2005 and 2007, PacifiCorp has been working collaboratively with the agencies to complete the design. Construction began in October, progressing to over 50% complete before running into a heavy snow season resulting in project postponement. Plans are to resume construction in late April 2008 and complete construction by June 2008.

Reconnecting Aquatic Sites (SA Section 10.6)

A draft plan is being developed that will provide agreement on locations and site-specific designs for aquatic site reconnections at small tributaries and seeps that are intercepted into project waterways. The sites are being assessed in a collaborative planning process. Initial field review was completed this year with follow up stream-width measurements and site design work scheduled for 2008. A combination of original and alternative aquatic reconnection sites will be selected for completion over an 11-year period of the

new license. Many of these efforts will be coordinated to also provide crossings over waterways for big game and other small wildlife.

Wildlife Crossings (SA Section 11.2)



Between 2004 and 2006, PacifiCorp installed six new wildlife crossings along the Clearwater 1 and 2 and Lemolo 1 and 2 canals. To optimize benefits for terrestrial and aquatic wildlife, five of these wildlife crossings were combined



with the reconnection of aquatic sites (SA Section 10.6). The wildlife crossing and five combined wildlife crossing/stream bridges were constructed according to the same specifications and designs developed for big game bridges.

A Terrestrial Connectivity Plan for implementing 33 additional crossings was finalized and approved this year. Nine wildlife crossings were constructed this year, and the 24 remaining wildlife crossings are planned for construction in 2008.

Enhancement of Wetland Species Diversity (SA Section 11.5)

Design and construction of the Lemolo Lake wetland was completed this year. The site was revegetated during the fall with native trees, shrubs, and wetland grasses. PacifiCorp, ODFW, and USDA-FS are coordinating on designs for the Lemolo 1 and Fallen Mountain Creek wetlands, with construction scheduled for 2009 for both projects. Planning for the four remaining wetland enhancement projects will commence after 2008.

Fish Creek Canal Shutoff and Drainage (SA Section 14.2)



This is the first of three facilities that will automatically sense flume breaches and drain water from project waterways in a controlled manner to minimize the potential for erosion.



This project was constructed in conjunction with the Fish Creek Downstream Fish Screen project in order to reduce conflicts with multiple contractors during construction. Construction of the facility is 75% complete as of December, with anticipated completion in August 2008.

Erosion-Site Remediation
(SA Section 14.4)

Remediation of erosion sites continues to progress in advance of the schedule set forth in the Settlement Agreement. Four erosion sites were completed this year. As of December, work has been completed at 39 of the 60 identified erosion sites (65%). Designs for remediation of four erosion sites planned for 2008 and three sites in 2009 have been submitted for review. Inspections of erosion sites continue to be conducted annually.



Transportation Management Plan (SA Section 15.1)

Progress continues on the implementation of the Transportation Management Plan. Coordination between the USDA-FS and PacifiCorp made 2007 the first year of jointly sharing costs associated with road and bridge maintenance. Bridge inspections, scheduled culvert replacement, and inventories of Level 1 roads and roads decommissioned or planned for decommissioning were completed this year. The overall plan will be finalized and signed by all Parties in January 2008. The remaining road decommissioning is planned for 2008 and 2009.

Rock Creek Fish Habitat Enhancement (SA Section 19.1)



PacifiCorp worked with ODFW, BLM, the landowner, and a consultant to design and construct 35 habitat structures consisting of large wood and boulders in the study reach of East Fork Rock Creek. Future effectiveness monitoring will provide direction for use of SA Section 19.1 funding to benefit aquatic resources in the Rock Creek basin.

3.1.2 Plans and Reports

The following plans and reports were completed and/or revised.

- **Sensitive Species Plan;** January 2007 (USDA 4e Cond. 15)
- **2006 Noxious Weed Report;** January 2007 (SA Section 12.1)
- **Soda Springs Spawning Habitat Annual Report to RCC,** February 2007 (SA Section 8.3)
- **Fish Creek Screen Facility Post-Constr. Evaluation Plan;** March 2007 (SA Section 4.3.2)
- **Operation and Maintenance Plan, Fish Creek Fish Screen and Canal Shutoff and Drainage System;** March 2007 (SA Section 4.3.2 and 14.2)
- **2006 Spawning Habitat Conditions Monitoring Report;** June 2007 (SA Section 8.2)
- **East Fork Rock Creek Habitat Enhancement Study;** June 2007 (MOU)

- **Study Plan for Effectiveness Monitoring of East Fork Rock Creek Habitat Enhancements**; July 2007 (MOU)
- **Terrestrial Connectivity Plan**; August 2007 (SA Section 11.1-4)
- **Flow Monitoring Plan (Revised)**; November 2007 (SA Section 5.5)
- **Fish Passage Facility Evaluation Report for Lemolo No. 2 Fishway Modification**; October 2007 (SA Section 4.3.1)
- **Evaluation Plan for the Clearwater Reconnect Facility**; October 2007 (MOU)
- **2006 Long Term Monitoring and Predator Control Study**; December 2007 (SA Section 19.2)
- **2007 Lemolo Reservoir Management Report**; December 2007 (SA Section 9.3)
- **Stream Temperature Monitoring Plan Report, Water Year 2006**; December 2007 (401 Certification)
- **Annual Report, Soda Springs Water Quality Station, USGS No. 14316460, for Water Year 2006**; December 2007 (401 Certification)

These plans are available on PacifiCorp's Web site:
www.pacificorp.com/Article/Article40597.html

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3.2 FERC License Actions

The FERC license contains actions that are required in addition to those actions in the Settlement Agreement. Table 3.2-1 summarizes the FERC License requirements that were fulfilled during 2007.

**Table 3.2-1
FERC License Actions Status**

Date Filed	License Article No.	Settlement Agreement Section No.	Description	Status/ Comments
6/20/06	401	21.4.2	2005 Resource Coordination Committee Annual Report	Letter order issued 5/18/07; filing requirement satisfied
12/22/06	414	18.0	Final Historical Properties Management Plan	Letter acknowledgement 10/16/07; approval not required
1/3/07	401	4.1	Request for Extension of Time to file: - 4.1.1a Soda Springs Upstream Fish Passage Plan (2/15/08); - 4.1.1d Soda Springs Upstream Fish Passage Post-construction Evaluation Plan (12/1/10); - 4.1.1f Slide Creek Tailrace Barrier Final Designs (4/15/10); and - 4.1.2a Soda Springs Downstream Fish Passage Plan (2/15/08).	Approved 1/18/07
1/31/07	401	USDA-FS 4e Cond. 15	Sensitive Species Plan	Approved 8/16/07
1/31/07	411	n/a	2006 Threatened & Endangered Species Monitoring Report	Letter issued 5/9/07; filing requirement satisfied
1/31/07	401	4.1.1f	Soda Springs Tailrace Barrier Final Design	Approved 5/30/07
3/7/07	411	n/a	Level 1 Team Assessment of 2006 Annual Threatened and Endangered Species Monitoring & Bald Eagle Report	Letter issued 5/9/07; filing requirement satisfied
4/3/07	401	4.3.2a & 14.2	Fish Creek Downstream Fish Screen and Fish Creek Canal Shutoff & Drainage System Final Design	Approved 5/30/07
5/18/07 & 8/2/07	301, 304-306	10.2	Clearwater 1 Connectivity Ramp final construction plans, specs, QCIP, planting plan , USDA-FS & ODFW approval letters	Letter approval issued 9/6/07
7/2/07	401	USDA-FS 4e Cond. 17	Request for Extension of Time to file Survey and Manage Species Plan (11/30/07).	Approved 7/9/07

Date Filed	License Article No.	Settlement Agreement Section No.	Description	Status/ Comments
7/16/07	401	8.2	Final 2006 Slide Creek Bypass Habitat Monitoring Report	Awaiting approval
9/13/07	402	11.3	Terrestrial Connectivity Plan	Awaiting approval
10/4/07	401	21.4.2	2006 Resource Coordination Committee Annual Report	Awaiting approval
10/15/07	401	4.3.2a & 14.2	Request for Extension of Time for completion of Fish Creek Downstream Fish Screen and Fish Creek Canal Shutoff & Drainage System (8/30/08).	Approved 12/14/07
11/5/07	401	USDA-FS 4e Cond. 17	Request for Extension of Time to file Survey and Manage Species Plan (6/30/08).	Approved 12/28/07
11/26/07	401	4.1.1 & 4.1.2	Request for Extension of Time to: - File final designs for Soda Springs Fish Passage (9/30/08); - Construct fish passage facilities at Soda Springs dam and spillway modifications (2009) with facilities fully tested & operational by 2012; and - Construct Slide Creek tailrace barrier (2011).	Approved 12/18/07

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SECTION 4.0 FIDUCIARY REPORTING

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

- SA Section 7.2.3 (amended). Gravel Augmentation Program Funding and Accounting
- SA Section 8.3.5 (amended). North Umpqua River Habitat Restoration/Creation Project Funding and Accounting
- SA Section 19.1.1.3 Tributary Enhancement Account Reporting
- SA Section 19.3.1 Mitigation Fund Annual Reporting

4.1 Summary of Fund Activity

As required by SA Sections 7.2.3, 8.3.5, 19.1.1.3, and 19.3.1, the annual amounts of total payments made by PacifiCorp are summarized in Table 4.1-1 (see Appendix A), 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 SA Section 19.2 Long-Term Monitoring and Predator Control Fund. Since this exclusion was likely an oversight, the deposited and disbursed amounts are also provided in Table 4.1-1. This table is provided in Appendix A. Detailed accounting for SA Sections 7.2, 8.3, 19.1, 19.2, and 19.3 is provided in Appendix B.

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SECTION 5.0 CONCLUSION

The material presented in the 2007 Annual Report represents the benefits of a productive year that was made possible through the dedication of the agency parties to the Settlement Agreement and their respective staff, PacifiCorp's North Umpqua Implementation Team members, and the public. This collaborative approach provided an effective framework for implementing the Settlement Agreement in a highly valued watershed.

The RCC ground rules and protocols for interagency teamwork and communication have provided an effective and collaborative framework for watershed management consistent with the goals of the Settlement Agreement. Parties worked cooperatively toward meeting Settlement Agreement schedule commitments during the report period and in most cases, projects were completed on schedule. The schedule for completing the Fish Creek fish screen project was modified to improve efficiency by combining construction of the fish screen with the canal drainage system. Difficulties in procuring permits for these projects resulted in collaborative efforts by the parties to refine and improve the permitting process.

During the 2007 report period, the RCC reached consensus on final design plans for three significant construction projects: the Soda Springs tailrace barrier, the Fish Creek downstream fish screen, and the Fish Creek canal shutoff and drainage system. They also approved a plan for the Predator Study and Long-Term Monitoring of fish passage success – a program that will span the 35-year license term.

The Lemolo Lake wetland and the White Mule riparian restoration projects were constructed.

Ramping restrictions became more stringent during 2006 than in previous years, to provide stewardship of aquatic resources. New instream flow facilities were completed in 2007 to better manage flows in five bypass reaches: Lemolo 1 and 2, Clearwater 1 and 2, and Slide Creek. New facilities were built during previous years for the Soda Springs and Fish Creek bypass reaches, and operational changes were implemented for the Slide Creek bypass reach while new facilities were designed in 2006 and constructed in 2007.

We expect more rewarding accomplishments in 2008, as the RCC proceeds with major construction projects on the Clearwater 2 and Lemolo 2 waterways, and designs of fish passage facilities at Soda Springs dam are finalized. Major projects at Fish Creek and at the Soda Springs powerhouse that began in 2007 will be completed in 2008. Other projects scheduled for 2008 include construction of wildlife crossings, planning for reconnection of aquatic sites, finalizing designs for two additional wetlands, and

remediation of erosion sites. The RCC and technical staff will be actively involved in these projects as well as the many ongoing plan activities, ensuring that all interests are addressed consistent with the intent of the Settlement Agreement.

APPENDIX A

FUND STATUS SUMMARY

TABLE 4.1-1
Settlement Agreement Fund Status Summary

7.2.3 Gravel Augmentation Program	
2002 Opening Balance	\$175,000
2002 Expenditures	\$0
2002 Ending Balance	\$175,000
2003 Escalation	\$1,337
2003 Opening Balance	\$176,337
2003 Expenditures	(\$10,385)
2003 Ending Balance	\$165,952
2004 Escalation	\$2,655
2004 Opening Balance	\$168,607
2004 Expenditures	(\$119,488)
2004 Ending Balance	\$49,119
2005 Escalation	\$688
2005 Opening Balance	\$49,807
2005 Expenditures	\$0
2005 Ending Balance	\$49,807
2006 Escalation	\$1,450
2006 Opening Balance	\$51,257
2006 Expenditures	(\$17,989)
2006 Ending Balance	\$33,268
2007 Escalation	\$970
2007 Opening Balance	\$34,238
2007 Expenditures	\$0
2007 Ending Balance	\$34,238
8.3.5 North Umpqua Habitat Restoration/Creation Project	
2002 Opening Balance	\$410,000
2002 Expenditures	\$0
2002 Ending Balance	\$410,000
2003 Escalation	\$3,132
2003 Opening Balance	\$413,132
2003 Expenditures	(\$47,340)
2003 Ending Balance	\$365,792
2004 Escalation	\$5,853
2004 Opening Balance	\$371,645
2004 Expenditures	(\$102,715)
2004 Ending Balance	\$268,930
2005 Escalation	\$3,765
2005 Opening Balance	\$272,695
2005 Expenditures	(\$9,010)

2005 Ending Balance	\$263,685
2006 Escalation	\$7,678
2006 Opening Balance	\$271,363
2006 Expenditures	(\$68,129)
2006 Ending Balance	\$203,234
2007 Escalation	\$5,927
2007 Opening Balance	\$209,161
2007 Expenditures	\$0
2007 Ending Balance	\$209,161
19.1.1.3 Tributary Enhancement Fund (State)	
2004 Opening Balance (Deposit)	\$2,096,159
2004 Expenditures	\$0
2004 Interest Earned	\$11,973
2004 Bank Basis Fee	(\$3,522)
2004 Ending Balance	\$2,104,610
2005 Annual Funding Deposit	\$409,015
2005 Expenditures	\$0
2005 Interest Earned	\$65,420
2005 Bank Basis Fee	(\$6,256)
2005 Ending Balance	\$2,572,789
2006 Annual Funding Deposit	\$509,330
2006 Expenditures	(\$3,805)
2006 Interest Earned	\$136,850
2006 Bank Basis Fee	(\$7,739)
2006 Ending Fund Balance	\$3,207,425
2007 Annual Funding Deposit	\$499,313
2007 Expenditures	(\$240,110)
2007 Interest Earned	\$179,345
2007 Bank Basis Fee	(\$9,347)
2007 Ending Fund Balance	\$3,636,626
19.2.1 Long Term Monitoring and Predator Control Fund	
2004 Opening Balance (Deposit)	\$20,957
2004 Expenditures	(\$8,387)
2004 Interest Earned	\$120
2004 Bank Basis Fee	(\$35)
2004 Ending Balance	\$12,655
2005 Annual Funding Deposit	\$21,248
2005 Expenditures	(\$6,326)
2005 Interest Earned	\$1,082
2005 Bank Basis Fee	(\$102)
2005 Ending Balance	\$28,557

2006 Annual Funding Deposit	\$192,321
2006 Expenditures	(\$88,191) *
2006 Interest Earned	\$9,681
2006 Bank Basis Fee	(\$543)
2006 Ending Balance	\$141,825 *
2007 Annual Funding Deposit	\$116,119
2007 Expenditures	(\$251,082)
2007 Interest Earned	\$15,046
2007 Bank Basis Fee	(\$781)
2007 Ending Balance	\$21,127
19.3.1 Mitigation Fund	
2004 Opening Deposit	\$1,309,635
2004 Expenditures	\$0
2004 Interest Earned	\$2,338
2004 Ending Balance	\$1,311,973
2005 Annual Funding Deposit	\$265,594
2005 Expenditures	\$0
2005 Interest Earned	\$5,368
2006 Ending Balance	\$1,582,935
2006 Annual Funding Deposit	\$1,341,636
2006 Expenditures	(\$41,825)
2006 Interest Earned	\$9,347
2006 Ending Balance	\$2,892,093
2007 Annual Funding Deposit	\$330,876
2007 Expenditures	(\$660,245)
2007 Interest Earned	\$9,274
2007 Ending Balance	\$2,571,998

**These two amounts reflect a 2006 Stillwater expenditure of \$2,520.40 not recorded in the 2006 report due to payment in 2007.*

APPENDIX B

DETAILED ACCOUNTING

RCC Reporting
SA Section 7.2 Gravel Augmentation

Date	Item	Expenditures	Funding	Balance
2007	Opening Balance			\$33,268.00
2007	2007 Escalation (as per SA 22.4.4)		\$970.21	\$34,238.21
2007	Opening Balance			\$34,238.21
2007	Expenditures	\$0.00		
2007	Total Expenditures	\$0.00		
2007	Ending Balance			\$34,238.21

RCC Reporting
SA Section 8.3 North Umpqua River Habitat
Restoration/Creation

Date	Item	Expenditures	Funding	Balance
2007	Opening Balance			\$203,234.00
2007	2007 Escalation (as per SA 22.4.4)		\$5,927.01	\$209,161.01
2007	Opening Balance			\$209,161.01
2007	Expenditures	\$0.00		
2007	Total Expenditures	\$0.00		
2007	Ending Balance			\$209,161.01

RCC Reporting

SA Section 19.1 Tributary Enhancement

Date	Item	Expenditures	Funding	Balance
2007	Opening Balance			\$3,207,425.24
2007	Annual Funding (\$430K escalated)		\$499,312.78	\$3,706,738.02
2007	Expenditures			
	Stillwater Sciences			
	February/March - Enhancement Design	(\$2,557.01)		
	April - Enhancement Design	(\$29,590.79)		
	May - Enhancement Design	(\$1,693.25)		
	June - Enhancement Design	(\$3,528.88)		
	July - Enhancement Design	(\$101.84)		
	August - Enhancement Design	(\$5,482.22)		
	September - Design Oversight	(\$145.22)		
	<i>Stillwater Total</i>	<i>(\$43,099.21)</i>		\$3,663,638.81
	Barnes & Associates			
	November - Environmental Assessment	(15,047.82)		
	<i>Total Barnes & Assoc.</i>	<i>(\$15,047.82)</i>		\$3,648,590.99
	Harvest Enterprises			
	April - Start-up Costs for Log Delivery	(\$20,000.00)		
	May - Log Delivery	(\$20,000.00)		
	June-July - Log Delivery	(\$20,000.00)		
	August - Log Delivery	(\$61,782.50)		
	<i>Total Harvest</i>	<i>(\$121,782.50)</i>		\$3,526,808.49
	Trees, Inc.			
	January - Tree Assessment	(\$1,698.09)		
	<i>Total Trees, Inc.</i>	<i>(\$1,698.09)</i>		\$3,525,110.40
	Rundell Inc.			
	May-June - Log & Boulder Placement	(\$4,875.00)		
	October - Log & Boulder Placement	(\$30,560.00)		
	<i>Total Rundell</i>	<i>(\$35,435.00)</i>		\$3,489,675.40
	Roseburg Forest Products			
	July - Removal of 249 Boulders	(\$7,433.45)		
	<i>Total Roseburg Forest Products</i>	<i>(\$7,433.45)</i>		\$3,482,241.95
	McCord Bees & Things			
	December - Rock Crk Restoration	(\$15,613.50)		
	<i>Total McCord</i>	<i>(\$15,613.50)</i>		\$3,466,628.45
2007	Total Expenditures	<i>(\$240,109.57)</i>		
2007	Interest earned		\$179,344.53	\$3,645,972.98
2007	Bank fees	(\$9,346.82)		\$3,636,626.16
2007	Ending Balance			\$3,636,626.16

RCC Reporting

SA Section 19.2 Long Term Monitoring and Predator Control

Date	Item	Expenditures	Funding	Balance
2007	Opening Balance			\$141,823.71 *
2007	Annual Funding (\$100K escalated)		\$116,119.25	\$257,942.96
2007	Expenditures			
	Stillwater Sciences			
	January - LT Monitoring	(\$4,053.94)		
	February - LT Monitoring	(\$1,332.33)		
	March - LT Monitoring	(\$1,339.30)		
	April - LT Monitoring	(\$7,410.96)		
	May - LT Monitoring	(\$11,227.68)		
	June - LT Monitoring	(\$7,054.68)		
	July - LT Monitoring	(\$3,331.06)		
	August - LT Monitoring	(\$983.22)		
	September - LT Monitoring	(\$1,756.74)		
	October - LT Monitoring	(\$1,815.37)		
	November - LT Monitoring	(\$2,169.40)		
	December - LT Monitoring	(\$16,752.45)		
	<i>Approved contract balance carryover</i>	(\$35,968.08)		
	<i>Stillwater Total</i>	(\$95,195.21)		\$162,747.75
	Partnership for Umpua Rivers (PUR)			
	March-May - Fish Sampling	(8,986.45)		
	June - Fish Sampling	(4,487.87)		
	<i>Total PUR</i>	(\$13,474.32)		\$149,273.43
	Smith-Root			
	April - Electrofishing Boat	(\$32,500.00)		
	April - Boat Trailer	(\$6,315.00)		
	June - Boat Repairs	(\$1,820.00)		
	June - Replacement Manual	(\$49.36)		
	May - Electrofishing Nets	(\$784.00)		
	June - Fuel Purge & Replace	(\$51.50)		
	<i>Total Smith Root</i>	(\$41,519.86)		\$107,753.57
	ODFW			
	March-December - Smolt trapping	(\$100,892.55)		
	<i>Total ODFW</i>	(\$100,892.55)		\$6,861.02
2007	Total Expenditures	(\$251,081.94)		
2007	Interest earned		\$15,045.85	\$21,906.87
2007	Bank fees	(\$781.17)		\$21,125.70
2007	Ending Balance			\$21,125.70

* The 2007 opening balance is lower than the 2006 ending balance by \$2,520.40. These were Stillwater expenditures that should have been shown in the 2006 reporting period.

RCC Reporting
SA Section 19.3 Federal Mitigation Fund

Date	Item	Expenditures	Funding	Balance
2007	Opening Balance			\$2,892,092.59
2007	Annual Funding (\$250K escalated)		\$330,875.82	\$3,222,968.41
2007	Expenditures			
	18 mitigation projects	(\$660,245.00)		
2007	Total Expenditures	(\$660,245.00)		
2007	Interest Earned		\$9,274.07	
2007	Ending Balance			\$2,571,997.48