
BAKER RIVER PROJECT RELICENSE

Solution Team
November 25, 2003

9:00 a.m. – 3:00 p.m.

USFS Building
Mountlake Terrace, WA

Mission: By April 30, 2004, the Baker Solution Team will draft a settlement agreement for relicensing of the Baker River Project that best meets the interests of the signatories.

FINAL MEETING NOTES

Note: Call Connie at 425-462-3556 if unable to attend the meeting so she can plan for lunches. Call Lyn's cell phone 425-890-3613 if something comes up at the last minute (on the way to the meeting).

Conference Call Number: This is a toll-free call. The procedure is:

- Dial **1-866-280-6429** at the designated date and time. Enter the Participant code of **144995** followed by the # **sign**. You will be asked to record your name. You will hear hold music until the Host has dialed into the call.

Team Leader: Connie Freeland (Puget Sound Energy) 425-462-3556, connie.freeland@pse.com

Members Present: Keith Brooks and Steve Hocking (FERC) by phone, Stan Walsh (Sauk-Suiattle Indian Tribe/Swinomish Tribal Community) by phone, Gene Stagner (USFWS) by phone, Steve Jennison (WDNR), Bob Nelson (Rocky Mountain Elk Foundation), Bob Helton (Citizen), Len Barson (The Nature Conservancy), Patrick Goldsworthy (Northern Cascades Conservation Council), Bill Reinard (Wildcat Steelhead Club), Jon Vanderheyden and Rod Mace (USFS), Cary Feldmann, Kris Olin, and Connie Freeland, (PSE), Arn Thoreen (Skagit Fisheries Enhancement Group), Dave Brookings (Skagit County Public Works) by phone, Bob Wright (DOE), Phil Hilgert (R2 Resource Consultants), Dee Endelman (Agreement Dynamics), Lyn Wiltse, Facilitator and Mary Jean Bullock, Note-Taker (PDSA Consulting, Inc.)

Future Solution Team Meeting Dates

Dec. 16 *Canceled; Status Report in lieu of meeting*, Jan. 6, Jan 27, Feb 10, Feb 24, Mar. 2, Mar.23, Apr. 6, and Apr. 27.

These meetings will be held at the USFS Building in Mountlake Terrace, unless otherwise specified.

AGENDA

November 25, 2003 at USFS Office Building in Mountlake Terrace

9:00 a.m.–3:00 p.m.

1. Introductions
2. Settlement Process Update
 - Report from November 10 Attorney Meeting
 - RESOLVE Sessions
 - Shared Resources Teamlets
 - Next Steps: Create 2004 Settlement Work Plan
3. Schedules/Timeline/Document Update
4. FERC Call: 11:00
5. Action Items
6. Working Group and Technical Working Groups:
 - What's Hot?
 - Status of Studies in Working Groups
 - Update on Technical Working Groups (TST, Fish Passage, etc.)
7. Other?
8. Set December 16, 2003 Agenda
9. Evaluate Meeting

NEW ACTION ITEMS

- Steve H: Touch base with Frank Winchell re: Ron's participation on the Cultural Working Group (concurring or primary signatory?).
- Dee/Lyn: Talk with Team Leaders re: Access Management and Phil's Cross Resource Evaluation Tool.
- Connie: Email Phil's memorandum to members not present.
- Lyn: Tell Lloyd to put out a memo re: "yes" or "no" on December Economic/Operations meeting.
- Lyn: See that Steve Fransen, Gene Stagner and Gary Sprague have January 6, 2004 meeting on their calendars, as we will be creating the 2004 Work Plan at that meeting.

SETTLEMENT PROCESS UPDATE

Note: At the October Solution Team meeting, we decided not to ask PSE for "the number" that they feel they could defend to the WUTC for the total cost of the Settlement Agreement. At this point in time, we decided to keep the discussions interest-based rather than economics-based.

Report on License Articles and PMEs

Dee reported that it appears that there will be 10 license articles ready for Solution Team review by early January. Below is a summary of progress to date by each Working Group:

Cultural: On track – there appear to be no problems in this group.

Aquatics: The largest unresolved issue is instream flow. The Instream Flow Technical Working Group has defined the parameters for some important technical runs. They will be meeting again on December 15. At that meeting, they will be discussing a range of technical options re: a flow regime. There's a RESOLVE meeting scheduled for December 17. It is not likely that a flow regime proposal would be ready for group discussion by then. This discussion will have to continue in early January. It's unclear whether policy level intervention could change this schedule.

Terrestrial: At its last meeting (on November 5), this group discussed a specific wildlife habitat package. It appears that the group will reach tentative agreement on this by mid-December. Meetings are scheduled on December 5 and 11. The group is thinking it might even finish up on December 5!

Recreation: Scope remains a big issue for this group. They met November 24 to try to prioritize the PMEs, as requested by Jon Vanderheyden and Ed Schild after their meeting on October 31. They were unable to do so for several reasons: parties not on the same page regarding the costs associated with various PMEs; several diverse interests in the room, none of whom want to see their perceived needs fall off the table; they all had just seen the numbers associated with PMEs; and they hadn't had time to think about the costs. However, given the discrepancies in costing, it would be difficult for the group to come to agreement in any event. The costs are being reviewed by EDAW, as an expert third party, and the group wants to continue discussions on December 15, to come up with ideas for cost containment and creative funding. This may be an area for policy level intervention in the near future. Ed, Kris and Cary will be meeting again with Jon and Rod on December 4.

Legal Working Group

They met for the second time November 10. At that meeting they set up a teamlet to put together a revised version of the draft boilerplate settlement agreement language and get it out for review before their next meeting, January 7. At that time they will discuss the process for reviewing draft license articles.

Econ/Ops

This group didn't meet in November. The economic assessment phase of the flood control study will be complete in January and is based on current Corps hydrology. Skagit County has since met with the Corps on this subject, and the Corps agreed to ~~change their hydrology~~ *reevaluate the basic inflow hydrology of the Skagit River study.* [Bob Helton requested clarification of this statement.] PSE will update its study when the new hydrology is received from the Corps.

Adaptive Management

The individual working groups have talked about how funds would be set up for adaptive management and the subcommittees' roles after the license application is submitted. We still need to grapple with making sure the overall structure and function of how we'll handle adaptive management is agreed to. We've tried to pull together a Solution Team Teamlet but without much success. We will need to decide how to review the PME on the BRCC which really contains the adaptive management piece of the Settlement Agreement – perhaps in January.

Solution Team Involvement in January

If the working groups were done by year end, the Solution Team would be reviewing license articles and “blessing” the whole package in January. However, with the Aquatics and Recreation situations, the Solution Team needs to think about its role in January. Time is running short and the attorneys still need to look at the license articles for which there is agreement.

Connie distributed an updated table showing PME Status as of November 24, 2003. She pointed out that the 10 boldface PMEs have gone to the Louis-Berger Group to be written in license article language. She also noted that PME 6.6 combines 4 previous funding PMEs (Terrestrial 1.5.1, Recreation 2.6.1, Aquatics 3.6 and Cultural 4.2.1).

Shared Resources Teamlets

Dee explained how each of these is being handled sufficiently with the possible exception of access management. We will work to make sure the Terrestrial and Recreation Working Groups talk with each other on this.

Next Steps: Create 2004 Settlement Work Plan

At our December 16 meeting, we will list the elements we will need in this plan. We agreed to devote the January 6 Solution Team Meeting to creating this plan. We hope that we will have sufficient agency representation at that time to make this a worthwhile endeavor.

FERC CALL /SCHEDULES/TIMELINE/DOCUMENT UPDATE

Kris distributed an updated list of Milestone Dates, along with an expanded process flow chart showing policy-level meetings with agencies and tribes. The flow chart shows an estimated Berger Group cut-off date of January 16, 2004 for input to the final version of the PDEA.

While legally, we are only required to submit the PDEA and license application by April 30, 2004, Kris stressed that our intention is still to submit a completed Settlement Agreement by that date as well. If the Settlement Agreement isn’t complete by April 30, we would submit as much as was agreed to, signed by as many parties as possible,* along with a schedule of how we would submit the remainder by July 1. Keith reminded us that after July 1, FERC will start processing the application and converting the PDEA to its own NEPA document. This will happen with or without a Settlement Agreement in place.

**We would note whether those who don’t sign are not signing because they are opposed or for some other reason.*

REPORT ON OLD ACTION ITEMS

- George: Sent Connie Charlie Black’s Least Cost Plan narrative (for distribution to Solution Team).
- Connie: Sent out 10/20 draft notes from Legal Working Group along with distribution list.
- Connie: Asked Jessie to call Jason Joseph re: Ron Kent joining the Cultural Working Group.
- Dee: Discussed “new” settlement process with team leaders. Asked also that they begin to prepare updates of Technical Working Groups’ progress for Solution Team meetings.
- Connie: Attached Paul’s presentation (minus photos) to draft minutes.
- Cary: Saw that Instream Flows Technical Working Group listed potential areas of concern for Solution Team.

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- Connie: Made sure notes from the Fish Passage Expert Workshop went to Solution Team members (will be posted on the website).



WHAT'S HOT IN THE WORKING GROUPS?

(Note: The only technical Working Group meeting held in November was Cultural. The other meetings were RESOLVE sessions.)

Cultural

- Getting updated PME information from other resource groups in a timely manner (potential effect to historic properties).

STUDIES UPDATE FOR SOLUTION TEAM

Cultural

- Archaeology – Draft report is out.
- Historic buildings and Structures – Revised Report will be out January 1.
- Traditional Cultural Properties
 - December 1 Eligibility deadline for identifying TCPs:
 - Upper Skagit is completing a short-term TCP study.
 - Sauk-Suiattle is in negotiations.

TST REPORT - UPDATE ON HYDROPS RUNS

Lyn distributed a handout showing each of the HYDROPS runs to date, their requestor, and a description of each. At the next meeting, Paul will give a presentation of learnings to date- with copies of same handed out to Solution Team to facilitate notetaking and generation of questions, if any. [Bob Helton]

FISH PASSAGE REPORT

Cary explained that there had been a field trip for fish passage TWG participants where they visited several passage facilities throughout the region. They are making good progress on the technical design of downstream passage facilities. An integral part of that development is the installation of features this year to test potential options going forward. Most important is a new guide net and the transition structure that leads from the guide net to the gulper (simulating a funnel).

BRIEF FROM INSTREAM FLOW TEAMLET

Phil Hilgert reported that this teamlet met November 17, 2003. They agreed to recommend that critical ramping flow (for down-ramping) be 30K cfs. They will make this recommendation to the Aquatics Working Group. They are finalizing some post processing criteria for the habitat models. They have begun analysis for ramping rates, varial zones, scour and spawn timing, etc. They will meet again December 15.

CROSS RESOURCE EVALUATION TOOL

In an effort to present information in such a way that would facilitate discussion across resource groups on how alternative scenarios affect various resource values, Phil put together a table using recreation user satisfaction for Baker Lake pool levels as an example index. Boiling down resource impacts to a single number will make it easier to communicate resource values across different groups. To use similar indices for comparative purposes, we would need each of the resource Working Groups to develop

indices that reflect their particular resource. It will be a challenge to get them to do this for each of the areas suggested on page 2 of Phil's memo. We will also need to help folks overcome fear around assigning weightings. The intent is to communicate the effects of various scenarios on cross-resource values.

Next Steps: We will present this to all resource area working groups between now and the end of the year. Ideally, we would be able to discuss the use of this tool within the context of a "strawman" put together ahead of time by a representative of each group. Phil or Paul Wetherbee will make themselves available to help facilitate this process.

PARKING LOT

- Adaptive management:
 - How can we take into account future technology, knowledge, conditions, resources, weather (global warming), etc.?
 - How can we balance licensee exposure?
- Summary Record of Decisions
- Recommend length of new license
- WUTC presentation??

HANDOUTS

- Memorandum November 4, 2003 TO: Paul Wetherbee, PSE, TST Coordinator; FROM: Phil Hilgert and Clair Yoder, R2 Resource Consultants; SUBJECT: Cross Resource Evaluation Tool
- HYDROPS Analyses Completed to Date, November 24, 2003
- Baker Relicense Project – Milestone Dates, November 24, 2003 and Flow Chart Schedule, November 11, 2003
- PME Status as of November 24, 2003
- 2004 Calendar, Skagit Watershed Council, funded by Puget Sound Energy and the Earthwatch Institute.

TENTATIVE AGENDA *[will be modified for Jan. 6 meeting]* **December 16, 2003 at USFS Office Building in Mountlake Terrace** **9:00 a.m.–3:00 p.m.**

1. Introductions
2. Settlement Process Update
 - RESOLVE Session Updates
 - Shared Resources Teamlets
 - Progress Made with Cross Resource Evaluation Tool
 - How to integrate into NEPA document
3. Outline Elements of 2004 Settlement Work Plan
 - Our Jan. 6 meeting will be devoted to developing our 2004 Work Plan
4. Schedules/Timeline/Document Updates
5. FERC Call: 11:00
6. Action Items
7. Working Group and Technical Working Groups:
 - What's Hot?

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- Status of Studies in Working Groups
 - Update on Technical Working Groups (TST, Fish Passage, Instream Flows, etc.)
8. Other?
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MEETING EVALUATION

Done Well

- Got through the agenda efficiently
- We know more about what we don't know

Do Differently Next Time

- Attendance: No USACE, NMFS, WDFW participation
- We know less about what we do know
- Need larger coffee cups