



Wallowa Falls Project Relicensing November 4, 2014

Stakeholder Meeting; Project Status - Meeting Summary

Start Time: 10:00 a.m.	End Time: 3:00 p.m.
To review PacifiCorp's Additional Information Request-Response filed with FERC on July 24, 2014, discuss enhancement measures proposed in the Final License Application and discuss recreation interests in the Project area for the Wallowa Falls Hydroelectric Project (FERC Project no. 308).	Attendees: See attendance list at the conclusion of this summary

Assignments – November 4, 2014

Jeremiah Doyle (PacifiCorp): Email preliminary results for the Upper Wallowa Basin bull trout genetics to Agencies.

Russ Howison (PacifiCorp): Provide complete results for wetted perimeter, including the values for individual transects to Agencies.

Following introductions, Russ Howison (PacifiCorp) reviewed the Post Application Schedule below. The Federal Energy Regulatory Commission (FERC) will take time to review the second Additional Information Request (AIR) that PacifiCorp filed on October 22, 2014. If all information that they need has been provided, then the FERC will issue a Ready for Environmental Analysis (REA) Notice shortly after. The FERC will not provide a hard date but could possibly issue the REA Notice as soon as mid-November. All comments, recommendations, terms and conditions are due to the FERC 60 days after issuance of the REA Notice. Howison informed the attendees that the current Wallowa Falls License expires in February 2016. In the event that a new license is not issued prior to the current license expiration, the FERC would issue a one-year extension of the current license.

Wallowa Falls Relicensing – Post Application Schedule

Responsible Party	Task	Date	Notes
PacifiCorp	FILE Final License Application	2/28/2014	
PacifiCorp	FILE Public Notice of License Application filing	3/14/2014	
FERC	FERC Director Issued Additional Information Request (AIR) to PacifiCorp	3/27/2014	
PacifiCorp	FILE Response to FERC AIR	6/25/2014	
FERC	FERC Director Issued Second Additional Information Request (AIR) to PacifiCorp	7/24/2014	
PacifiCorp	File Response to Second FERC AIR	10/22/2014	
FERC	Ready for Environmental Analysis (REA) and Application Acceptance	11/14/14	Estimated date, FERC has discretion to take longer if needed
All stakeholders	Comments, Interventions, Recommendations, Preliminary Terms and Conditions due	1/13/15	60 days from REA
PacifiCorp	Requests 401 Certification	1/13/15	60 days from REA
PacifiCorp	File reply to stakeholder comments, recommendations and prescriptions	2/27/15	45 days from preliminary terms and conditions (105 days from REA)
FERC	Issue Draft EA	7/12/15	180 days from preliminary terms and conditions (240 days from REA)
All stakeholders	Comments on EA due	8/11/15	30 days after EA (FERC has discretion to allow up to 60 day review period)
Agencies	Modified 4(e) Conditions and Fishway Prescriptions	10/10/15	60 days from EA comment due date
FWS	Issue ESA biological opinion (BO)	11/24/15	135 days from Draft EA
FERC	Issue Final EA	1/8/16	90 days from modified (final) terms and conditions (105 days from REA)
ODEQ	Issue 401 Water Quality Certificate	1/13/16	1 year from 401 Application
FERC	Issue License Order	1/23/16	Assumes 60 days from Final EA. However License cannot be issued until Biological Opinion and 401 Water Quality Certificate are issued.
PacifiCorp	Accepts license	2/22/16	Protect completion

Howison provided a comprehensive review of PacifiCorp's responses to the FERC AIRs of July 24, 2014:

AIR 1, Winter Channel Ice Formation and Flooding

FERC Request - Comments in the Project record indicate that flooding in the East Fork bypassed reach can occur under existing conditions during the December through February period... Provide the following additional information for the period of December 1 through December 31, 2013:

- (a) a summary of daily average flows in the bypassed reach as measured at the project's compliance gage downstream of the East Fork Dam;*
- (b) a summary of the daily average powerhouse discharge during this period; and*
- (c) if available, any additional water temperature or stream flow data (e.g., daily averages by monitoring location) recorded during this period.*

Howison discussed the data presented in AIR Response-Attachment A, Bypassed Reach Flow, Temperature and Generation Data. Howison identified discrepancies in flow data at the upper and lower bypassed reach gages between December 3, 2013 – December 11, 2013. PacifiCorp

believes an ice dam formed, causing a pooling effect in lower East Fork channel around December 3, approximately the same time the Project was off line and the intake headgate closed, causing full inflow to the dam to spill into the bypassed reach.

Q = Flow

Generator Q = Flow out of Generator

BPLQ = Bypassed Lower Flow

BPUT = Bypassed Upper Temperature

BPLT = Bypassed Lower Temperature

ATTACHMENT A

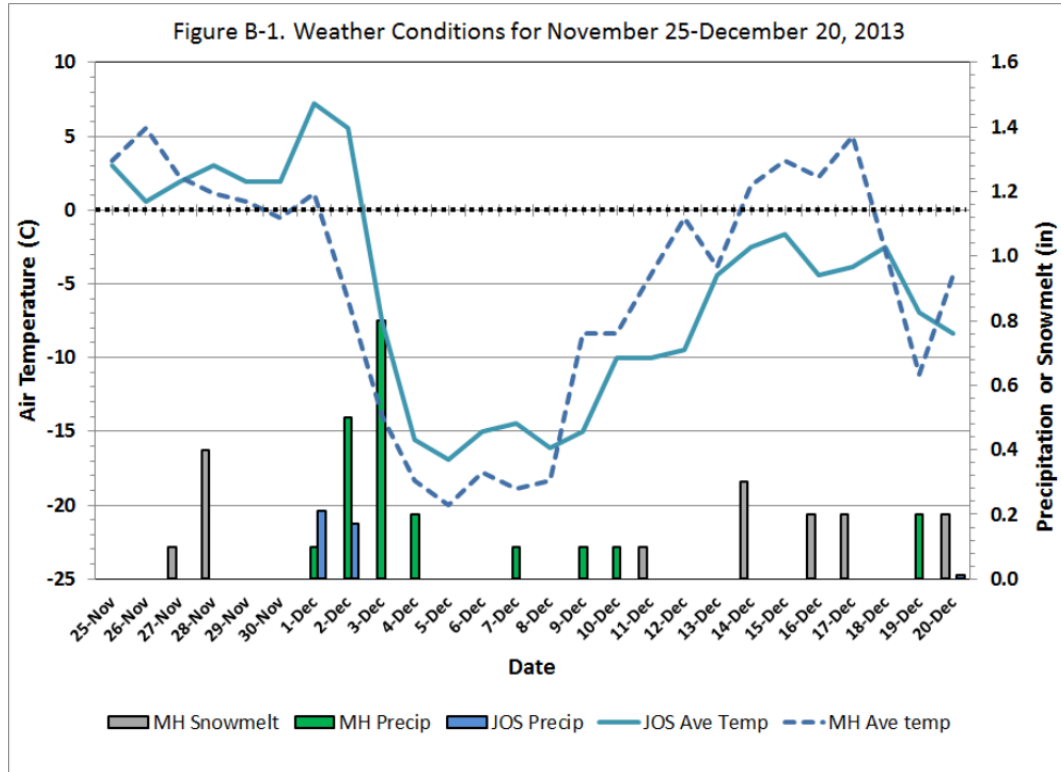
Wallowa Falls (FERC Project No. 308) Bypassed Reach Flow, Temperature and Generation

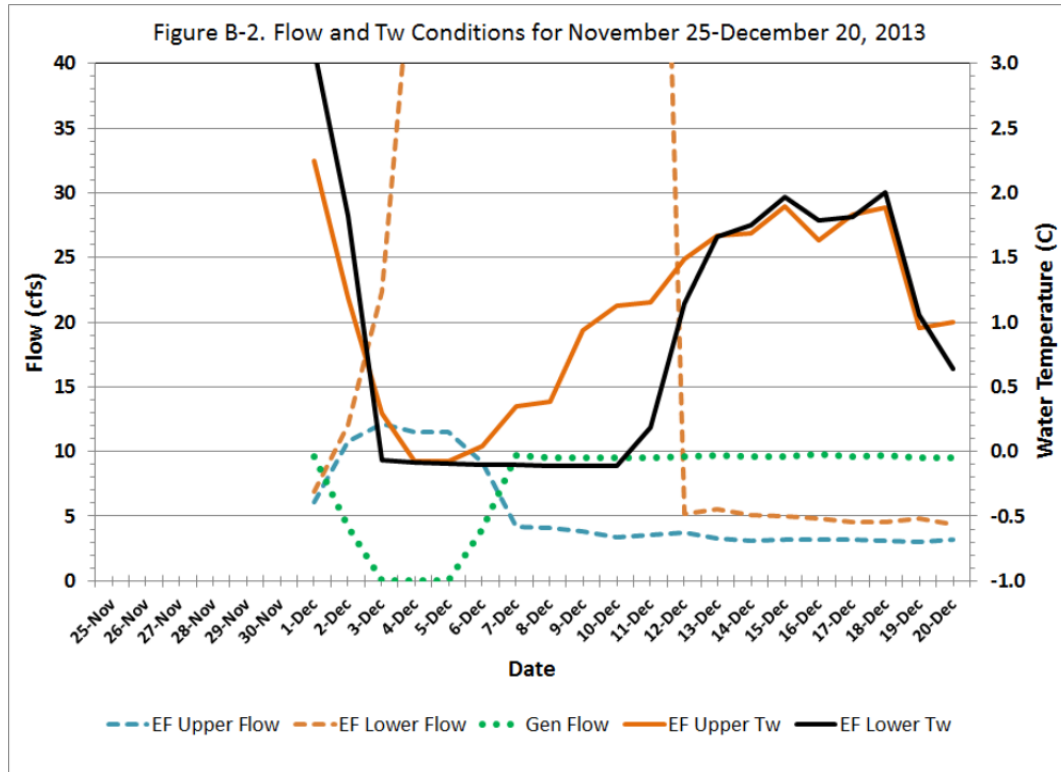
Date	BPU Q (CFS)	Generator Q (CFS)	BPL Q (CFS)	BPU TEMP (degrees C)	BPL TEMP (degrees C)	Generation (KWH)
12/01/13	6.10	9.6	6.88	2.25	3.10	672
12/02/13	10.76	4.2	12.01	1.19	1.82	294
12/03/13	12.10	0.0	22.38	0.30	-0.07	0
12/04/13	11.54	0.0	50.18	-0.07	-0.09	0
12/05/13	11.48	0.0	82.76	-0.07	-0.09	0
12/06/13	9.13	4.0	96.93	0.05	-0.10	276
12/07/13	4.16	9.7	90.30	0.35	-0.10	681
12/08/13	4.05	9.5	90.00	0.39	-0.11	669
12/09/13	3.81	9.5	99.20	0.93	-0.11	666
12/10/13	3.41	9.5	124.95	1.13	-0.12	664
12/11/13	3.55	9.5	97.81	1.16	0.19	664
12/12/13	3.70	9.6	5.19	1.49	1.14	672
12/13/13	3.29	9.7	5.55	1.67	1.66	682
12/14/13	3.11	9.6	5.10	1.69	1.75	673
12/15/13	3.17	9.6	5.01	1.90	1.97	675
12/16/13	3.14	9.8	4.82	1.64	1.79	684
12/17/13	3.22	9.6	4.51	1.83	1.81	674
12/18/13	3.10	9.7	4.55	1.88	2.01	681
12/19/13	3.00	9.5	4.78	0.95	1.06	664
12/20/13	3.22	9.5	4.33	1.00	0.64	666
12/21/13	3.63	9.5	5.53	1.53	1.61	666
12/22/13	3.42	9.6	5.20	1.80	1.92	673
12/23/13	3.64	9.5	5.19	2.06	2.23	664
12/24/13	3.20	9.5	4.90	0.87	1.13	668
12/25/13	3.13	9.4	4.61	1.05	0.87	658
12/26/13	3.11	9.7	4.58	1.55	1.51	682
12/27/13	2.99	9.8	4.33	1.66	1.55	684
12/28/13	2.72	9.6	4.53	1.35	1.48	676

Discussion took place regarding what may have caused the high readings at the lower gage in early December 2014. Flow readings around December 9, 10, & 11, are equivalent to flows during peak runoff in June. The large discrepancy between flow readings at the upper and lower bypassed reach gage sites during this period suggest a high stage level at the lower gage site due to the pooling caused by anchor ice in the channel rather than actual flows of 90 to 125 cfs. Thus, anchor-ice restriction in the lower East Fork channel likely caused the back water pooling affect resulting in the high readings.

While Project operations may not have a significant effect on occurrence and duration of freezing water temperatures (and ice formation) in the vicinity of the lower bypassed reach gage, it is likely that changes in flow related to powerhouse operations could affect the magnitude of

backwater effects when significant ice formation (“ice damming”) occurs. For example, the December 2013 flow data from the BPL site (Figure B-2 below) shows a precipitous increase in flow about December 3 that is coincident with the onset of below freezing air and water temperatures (Figures B-1, and B-2) at that site.





There were no additional questions or comments on AIR 1.

AIR 2, Powerhouse Outage Events

FERC Request - Provide a detailed description of any powerhouse outage events that occurred from August 1, 2011 to present, including a description of the cause, date, and duration of each of the events, as well as an explanation of whether the penstock headgate was opened or closed during each of the events.

PacifiCorp provided the following Project Outage Report to address FERCs inquiry.

PacifiCorp Energy Hydro Resources Department Wallowa Falls Hydroelectric Project Outage Report						
Unit : All Units - Wallowa Falls Hydroelectric Project Forced Outage Type : All Internal and External Outage Types Forced Outage Cause: All Causes Blue shading indicates confirmed or possible headgate closure.						
Outage Number	Outage Start (Date/Time)	Cause	Explanation	Classification	Unit Name	Outage End (Date/Time)
11537	1/13/2012 15:30:00 PM		Unplanned: Broken turbine bucket			2/1/2012 08:00:00 AM
11537 cont	2/1/2012 08:50:00 AM		Unplanned: Unknown cause, headgate closed			2/2/2012 16:10:00 PM
11710	2/3/2012 09:44:00 AM		Unplanned: Faulty DC field cable on generator			2/7/2012 14:20:00 PM
11740	2/8/2012 16:01:00 PM		Unplanned: Faulty electrical relay			2/8/2012 18:40:00 PM
12085	7/6/2012 09:14:00 AM		Planned: Stator cleaning, headgate closed			7/13/2012 09:30:00 AM
11510	8/13/2012 07:34:00 AM		Planned: annual maintenance, headgate closed			8/16/2012 15:30:00 PM
12275 & 12394	8/24/2012 15:53:00 PM		Planned: Battery maintenance & repair PLC			9/13/2012 17:40:00 PM
12521	10/09/2012 14:50:00 PM		Unplanned: Turbine Bearing Oil leak			10/10/2012 18:21:00 PM
12524	10/12/2012 16:13:00 PM		Unplanned: Turbine Bearing Oil problems			11/1/2012 17:55:00 AM
12646	11/19/2012 22:30:00 PM		Unplanned: Electrical Storm in area			11/20/2012 14:33:00 AM
12326	8/26/2013 09:03:00 AM		Planned: annual maintenance, headgate closed			9/26/2013 14:10:00 PM
13825	12/2/2013 11:50:00 AM		Planned: Switchyard electrical equipment repair, headgate closed			12/5/2013 13:22:00 AM
14086	2/14/2014 16:00:00 PM		Unit intentionally shut down for penstock protection, headgate closed			8/27/2014 08:20:00 AM

There were no additional questions or comments on AIR 2.

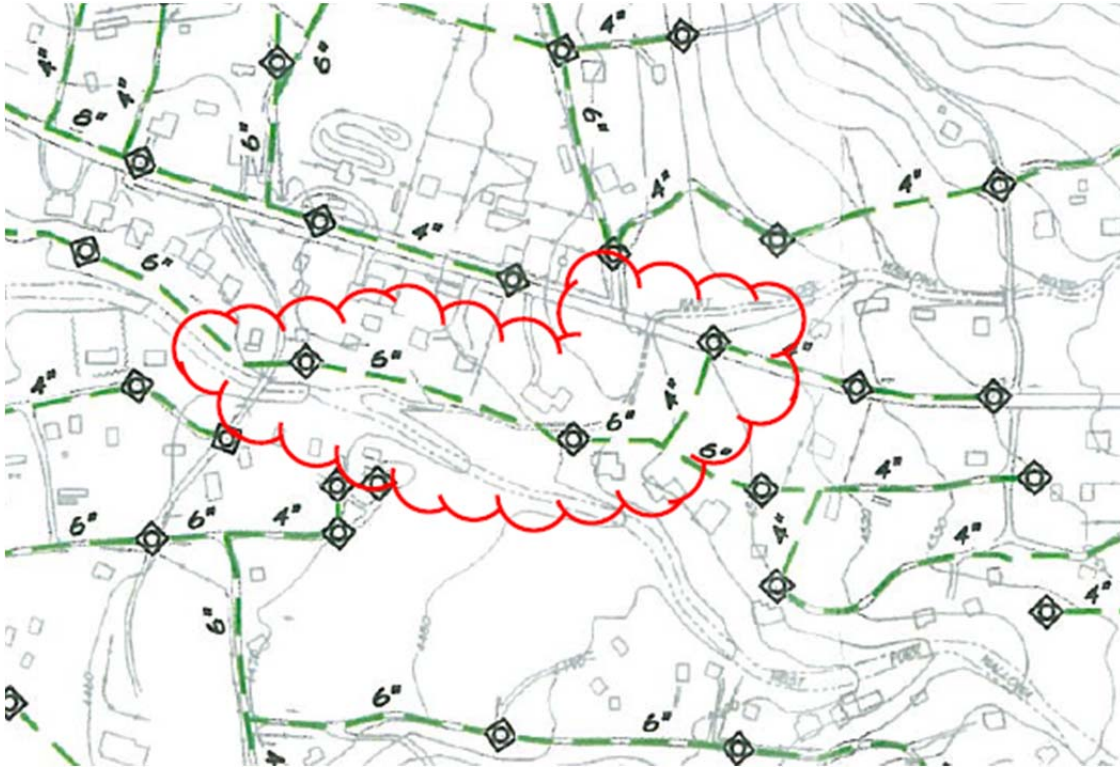
AIR 3, Bypassed Reach Flow Modeling

FERC Request - Provide the following for the East Fork Wallowa River Bypassed Reach:

- cross section survey data collected for the PHABSIM model from your IFIM study in tabular format
- design information including survey data or as-built plans for all existing in-stream structures (e.g., bridges, culverts, the abandoned USGS gauge weir) that could affect stream flow at flood stage
- photographs of all existing in-stream structures

PacifiCorp responded that the cross section survey data was provided on CD. Also provided was the design drawings for Bailey Lane Bridge, OR Hwy 351 Bridge, USGS weir (abandoned), three county water and sewer lines, transmittal memos from Wallowa County consulting Engineers, Anderson Perry & Associates and photos of the two bridges and USGS weir (see below).

Howison observed that there did not appear to be major concern regarding the potential for the tailrace reroute to the East Fork Wallowa River to damage bridges. While the FERC did not specifically ask for information about the county sewer system, discussions between PacifiCorp and Wallowa County Officials identified concerns regarding the potential for flooding to adversely affect the county sewer system. Therefore, PacifiCorp provided design drawings of three county water & sewer lines. Howison explained that the winter flooding issue identified in AIR 1 has the potential to cause inadequately treated wastewater to be discharged into Wallowa Lake and/or the Wallowa River.



Plan View of County Sewer System at Confluence of
East Fork and West Fork Wallowa River

Howison reviewed the design drawings of the sewer lines with the participating stakeholders, and pointed out that the drawings do not show septic tank covers (approximately 40' from the river). The concern is flooding near the confluence of the East and West Forks of the Wallowa River may inundate the tanks which in turn could cause the sewer line to backup.

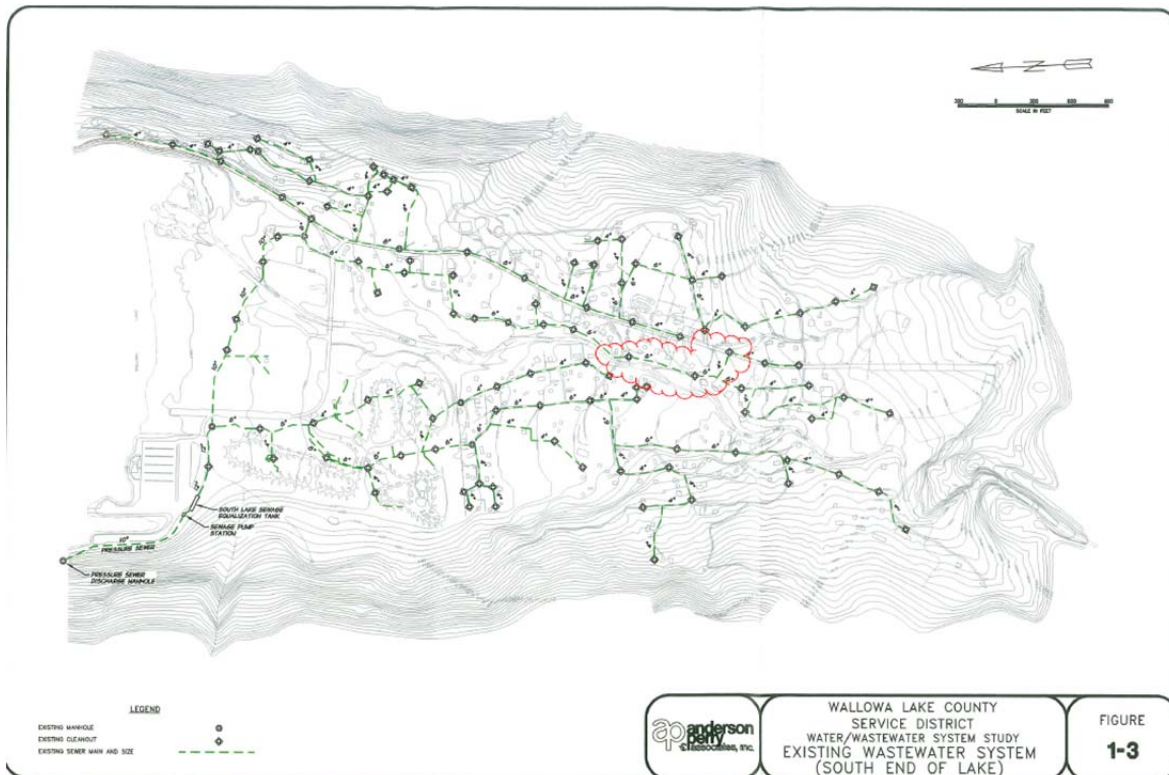
Mike Hayward (Wallowa County Commissioner) informed the attendees that the sewer system was installed in 1988 and designed by Anderson Perry. All appropriate permitting was completed at that time.



Flying Arrow Property
Septic Tank Covers Are Visible in the Lawn, Left of Center in the Photo
East Fork Wallowa River is Immediately Right of the Picnic Table



Flying Arrow Property
Rental Cabins on the left, East Fork Wallowa River on the Right



Howison discussed several key points noted in the following Anderson Perry memo of October 17, 2014.

Anderson Perry Memo of October 17, 2014;

- “...it is apparent that flooding of the septic tanks at the Flying Arrow site could result in potential impacts to the operation of the District’s sewage collection system and/or the City of Joseph’s wastewater treatment plant....
- Sewage overflows could occur at any of the cleanouts or manholes shown between the Flying Arrow site and the south lake sewage equalization tank....
- Sewage overflows could result in inadequately treated wastewater being discharged to the Wallowa River during the winter months....
- The City of Joseph would likely receive a violation from DEQ for non-compliance with conditions of their NPDES permit in either situation.”

Discussion took place regarding the FERC’s intended use of Hydrologic Engineering Center’s-River Analysis System (HEC-RAS) in evaluating flood risk associated with increasing flows in the bypassed reach as a result of the tailrace reroute. Tim Hardin (ODFW) communicated that the HEC-RAS program is a one-dimensional steady flow hydraulic model designed to aid hydraulic engineers in channel flow analysis and explores the relationship between water level, and flow discharge in various cross sections based on equations and comparative analysis. Briana Weatherly (PacifiCorp) indicated that HEC-RAS modeling is helpful in determining where property would be inundated at specific flows but, given the uncertainty and inconsistency in how and where channel ice forms, it would be very limited in its ability to evaluate winter flooding events in the lower bypassed reach.

Howison indicated that HEC-RAS is more typically used to evaluate high flow events, such as those associated with spring runoff, but it will not speak to the issue of flooding caused by channel anchor ice.

Tailrace Alternatives

FERC Request - Provide an evaluation of the environmental effects, benefits, and costs of the following (five) alternatives.

Howison reviewed the following six (6) alternatives with the attendees:

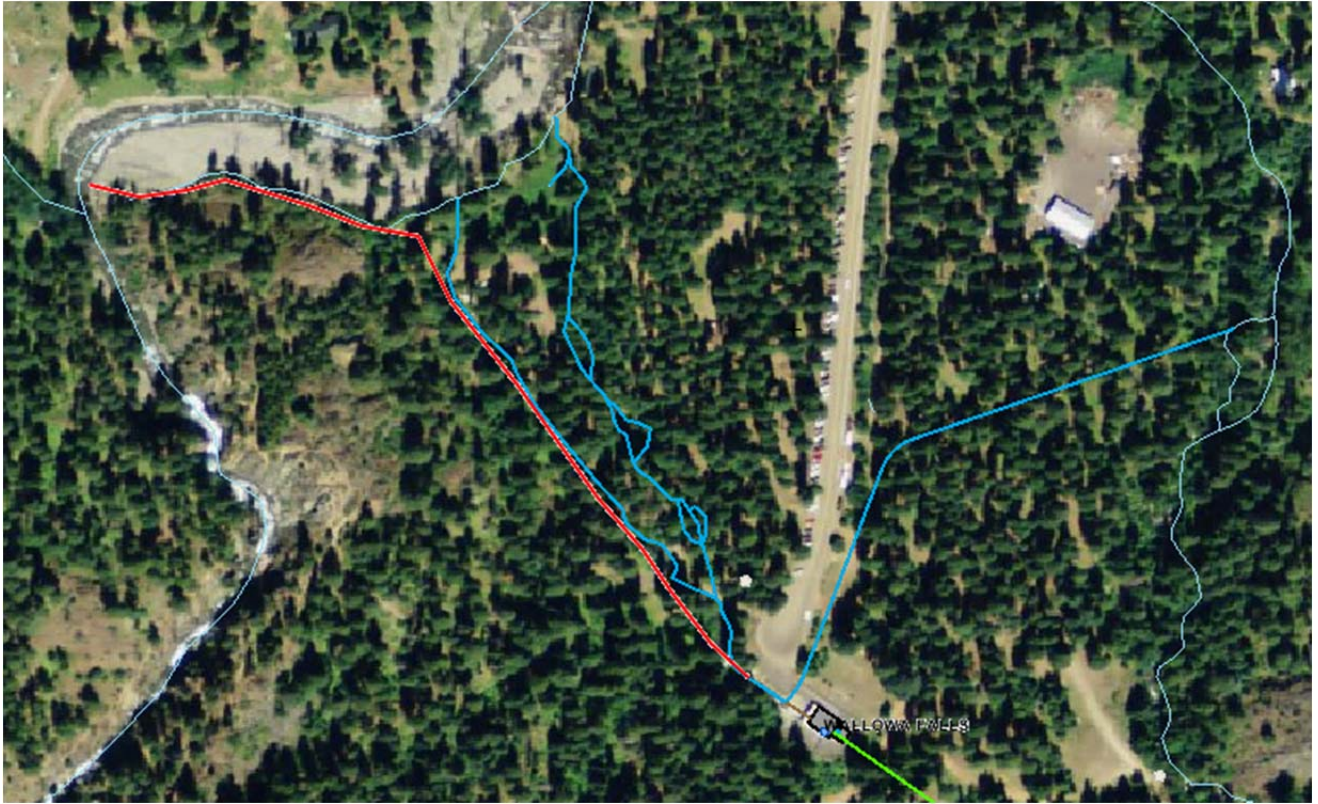
- 1) Permanently dewatering the existing tailrace channel and constructing a pipe along the existing tailrace channel alignment to convey powerhouse flows to the West Fork



- 2) Continuing to use the existing tailrace channel to convey powerhouse flows to the West Fork, but constructing a permanent fish passage barrier at the existing tailrace channel confluence with the West Fork to prevent fish from migrating into the tailrace channel. This option does not provide a good place to construct a fish barrier that will remain in place long term.



- 3) Permanently dewatering the existing tailrace channel and constructing a pipe along a different alignment that discharges to a more-stable channel location upstream of the current discharge location on the West Fork.



Alternatives 1, 2, and 3 all entail construction of new facilities (fish velocity barrier and/or water conveyance system) in the active West Fork Wallowa River channel in order to eliminate risk of stranding ESA protected bull trout and/or bull trout redds.

The capital costs associated with alternatives 1, 2 and 3 are prohibitively high considering the risk to damage from seasonal high flows the water conveyance system and/or outfall structure would be subject to.

4) Seasonal shutdown of the proposed tailrace pipe with a discharge of powerhouse flows to the existing tailrace channel during winter periods of channel ice formation in the bypassed reach



PacifiCorp made the following assumptions related to this alternative:

- Shutdown of the tailrace discharge into the East Fork Wallowa River would need to occur from November through March, which is the period when potential channel ice formation can occur from particularly cold weather events;
- During the shutdown period, all powerhouse flow would be discharged into the existing tailrace channel;
- A temporary barrier (picket-weir or similar) would seasonally be constructed at the mouth of the existing tailrace channel to prohibit fish from entering it;
- Under the new license, the required instream flow release into the East Fork bypassed reach during the shutdown period would be 4 cfs as measured at the proposed compliance gage location.

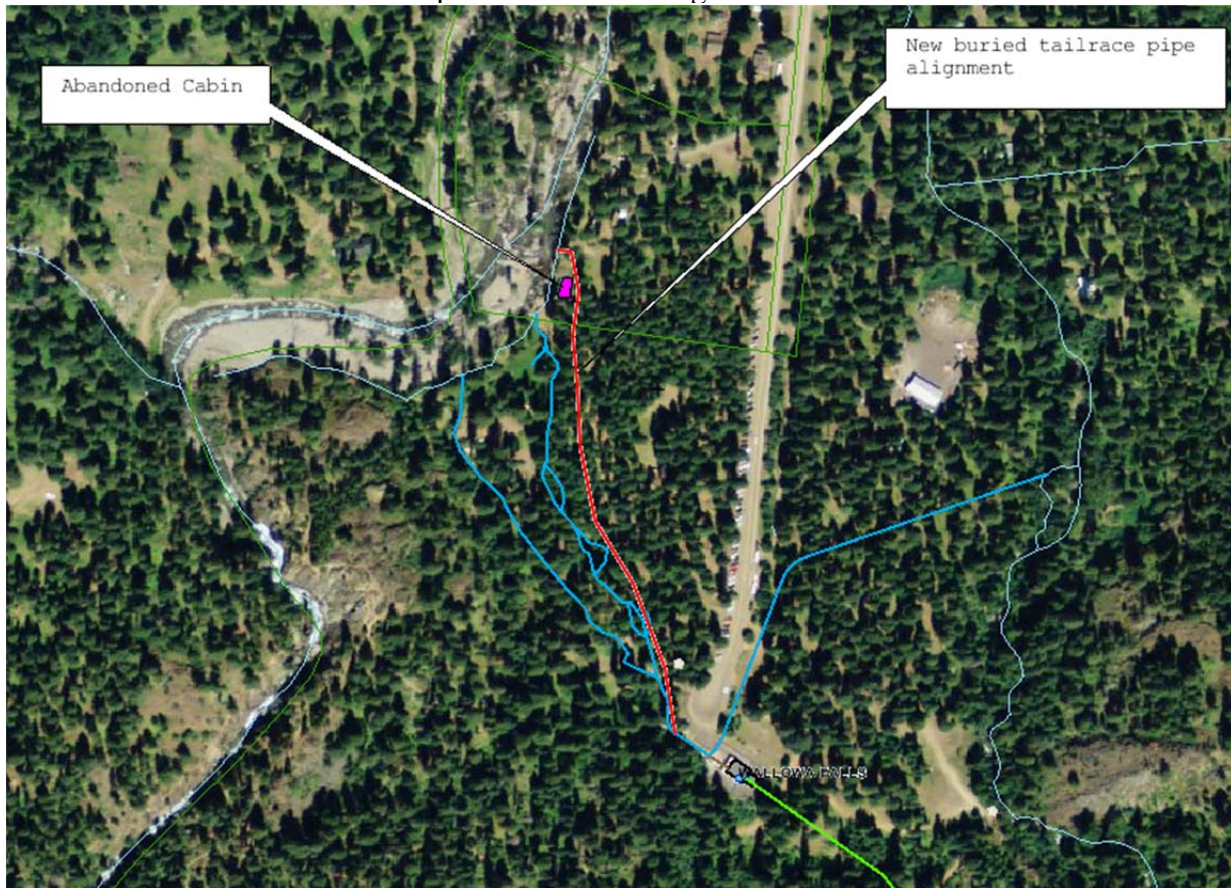
Under Alternative No. 4, the reduction in flow to the East Fork bypassed reach during the shutdown period would result in a reduction in channel wetted perimeter of up to 3.4 feet (1 m) that could adversely affect bull trout redds.

When the existing tailrace is brought online, and East Fork flow drops from 14 cfs (median) to 4 cfs, an average reduction in wetted perimeter of 1.7 feet would occur. Depending on one's location in the stream, this reduction in wetted perimeter could range from 0.5 feet to 3.4 feet.

Project Shutdown/ Full Flow in Bypass (CFS)	Summary of wetted perimeter reduction when flows drop to 4 cfs		
	Min reduction, 13 transects (ft)	Average reduction, 13 transects (ft)	Max reduction, 13 transects (ft)
12.0	0.5	1.6	3.2
14.0	0.5	1.7	3.3
16.0	0.5	1.8	3.4

There was discussion among the group regarding the implications for this alternative to adversely affect bull trout redds. In general there was consensus that the reduction in wetted perimeter associated with this alternative could be a significant issue.

(5) Construct a pipe to convey powerhouse flows that extends farther downstream of the existing tailrace channel alignment/discharge point to an area of the West Fork with a more-stable channel that wouldn't be as susceptible to channel migration.



Howison explained that capital cost would be comparable to the reroute to the East Fork Bypassed Reach (approximately \$1.75 M. However, Alternative No. 5 would not realize the same aquatic habitat benefits in the lower East Fork Wallowa River bypassed reach as the proposed new tailrace discharge location on the East Fork Wallowa River.

The outfall structure associated with this alternative would be immediately adjacent to, and discharge into, the active West Fork Wallowa River channel.

Though a detailed geotechnical evaluation of the area between the powerhouse and the West Fork has not been done, this location is likely to be much less susceptible to damage from high flow events in the West Fork compared to alternatives 1, 2, and 3 above.

A photo of the general area where the outfall structure would be located was reviewed (see arrow in photo below).



West Fork Wallowa River. The proposed outfall structure would be located on the right bank to the right of the blue arrow. Note the existing tailrace uses the dry West Fork Side Channel pictured in the foreground where the temporary fish weir is located.

6) Permanently dewatering the existing tailrace channel and constructing an open excavated channel to convey powerhouse flows that extends farther downstream of the existing tailrace channel alignment/discharge point to an area of the West Fork with a more-stable channel that would not be as susceptible to channel migration.

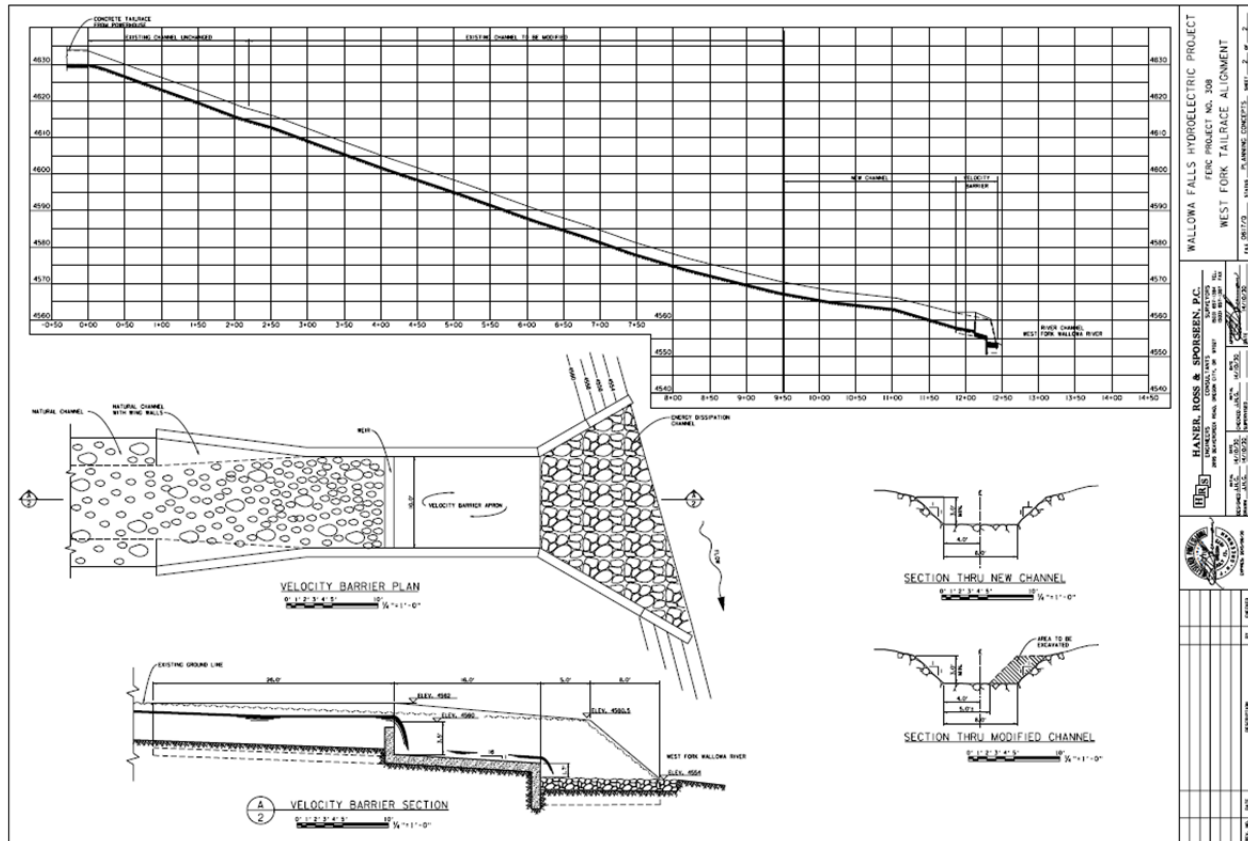


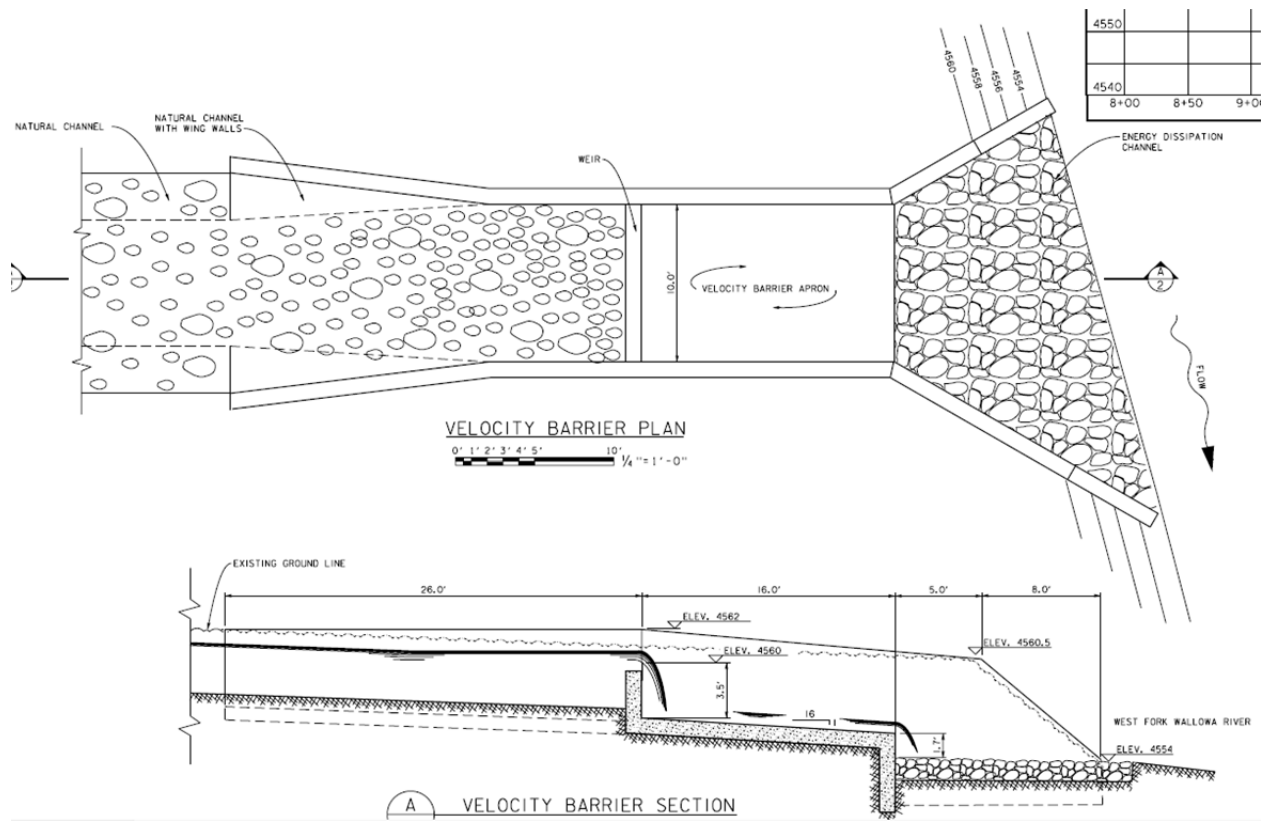
PacifiCorp developed the sixth alternative identified above. Alternative No. 6 would include a discharge structure with a velocity barrier which meets the requirements of Section 5.4 – Velocity Barriers in the 2011 NMFS Anadromous Salmonid Passage Facility Design (NMFS 2011) to prevent all fish species and life stages from entering the tailrace channel. Both options 5 and 6 have the same tailrace discharge location. One advantage of this location is a small side channel of the West Fork Wallowa River, which runs toward the East Bank creating a pool adjacent to the East Bank that remains watered up when the headgate is closed. Discharging the tailrace water into this pool would eliminate the current problem of potentially stranding fish in West Fork side channels that dry up when the headgate is closed. The capital costs of this alternative are estimated to be \$850,000.

PacifiCorp proposes to use the existing tailrace side channel alignment for much of its length. The existing channel would be excavated to convey full powerhouse discharge and several small side-channels would be eliminated. A short section of new channel would be constructed to discharge approximately 100 feet downstream of the current tailrace.

Alternative 6 includes a proposed in-stream flow release of 4 cfs year-round, as measured at the proposed compliance gage location, from the dam into the East Fork bypassed reach.

Howison reviewed the velocity barrier conceptual design as illustrated below:







West Fork Wallowa River

The proposed outfall structure would be located on the right bank in the foreground. Blue arrow indicates side channel entering the pool.

Katy Nesbitt (Observer) asked what consideration PacifiCorp has made for kokanee and eventual sockeye reintroduction. Howison responded that PacifiCorp has considered kokanee throughout the studies. Early on in the study planning process, it was determined that bull trout are the primary concern. Any issues that affect bull trout also affect kokanee. In terms of sockeye reintroduction, PacifiCorp has touched very lightly on this. The FERC will address this issue in the cumulative effects section of the Environmental Analysis (EA) document.

Gretchen Sausen (USFWS) stated that more discussion is needed on the issues of bypassed reach in-stream flow, rearing habitat, spawning habitat, and size class as well as the potential for flow fluctuations to affect redds.

Nesbitt asked how PacifiCorp would access the new tailrace alignment and outlet structure for construction and maintenance. Weatherly indicated that the best access is from PacifiCorp's campground. It would be relatively straightforward to develop an access road spur off the existing campground access road.

Hayward clarified that alternatives 5 & 6 would be a year-round tailrace configuration rather than a seasonal shutdown as discussed in Alternative 4. Howison confirmed that this was the case.

Howison clarified that PacifiCorp has not formally notified the FERC that it plans to amend its license application. However, PacifiCorp currently favors Alternative 6 over the tailrace configuration proposed in the application. The flooding risks to property along the lower East Fork bypassed reach associated rerouting the tailrace to the East Fork Wallowa River are a significant concern.

Olson expressed that one of the primary objectives of today's meeting was to discuss and clarify the concerns identified in the response to the AIR and to discuss agency support for other tailrace alternatives including Alternative 6.

Dan Gonzalez (USFS) inquired about the timeline for PacifiCorp to change its tailrace proposal. Howison responded that the FERC process allows for a license amendment to be filed sometime after the REA Notice is issued. However, the FERC rules do not provide a specific period after REA issuance for amending an application but direct FERC to set a schedule in the REA Notice document. The FERC will likely allow 30 days from the date of the REA Notice to submit a license amendment.

Weatherly commented that PacifiCorp could file an application amendment within 30 days of the REA notice and the Agencies would have 60 days after the RA is issued to issue comments, recommendations and conditions.

Olson said that if the stakeholders support Alternative No. 6, PacifiCorp will proceed with a formal amended license application to the FERC.

Howison stated that the amendment should include a level of detail commensurate with in its original license application (evaluation of effects, revised Exhibit G drawings, and revised engineering drawings, etc...).

Howison stated that it was important to note that a portion of the lower canal alignment and outfall structure location were not within the currently proposed project boundary, and are on property currently deeded from PacifiCorp to the Boy Scouts of America (BSA) in the late 80's. At the time of the transfer, the company reserved an easement for utility purposes. PacifiCorp is prepared to exercise the easement if necessary.

Hayward said that it was his understanding that the property is in the process of being transferred into the control of State Parks [Oregon Parks and Recreation Department (OPRD)] and PacifiCorp should contact them as the easement goes with the land. Howison stated that he was aware of the pending transfer of ownership and PacifiCorp would notify both BSA and OPRD.

Olson communicated that if PacifiCorp notifies the FERC after this meeting of the intent to amend its license it would make sense for the FERC to wait to issue an REA until it can review the amendment. The FERC will want to know outcome and progress of this meeting.

All stakeholders agreed that Alternative No. 6 is a viable option worth additional consideration; PacifiCorp will pursue further development of Alternative No. 6.

Hardin said that he would like the evaluation of Alternative No. 6 to discuss the relationship between bypassed flow and flood risk, and that it may be helpful to include background information about what other hydro projects do in similar cold climates.

Howison noted that Alternative No. 6 addresses two main issues:

- Greatly reduces or eliminates the risk of bull trout stranding associated with unit trips when the headgate closes.
- Improves aquatic habitat in the East Fork Wallowa River bypassed reach while reducing the flood risk associated with the proposed tailrace re-route to the bypassed reach.

The discussion turned toward the minimum instream flow release of 4 cfs is currently proposed by PacifiCorp. PacifiCorp maintains that the IFIM study results show that while there may be some habitat improvement above 4 cfs depending on life stage, the habitat gains do not offset the increase in flood risk and loss of power generation.

Ron Woodin (Flying Arrow Resort) expressed that 4cfs is better than 12cfs (a likely winter flow under the current proposed Project) because at 12cfs the flooding could cause the loss or serious damage to his house, cabins and has the potential to inundate the sewer.

Doyle noted that the preliminary results of the bull trout genetics analysis had been received. Of 64 bull trout tissue samples collected in 2013, 24 were F1 brook trout/ bull trout hybrids. Additionally, there is a high degree of relatedness between samples. This trend is often referred to as “genetic bottlenecking” meaning the population is lacking in genetic diversity. There is no connectivity for this bull trout population outside of the Upper Wallowa River basin. This suggests that the population is extremely small. Doyle will email the preliminary results for the Upper Wallowa Basin bull trout genetics study to the stakeholders.

In response to a question raised by Moats regarding an analysis of flooding risk at various flows in the East Fork, Howison said that it was not clear to him what the analysis would look like. The data suggest that an ice dam can form in the lower bypassed reach at a wide range of winter flows. It would be difficult to correlate winter flood risk to any particular flow as the ice dam can form in a number of different locations and configurations.

Moats stated that it would be helpful to take a closer look at the results of the wetted perimeter study at different flows. Howison will provide the complete results for wetted perimeter between 4cfs – 8cfs by individual transects to the stakeholders by early next week.

The participants agreed that they would consider their support of Alternative 6 over the lunch break and continue the discussion when the meeting resumed after the lunch break. It was also agreed that the recreation discussion would take place after the break.

Break for lunch: 12:21pm

Reconvene: 1:10pm

Gonzalez opened the afternoon discussion by stating that the agency representatives present at the meeting believe Alternative No. 6 may be viable but the Agencies would like more time to discuss the details, particularly the minimum instream flow issue among themselves. The agencies with fish and wildlife management responsibilities wish to review what instream flow requirements in the bypassed reach will meet their respective management responsibilities. The agencies presently have reservations about the PacifiCorp proposed minimum release of 4 cfs from the dam. PacifiCorp has provided sufficient data but as a group they need to discuss the issue further.

Moats stated that in general ODFW is supportive of Alternative 6 but will need additional time to consider the minimum instream flow issue.

Howison asked how much additional time the Agencies need to consider the instream flow issue. The consensus among the group was that a determination of flow needs could be reached by mid-December.

Next Steps -

- PacifiCorp will inform the FERC both verbally and in a formal letter of its intent to amend its license application. The amendment will primarily consist of revising the proposed tailrace configuration to Alternative 6. The formal letter will request the FERC delay the issuance of the REA Notice until the final amendment is filed with FERC. The formal letter will include a process and schedule for providing the FERC with a detailed final license amendment document.
- The stakeholders will meet internally and with PacifiCorp over the next 4 weeks.
 - Internal stakeholder meeting regarding minimum flow 11/13/14; 10:00am
 - Internal stakeholder meeting regarding minimum flow 11/25/14; 10:00am
 - PacifiCorp/Agency meeting regarding minimum flow 12/4/14; 10:00am
 - PacifiCorp/Agency meeting regarding minimum flow 12/10/14; 10:00am (backup date)
- PacifiCorp will file its final license amendment in early-mid January 2015.
- Agencies to reach an agreement regarding their recommended minimum instream flow in the bypassed reach by mid-December 2014
- PacifiCorp will develop a license amendment proposing to discharge tailrace output into the West Fork via an open canal including a velocity barrier which meets the requirements of Section 5.4 – Velocity Barriers in the 2011 NMFS Anadromous Salmonid Passage Facility Design (NMFS 2011) to prevent all fish species and life stages from entering the tailrace channel.

Gonzalez will confirm meeting space for PacifiCorp/Agency meetings in LaGrande, OR and will notify Kim McCune (PacifiCorp).

Aesthetic Resources

FERC Request: Provide the results of your review of the state's noise standards and your evaluation of the project in relation to those standards along with the estimated cost of possible noise mitigation measures.

PacifiCorp responded that any application of Oregon's Noise Program to the Project would be unreasonable for the following reasons:

- Oregon Department of Environmental Quality ("DEQ") no longer administers or enforces the noise regulations.
- The Project appears to meet the necessary conditions for a variance from the state rules because it was developed long before the passage of Noise Program and likely prior to nearby noise sensitive properties. The Project may also qualify for a waiver of the state rules.
- Following the state suspension of the Noise Program, DEQ issued guidance stating that enforcement and administration of the state noise standards is largely a matter for local and county agencies.
- There are no Wallowa County noise regulations that adopt or apply the standards from the Noise Program; and no county permits regulate noise levels from the Project.

Howison further stated that the state noise program was created in the 80s but in the 90s it was defunded. Currently the DEQ defers enforcement to local city/county governments.

Noise mitigation measures considered include:

- In past discussions of this issue, the possibility of constructing a berm around the powerhouse and/or tailrace was suggested. The area between the tailrace and the State Highway 351 terminus-turn-around (approximately 15 feet, 4.5m) does not have enough horizontal room for a berm to be constructed high enough to be effective.
- Due to maintenance staff need for access to the tailrace flume, a cover directly over the tailrace flume would not be practical.
- A noise-insulated building that would allow for tailrace maintenance was evaluated. The capital cost is approximately \$250,000.

PacifiCorp has not proposed any noise mitigation measures as there are no applicable standards or other regulatory requirements to provide guidance on what measures would be appropriate. There were no additional questions or comments on the AIR for aesthetic resources.

Recreation Discussion

The Forest Service requested that a recreation discussion be added to the meeting agenda.

Howison opened the discussion by noting the Forest Service has three easements in perpetuity across PacifiCorp property for the East Fork Trail, the West Fork Trail and the Chief Joseph Trail. In the course of the relicensing studies, PacifiCorp has identified some errors in the easements when compared with the trails in the field and would like to reconcile these issues at some point in the future for PacifiCorp and Forest Service benefit.

Gonzalez informed the attendees that approximately one year ago new leadership at the Forest Service raised several public safety and parking issues at the trailhead adjacent to the Project. Of

particular concern is the existing parking along the state highway for equestrian users with trailers at the trailhead. The Forest Service is requesting PacifiCorp consider developing a new off-street parking lot east of the cul-de-sac on PacifiCorp property. This area is outside of the existing FERC Project boundary and would require considerable earthwork to meet Forest Service facility standards for a parking lot.

- PacifiCorp is concerned with the costs associated with developing a parking lot in this area. Howison indicated that there is an opportunity for the Forest Service and/or OPRD to assume management responsibilities for the area through a lease agreement. PacifiCorp and OPRD are discussing an “off-license” lease agreement for two OPRD facilities on PacifiCorp lands. PacifiCorp is open to a similar type of agreement with the Forest Service or OPRD for the purposes of reconfiguring the parking lot. PacifiCorp’s key interest is not being responsible for anything outside the campground and the trail as all these extras increase the Project costs.

Hayward commented that any significant changes to trailhead parking would need to be closely coordinated with the Oregon Department of Transportation who manages State Highway 351.

Howison suggested a less expensive alternative may be to somehow make the highway shoulder wider to allow more room for parallel parking away from the highway lanes.

Next Steps – Recreation

- The Forest Service plans to meet with ORPD, ODOT and the County to discuss long term plans for trailhead parking, equestrian use, and public safety. The Forest Service and OPRD will follow up with PacifiCorp to further discuss these issues.
- ORPD is currently reviewing a draft proposal from PacifiCorp for an off license agreement addressing OPRD leases of PacifiCorp lands and recreation facility management responsibilities. ORPD will get back to PacifiCorp in approximately one week.

Adjourn 3:00pm



Wallowa Falls Hydroelectric Dam Relicensing
Wallowa Falls Stakeholder Meeting
November 4, 2014 – 10:00 am – 3:00 pm

Meeting Room – Eagle's View Inn, 1200 Highland Avenue
Enterprise, OR (Conference Room)
(541) 426-2700

Participant Name	Agency/Company	
Russ Howison Russ.howison@pacificorp.com	PacifiCorp Energy	X
Kim McCune	PacifiCorp Energy	X
Todd Olson	PacifiCorp Energy	X
Jeremiah Doyle	PacifiCorp Energy	X
Briana Weatherly	PacifiCorp Energy	X
Ron Woodin	Flying Arrow Resort	X
Mike Hayward	Wallowa County Board of Commissioners	X
Susan Roberts	Wallowa County Board of Commissioners	
Daniel Gonzalez	US Forest Service	X
Gretchen Sausen	US Fish & Wildlife Service	X
Kammie Bunes	ORPD	X
Jeff Yanke	ODFW	
Tim Hardin	Oregon Dept of Fish & Wildlife	X
Elizabeth Moats	Oregon Dept of Fish & Wildlife	X

Participant Name	Agency/Company	
John Dadoly	ODEQ	X
Curtis Booher	USFS	X
Jim Hutton	USFS	X
Ken Homolka	ODFW	X
Katy Nesbitt	Observer	X
Jim Hutton	OPRD	X
Kristen Bonanno	USFS	X