



PUGET SOUND ENERGY
The Energy To Do Great Things

Baker River Project License Implementation **Baker River Coordinating Committee**

Team Lead: Tom Flynn, 425.457.5868, Tom.Flynn@PSE.com

Facilitator: Lyn Wiltse: 425-890-3613 (call if running late or if your plans to attend the meeting change)

Website: <http://pse.com/aboutpse/HydroLicensing/Pages/Baker-River-Licensing.aspx>

PRESENT: Tom Flynn, Jacob Venard, Arnie Aspelund, Tony Fuchs, and Lynda Kupfer by phone (PSE); Bob Helton (Citizen); Erin Uloth (USFS); Lou Ellyn Jones (USFWS); Steve Fransen (NMFS); Edward Eleazer (WDFW); Lyn Wiltse and Jamie Riche, facilitators (PDSA Consulting).

BRCC MEETINGS: The BRCC meets semi-annually and reserves the 4th Wednesday of each month for potential BRCC meetings or conference calls. Tom will continue to send out email updates on implementation activities to all during the months where the BRCC does not meet in person.

Next BRCC Meeting: April 22, 2015 in Burlington, providing an overview of the Settlement Agreement

DECISIONS: None today.

NEW ACTION ITEMS

- Tom Send Bob Helton a paper copy of the updated BRCC representative list.
- Tom Connect with BRCC members to consider 2015 meeting schedule (one meeting or two?)

PREVIOUS, STILL RELEVANT, ACTION ITEMS

- All Send feedback on the Baker License website to Andy Hunting or your resource group lead
- All Send updates on your org's designated reps to Lynda Kupfer (lynda.kupfer@pse.com).

SAFETY MOMENT

'Tis the season for kids to be out before and after school, and Halloween is just around the corner. Please drive carefully, obey school speed zones, and keep an eye out for little ones before and after school.

REPRESENTATIVE UPDATES

Lyn reminded the group to review the BRCC rep list. Linda emphasized the importance of maintaining current contact information and Tom passed a rep list around for written updates. Tony and Arnie noted that resource team communications are sent to primary and alternate reps when the information is being sent via email, but is sent only to primary representatives when printed documents are sent out, so the order of listing matters, too.

This is likely to be Lou Ellyn's last BRCC meeting, as she is retiring in February. The group thanked her for her service throughout the licensing and implementation process, noted that she will be missed, and

wished her well on her next adventures. Her office is finalizing her replacement; at this time, it is looking like it might be Mark Celedonia.

RESOURCE TEAM UPDATES

Tom noted that these updates are focused on recapping major events from 2014 and give policy-level BRCC members a preview of the work planned for 2015.

ARG UPDATES – Aquatic Resources Group

Arnie reported that:

- The ARG continues to meet quarterly, with agendas focused on operations and implementation of major projects.
- This is the fifth operating year of new hatchery. Production levels are at all-time highs (6.5 million sockeye fry), and broodstock goals have been met for this year. PSE convened a fry release technical working group and is having discussions with the co-managers on additional fry releases site options.
- Spawning Beach Decommissioning: Modifications to the large woody debris installations constructed in 2013 were finished this summer, and those structures are now complete. The re-vegetation work will finish in November. When done, this project will be completed.
- This was the seventh highest sockeye return year in the 88-year record of trap counts. Arnie noted that they are still getting sockeye coming in. Steve commented that while this is interesting, it is not as risky for the fish on the Skagit because their commute is shorter. There are later runs happening in other places where the risk is higher because spawning grounds could ice over before the fish get to them.
- PSE is implementing native char (bull trout) collection and transport activities according to established protocols, and the Fish Connectivity Implementation Plan. We use PIT tags, genetic analysis, and transportation protocols to transport native char according to their genetics. The protocols are working well to preserve the reproductive potential for the basin's genetically unique char populations. Results of 2014 will be reviewed and protocols confirmed for 2015 at the annual consultation meeting in February.
- Downstream fish transportation reached another milestone with 1,037,001 smolts transported this year! The Upper Baker FSC is in its seventh year of operation and Lower Baker FSC is in its second year. Lower Baker and overall records were easily surpassed. Concurrent with collection and transport, PSE conducted a performance study at Lower Baker, and continued long-term monitoring at Upper Baker. PSE has been working on and consulting with the NMFS and the ARG over the past year to diagnose and address fish screen channel issues at the Lower Baker FSC. Modifications to and adjustment of hydraulic control baffles has already taken place, and planning continues for final modification, adjustment and verification of fish channel hydraulics.
- Article 505: Seven aquatic-riparian habitat projects currently funded.
- 2013 Annual Reports: Seven completed.

ARG Upcoming:

- Hatchery headworks erosion control planning. The project to restore the water supply is concluded. The work with USFS to stabilize surface erosion in the construction area continues.
- The Spawning Beach decommissioning is complete; LWD modifications were completed in August and plantings are being finished as we speak.

- Nick is planning a FPTWG meeting later this year or in January to review the results of the 2014 studies and set plans for 2015.
- Swift Creek erosion control project is underway, and nearly complete. Jacob reported that the work is scheduled to be completed today.
- Article 505 is entering its fourth round of project review / consideration by the joint ARG / TRIG 505 group.
- The Sept. 2015 meeting was moved to October to allow more time to compile information about downstream passage before the meeting.
- Upcoming 2013 Annual Reports include 101, 105, 106, and 102.

TRIG UPDATES – TERRESTRIAL RESOURCES IMPLEMENTATION GROUP

Tony updated the group on activities since the last BRCC meeting, showing photos of the work:

- At its last meeting, the TRIG approved a budget for purchasing a third piece of property (91 acres) to support Article 503 for elk forage. This new parcel will be added to TRIG's inventory once the sale is finalized, and then post-acquisition activities, including surveys and the development of its management program document, will be addressed next.
- They started some baseline effectiveness monitoring, including bird surveys and elk monitoring. Cameras have been installed, and Tony is already seeing good elk use on acquired parcels.
- The TRIG also moved forward with culvert removals and road retirement at the Alder Creek property, as required by the DNR permit.
- A loon platform that went missing last spring was replaced.
- Goshawk surveys are complete and a 26-acre timber harvest is underway at the Burpee Hill site.
- Thinning is planned this fall on 5-10 acres at the Alder Creek site.
- The areas being harvested now will be reseeded with a good forage mix to create welcoming and nutritious elk pasture areas.
- Bare root plantings were completed in knotweed treatment areas at Burpee Hill. Article 508 Noxious Weed habitat management procedures document is complete and they are following that plan. Steve noted that TRIG annual reports include quite a bit about noxious weeds. Tony agreed, pointed out that there are 157 sites that are being managed through this license article. Steve asked if this is a do-it-and-done kind of work, or if this is an ongoing effort that will continue for the foreseeable future. Tom and Tony noted that treatments are making a positive difference; there are about a 17 sites that appear to have been eradicated. That said, they expect this work to be an ongoing effort.
- They created snags to generate additional legacy wood at Burpee Hill.

SA 505 - AQUATIC RIPARIAN HABITAT (JOINT ARG / TRIG)

- Seven projects approved so far.
- Scott Heller is the lead on implementing the projects approved through the 505 process. He is currently working hard on two acquisition projects approved during the last round.

CRAG UPDATES – CULTURAL RESOURCES ADVISORY GROUP

Tom updated the group about the CRAG's activities:

- WPCC was the state's first cement plant and it is located within the project boundary.
- Treatment of site "45SK252" (near Lake Shannon) has been completed, recovering hundreds of artifacts and modified rocks. Monitoring is ongoing.
- Gradiometry surveys (a remote sensing technique to see what is underground) and archaeological investigations were conducted at the LB compound in preparation refurbishment of the existing clubhouse building and future construction of buildings in that area to support PSE operations. Some buried structures were located, along with some debris material from a slide in 1964. Tom showed photos of some of the materials that were found, including a chunk of sulphur-rich coal, foundation slab materials, brick kiln remnants (probably from a historic brick manufacturer out of Renton), and wood platform remnants.
- Planning for restoration of this site has required some creative thinking; PSE and the CRAG are currently thinking about packaging this work in with dam safety work and the visitor center /

clubhouse renovation. This would result in the cultural work being a smaller percentage of the project, making it easier to gain approval.

CRAG Upcoming:

- Ongoing annual monitoring
- Review HPMP (historic property management plan)
- Public education project in collaboration with the town of Concrete.

RRG UPDATES – RECREATION RESOURCES GROUP

Tony updated the group on the Recreation Resources Group on Pam Garland's behalf:

- RRG / LEP Meeting held February 25, 2014 and yesterday (October 21, 2014)
- The next meeting is scheduled in June, and will likely include a field trip to acquired lands to familiarize law enforcement partners with those lands.
- Approved the Article 602 RAM funding for \$231,865 to USFS for Panorama Point Boat launch and parking expansion / improvements in 2015. (This will encumber RAM funding through 2015 and half of 2016 funds.) The work is being approved now to address the increase in usage related to the successful sockeye fishery.
- Aesthetics "screening" at Upper Baker project.
- USFS is continuing to work on the dispersed recreation plan. Erin noted that there are some challenges for USFS with this work because this work is different than what USFS generally considers to be "dispersed recreation". This area is considered an urban forest due to the proximity of significant populations; but those lands include several dozen designated wilderness areas. At the recreation meeting yesterday, Erin shared an overview of the USFS mission. In that session, she closed by noting the USFS guiding thought: "There is no answer; seek it lovingly." (There is no single best answer, but they are tasked with maintaining an eye toward the seventh generation - aka, long-term sustainability.)
- Tony showed photos of the boat checking / education work that happens at the boat launch to help avoid the introduction of invasive species. These checks are focused on folks with out of state plates.

RRG Upcoming:

- First RRG / LEP meeting scheduled for Feb. 24, 2015
- Open camping season begins May 15, 2015
- 2014 annual reports will be available by May 31, 2015
- Sockeye fishery opens July 15, 2015
- Baker Project Tours to be scheduled for one day in July 2015

MAJOR PROJECTS UPDATES

Lower Baker Powerhouse, Unit 4:

- Mechanical issues were discovered during the Unit 4 turbine commissioning (believed now to be caused by an inappropriately thick coating on the wicket gates)
- Physical model was required to identify the problem and test solutions (Jan – July 2014)
- Schedule extended by one year; FERC approved the extension
- IPP (Interim Protection Plan) operation will be in effect through October 17, 2015

LB Powerhouse Flow Coordination:

- Interim Period: Oct 17, 2014 – October 17, 2015
- Minimum and maximum instream flows: according to Aquatics Table 1
- Downramp rate: IPP, using Aquatics Table 1 trigger
- Unit trips: respond within one hour
- Unit 4 outage: supply Aquatics Table 1
- Flow deviations: report within two weeks
- Coordination on testing
- 1200 cfs October 17, 2014 – July 31, 2015
- 1000 cfs August 1, 2015 – October 15

LB Powerhouse Anticipated Schedule:

- Sept. – Dec. 2014 – Testing to verify problem and solutions under a variety of operational conditions and initial facility controller testing
- Apr. – July 2015 – Outage to install new turbine runner
- Aug. – Sept. 2015 – Testing of facility controller and email excursion notification system
- Oct. 17, 2015 – Operating according to Aquatics Table 1

Spawning Beach Decommissioning:

2013 work included removal of concrete structures and a site re-grade (swales, replace topsoil). In 2014, Tom reported that PSE circled back to modify the log structures (completed) and re-vegetate the site (ongoing, now using a new contractor - Earth Corps).

Hatchery Water Supply:

Tom noted that PSE is finalizing the plan to finish stabilizing the hillside and provide some additional erosion control to preserve the spring water coming into the hatchery. Next steps are to review the plans with the Forest Service.

ANNUAL REPORTING SCHEDULE

Jacob reported that all resource groups approved the streamlined annual reporting schedule proposed and discussed at previous BRCC meetings. PSE submitted the updated schedule to FERC in early September and PSE anticipates approval. They hope to hear back before the end of the year so that the new schedule can be implemented for 2014 reporting in 2015.

CORPS OF ENGINEERS GENERAL INVESTIGATION (GI) UPDATE

USACE posted their feasibility study for public comment this summer. That comment period was extended, and has closed now. Tom heard that they received something like 150 pages of comments.

They have approved the tentatively selected plan (preferred alternative), which included additional storage at Lower Baker. They now have an internal review process to follow. At this time, they are finalizing their feasibility studies and EIS, and reviewing public comment.

There was some discussion about what the BRCC could expect next as well as the authorities and responsibilities of the parties involved, particularly the Corps and FERC. There are still quite a few unknowns. Tom noted that while PSE agrees that some additional analysis would likely be helpful, PSE is generally neutral on this issue and will, of course, follow the direction of appropriate regulatory agencies.

PSE would prefer for parties to work together to reach agreement. They see their role as helping to shepherd conversations between stakeholders in order to support and maintain the collaborative nature of our operations.

Kara indicated that the county is planning to provide another update at the January ARG meeting. Tom thinks that the ball is largely in the Corps' court in terms of process and next steps.

FUNDING FLEXIBILITY

Tom brought forth a couple examples of PSE flexibility around funding to update the BRCC and ask if there are any questions or concerns around this type of flexible accounting.

- The RAM (Recreation Adaptive Management) funding was approved for a project that will encumber all currently available RAM funds, all of 2015 RAM funding (the October 2015 deposit and Feb. 2016 interest deposit), and half of 2016 RAM funds.
- The HERC Habitat Enhancement Recreation and Conservation funding will get its first deposit in 2018, but there is interest in starting a NEPA process to create an additional fry release site near Old Scott Road sooner than that. There are significant unspent Article 505 M&O funds (about \$500k now), and there has been conversation around using Article 505 money to provide a loan to the HERC fund for this work.

Tom and Tony clarified that the fund that provides the loan is always made whole (including interest and escalation when appropriate) when the receiving fund has sufficient money. Tony also reminded the group of an agreement in the TRIG from several years ago citing any revenue from tree harvests are reinvested into the appropriate fund's O&M account.

Attendees expressed appreciation for PSE's willingness to be flexible in this way, and asked PSE to continue to maintain transparency and open communication with BRCC and Resource Team members around issues like these.

BRCC MEETING SCHEDULE AND NEXT MEETING

Tom noted the lower turnout at recent BRCC meetings and asked whether there was interest in reducing the number of annual BRCC meetings from two per year down to a single annual meeting (as required in the license). He noted that PSE is happy to continue to host two meetings a year if that is what is desired.

Bob suggested PSE send out a survey to BRCC members to ask why folks aren't coming, and consider that feedback before finalizing a changed schedule. Lou Ellyn asked whether a single annual meeting would include the annual license refresher; Tom agreed that this was a welcome topic in earlier years and it would be important to continue that opportunity. With that, she noted that it would likely be easier for agency folks to commit to and attend a single annual meeting. Steve noted that this feels similar to the resource team schedule adjustment from monthly to quarterly meetings and noted that it makes sense given where we are in the implementation of the license. He added that if we move to a single meeting, Tom should also ask when in the year folks would prefer to schedule a single annual meeting.

Next Meeting: April 22, 2015 at PSE Skagit Service Center in Burlington

DRAFT AGENDA TOPICS FOR NEXT MEETING ON APRIL 22, 2015

- Settlement Agreement / License Refresher
- Confirm representatives to the BRCC and Resource Groups
- Working Group Updates
- Updates on Major Projects
- Update on USACE General Investigation

MEETING EVALUATION

What worked well:

- Thank you, Tony and Tom, for providing great updates on behalf of colleagues who weren't here
- Level of detail in the updates was appropriate (high level good for BRCC)
- Great food!
- Got done a little early!

Do differently:

- Consider switching to a single annual meeting
- Consider adjusting agenda to include more time for attendees to think ahead together at the higher, more strategic policy level. E.g., review, reconsider intended outcomes and engage in dialogue around best practices toward those outcomes. How are we thinking ahead together?
- Distribute an overview / summary spreadsheet of funding and expenses