
BAKER RIVER PROJECT RELICENSE

Solution Team

December 17, 2002

9:00 a.m. – 3:00 p.m.

US Forest Service Office
21905 64th Avenue West
Mountlake Terrace, WA 98043

AGENDA

1. Introductions
2. Settlement Process Update
 - PMEs for each Working Group
 - PME for Adaptive Management
 - Settlement Team Process
3. PDEA and License Application Update
4. Action Items
5. What's Hot in Working Groups?
6. Status of Studies in Working Groups
7. Prep for FERC Conference call
8. FERC Conference Call
9. Schedules/Timelines
10. FERC STATUS
11. Other – PDEA Update
12. Set January 21 Agenda
13. Evaluate meeting

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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**
- Participants will be asked to record their name
- Participants 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: Steve Hocking, Keith Brooks, John Blair and Frank Winchell (by phone from FERC), Arn Thoreen (Skagit Fisheries Enhancement Group), Pam Klatt and Rob Mohn (the Louis Berger Group), Jerry Louthain (Economic and Engineering Services, for Anacortes, Skagit P.U.D. and Town of Concrete), Steve Fransen (NMFS), Marian Valentine (U.S. Army Corps of Engineers), Gary Sprague (WA Dept. of Fish & Wildlife), Bill Reinard (Wildcat Steelhead Club), Bob Helton (Citizen), Bob Nelson (Rocky Mt. Elk Foundation), Stan Walsh (Skagit System Cooperative), Steve Jennison (DNR), Jon Vanderheyden (U.S. Forest Service), Rod Sakrison (WA DOE by phone), Cary Feldmann, Kris Olin and Connie Freeland (PSE), Patrick Goldsworthy (North Cascades Conservation Council), Len Barson (The Nature Conservancy), Dave Brookings (Skagit County Public Works), Dee Endelman and Bruce Freet (Agreement Dynamics), Lyn Wiltse, Facilitator and Mary Jean Bullock, Note-Taker (PDSA Consulting, Inc.).

FUTURE MEETING DATES

Note: Starting in 2003, the Solution Team will be meeting on the fourth Tuesday of each month.

Exception: The January meeting date will be the 3rd Tuesday: January 21, 2003.

2003 Solution Team Meeting Schedule

January 21, February 25, March 25, April 22, May 20*, June 24, July 22, August 26, September 23, October 28, November 25, December 16*. [* 3rd Tuesday because of holidays.]

PME Cross Resource Workshop Schedule

March 5 and 6 at the CottonTree Inn at Mt. Vernon, starting 8:00 a.m. on the 5th and ending at 4:30 p.m. on the 6th. PSE has reserved a block of thirty rooms for participants who wish to stay overnight.

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NEW ACTION ITEMS

- ALL: Give Connie feedback re: the draft FERC status report by January 6, 2003.
- ALL: Let Pam know if you have any questions re: the license application checklists.
- ALL: Consider what some of the “heavy” issues (elephants*) are to work on resolution in the form of a “10th hour” discussion rather than things getting slammed (and interests compromised) in the 11th hour. Tie these to pre-work on PMEs.
 - * Potential Elephants
 - Flood control (water buffalo?)
 - Downstream Fish Passage
 - Land Acquisition
 - Fish Production
 - Resident fish

Lake fertilization
Sockeye hatchery
ESA – chinook

- Economics
- ALL: Review our Meeting Norms. We will discuss them at our January meeting.
- ALL: Give suggestions to Bruce, Dee, or Lyn re: the March 5 and 6 Cross Resource Workshop as soon as possible.
- Bruce: Use PME format for elements of adaptive management for us to review at our January 21 meeting.
- Connie: Update comprehensive list of interest statements from all members of the Solution Team and verify its completeness.
- Lyn: Give Bruce a copy of Bob Helton's earlier suggestion re: ombudsman.
- Kris: Talk to Kristen re: posting Study Index updates and Relicensing Schedule to the website.
- Steve H: Does flood control usually carry over in a relicense? Conflict with ESA?
- Marian: Send FERC copy of Army Corps of Engineers' letter along with Ken Brettmann's presentation.
- Connie: Follow-up with Gary's requests for additional information re: flood control.
- Lyn: Add to our list of norms a statement requiring anyone doing a presentation to have copies for everyone to provide space for note-taking.
- Marian: Check EIS status/timeline re: flood control.

PME/SETTLEMENT PROCESS UPDATE

Dee reported that all Working Groups should have preliminary drafts of their PMEs by the end of January, so we can share them across Working Groups prior to the March 5th and 6th Cross Resource Workshop at the CottonTree Inn. Workshop products will include revised drafts of PMEs – resolving conflicts and taking advantage of opportunities to synergize.

We discussed the Workshop format and the proposed participant list. We would like to achieve the proper balance between the number of participants and good representation across resources, including NGOs, tribes, agencies, PSE and members of the Louis Berger Group.

Bruce, Dee and Lyn will be meeting in early February to draft a preliminary design for the workshop. Prior to the workshop, participants will review areas of conflict/synergy and begin brainstorming possible solutions.

We may structure the workshop to include “in the room” versus “at the table” participation, limiting those at the table but allowing others to attend and participate.

All were asked to continue to give feedback re: the workshop to Bruce, Dee, or Lyn.

ADAPTIVE MANAGEMENT

Bruce walked us through another (high-level) presentation on the topic of adaptive management.

We broadened the definition of adaptive management to read:

A method for examining alternative strategies for meeting measurable goals and objectives, and then, if necessary, adjusting future management actions according to what is learned.

One of the goals is to avoid formal license re-openers.

This presentation will be revised accordingly and posted on the Baker Relicensing Website.

SETTLEMENT PROCESS

Dee asked for suggestions on how to structure the settlement process. Steve F. suggested doing a three-tiered approach:

1. Technical
2. Policy
3. Legal

Concern was expressed about the timing of settlement discussions. The March Workshop will give us a leg up on the technical ties. We are aiming to have a draft settlement agreement in Summer 2003. This will be a challenge, as some studies will still be outstanding.

Concern was also expressed re: the legal review process.

Bruce and Dee will take this input into consideration as they review options for approaches to the settlement process. We may have one settlement team with supporting interest-based subgroups.

REPORT ON OLD ACTION ITEMS

- Arn: Asked Sue Madsen re: earliest date available for summary of instream flow data.
- Kris: Talked to Kristen re: posting Study Index updates and Relicensing Schedule to the website. Also, attached to the November meeting notes directions to find these items on the website. [Currently, the pathway to view the full schedule, the full study request index and the full study index under “Baker River Relicensing” is: “Working Groups/Baker Solution Team/Schedule Timeline” and “Working Groups/Baker Solution Team/Studies.” In the future, we will be revising the Baker River Relicensing menu to add bullets under “Baker River Project Information” for “Schedule Timelines” and “Studies.”]
- Kris: Reported on his concerns re: schedule at the December 17 meeting.
- Pam: Brought example of ALP license application to December 17 meeting.

WHAT’S HOT IN THE WORKING GROUPS?

Aquatics

- Salmon spawning on Skagit River (behavior)
- No studies dealing with resident non-salmonids
- PME schedule prior to March Workshop
- A17: tributary surveys upstream of barriers

Cultural

- Field work ongoing – getting preliminary evaluations done now!
- PMEs
- Area of Potential Effects (finalizing)

Recreation

- Studies and PMEs

Terrestrial

- Schedules
- Process vs substance -- tension

Economics (did not meet this month)

- Flood control

PREPARATION FOR FERC CONFERENCE CALL

- Flood control in other licensings (requirement for reimbursement for flood control, etc.)
- Particularly applicable example of a settlement agreement
- Suggestions/input re: adaptive management
- What does FERC see as its role in the settlement process?

FERC CONFERENCE CALL

We were pleased to have John Blair and Frank Winchell in addition to Steve Hocking and Keith Brooks join us for the FERC conference call today.

Flood Control

Steve reported that the requirement for reimbursement for flood control seems to be unique at Baker. Steve Hocking reports that he has never seen flood control reduced or increased as part of a relicensing proceeding. He urged resolution of assumptions around flood control at the Economics/Operations Working Group as soon as possible. Skagit County is drafting a study request for review at the Economics Working Group that deals with this issue.

Applicable Settlements (Timing and Content)

FERC Docket Numbers: P-2364 and P-2365 (in Maine); P-2058, P-1962, and P-137.

How FERC sees its role in the Settlement Process

FERC sees itself as advisors (and reviewers of documents) trying to get the Settlement Agreement in a form approvable and adaptable by the Commission.

Suggestions for how we handle Adaptive Management

Most Settlement Agreements include some form of Adaptive Management. FERC reported that including Adaptive Management (in the form of committees) is now becoming the new standard and they are beginning to include it in the license.

STATUS OF STUDIES IN WORKING GROUPS

Aquatics

Fish Passage

- Upstream conceptual design is complete
- Downstream and draft study reports distributed/being reviewed

Instream Flow

- Awaiting high flows
- Original schedule is behind for PDEA and other relicensing dates

Terrestrial

- All existing studies finished; study reports nearly complete
- Noxious weed study plan completed; edits being made [Note: Last month's notes incorrectly stated that this study was complete.]

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- Study plans being developed for Habitat Evaluation and for Elk
 - Grizzly Bears: new study to have plan developed
 - Wildlife Use in Reservoir Drawdown: no group consensus so PSE will conduct study and share data

Recreation

- Aesthetics – Hope to have a Study Plan approved at January meeting
- Visioning – Writing up report from November 6 exercise (for public participants); then look at examining underserved/unmet needs.
- Capacity/Suitability Analysis – Working on GIS map layers
- Coordinating with Terrestrial Working Group re: appropriate buffers for trails, wetlands, etc.

Economics/Operations (did not meet this month)

- Ownership and operation of state-owned aquatic lands (DNR)
- Flood control (Skagit County)

Cultural

- Archaeology survey and testing at both Shannon and Baker
- Historic building survey underway
- Preliminary work on Traditional Cultural Properties studies process has begun

SCHEDULES/TIMELINES

Kris distributed a new flow diagram depiction of the licensing schedule. This will be updated along with the SureTrak schedule from month to month. Folks seemed to appreciate the flow diagram version of the schedule as it is easier to understand. Kris will continue to bring hard copies of this version of the schedule to these meetings. The SureTrak version will be updated regularly on the website.

Kris' concerns (re: the schedule) involve the amount of work and the time to complete it in. He is also concerned about the increasing levels of stress he has observed in participants in the process (fed by the uncertainties associated with the process). The amount of effort (and stress) is likely to increase over the next year. We need to be mindful of this in ourselves and others. We need to give ourselves (and others) permission to ask for help.

Connie distributed a draft outline of our first FERC six-month report (due January 19, 2003). Team Leaders are preparing status reports of their Working Groups to be included in Section II. Minutes of all of the meetings from July 2002 through January 2003 will be included in Section III to the report. All were asked to give Connie feedback on this draft by January 6.

PDEA UPDATE

Rob reported the Louis Berger Group is meeting with PSE Team Leaders and attending some Working Group meetings to come up to speed on available data. They will share a draft of the EA outline at our January meeting for our review.

The group is coming up with summary level standardized output from the HYDROPS model. This will help in extracting information from the model for preparation of the EA.

Louis Berger has requested a couple of HYDROPS model runs (no action and non-power alternatives) in January. They are getting hydrologic characterization of the project retirement/dam removal option. Rob reminded us that the quality of the EA can only be as good as the information available.

LICENSE APPLICATION

Pam shared with us an example of the Cowlitz Project license application, which was prepared as part of an alternative process. She also distributed checklists of the content of the different exhibits (mostly engineering, economics and operations information) required in the license application. She reminded us that the Environmental Report, which would have been Exhibit E in the license application, will be the Preliminary Draft Environmental Assessment for the Baker process.

PARKING LOT

- Members need to describe their roles in terms of decision-making authority in their organizations (this relates to who would be members of the Policy Solution Team).
- Define a process for delayed resolution (based on incomplete studies).
- Adaptive management:
 - How can we take into account future technology, knowledge, conditions, resources, weather (global warming), etc.?
 - How can we balance licensee exposure?
- How to enlist recreational users.
- Define “project induced.” (Teamlet?)
- Develop public information protocol.
- Summary Record of Decisions.
- PMEs listed for each Working Group

HANDOUTS

- Interests of The Nature Conservancy in the Baker Relicensing Process
- Solution Team Membership List (December 16, 2002)
- Skagit System Cooperative letter, Comments on Baker River Project Initial Consultation Document, from Larry Wasserman, Director of Environmental Services (November 19, 2002)
- Cross Resource PME Workshop: Items to Review with Participants and Proposed Participants
- FERC License Application Exhibits Checklists
- Flow chart of relicense schedule
- Draft outline and report: Baker River Project Relicense – FERC Status Report: July 19, 2002 to January 19, 2003 (draft date: Dec. 16, 2002)

TENTATIVE AGENDA FOR NEXT MEETING

January 21, 2003 at USFS Office Building in Mountlake Terrace

9:00 a.m. – 3:00 p.m.

1. Introductions
2. Settlement Process Update
3. Action Items – PDEA Update – Review Norms

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4. Preparation for FERC call/ FERC call
 5. What's Hot in Working Groups?
 6. Status of Studies in Working Groups
 7. Schedules/Timelines
 8. HYDROPS Update
 9. Other?
 10. Set February 25 Agenda and Evaluate Meeting

MEETING EVALUATION

Done Well

- Got out early
- Well attended – Thanks, Rod, for joining by phone
- Nice chairs and artwork
- Fair discussion of what is needed by when
- Cary is looking out for the NGOs
- Cake
- Four FERC representatives on phone
- Eye pillows
- Ballet analogy
- Arn's taping

Need to Improve

- “Elephant chase”