



BAKER RIVER PROJECT RELICENSE

Solution Team

January 21, 2003

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
3. Action Items - PDEA Update - Review Norms
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

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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 (FERC, by phone), Arn Thoreen (Skagit Fisheries Enhancement Group), Gene Stagner (USFWS), 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), Marian Valentine (U.S. Army Corps of Engineers), Steve Fransen (NMFS), Bill Reinard (Wildcat Steelhead Club), Patrick Goldsworthy (North Cascades Conservation Council), Bob Helton (Citizen), Bob Nelson (Rocky Mt. Elk Foundation), Stan Walsh (Skagit System Cooperative), Steve Jennison (DNR), Gary Sprague (WDFW, by phone), Jon Vanderheyden (U.S. Forest Service), Rod Sakrison (WA DOE, by phone), Ed Schild, Lloyd Pernela, 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.

2003 Solution Team Meeting Schedule

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 4 (1-5 p.m. only), 5 and 6 at the CottonTree Inn at Mt. Vernon, from 8 a.m. to 4:30 or 5 p.m. on both days. PSE has reserved a block of thirty rooms for participants who wish to stay overnight. *Individuals will need to confirm their own reservations within this block of rooms no later than February 20, 2003. Call the CottonTree – 360-428-5678 or 1-800-662-6886 – and reserve a room under PSE.*

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NEW ACTION ITEMS

- Keith: Set up a teamlet to discuss flood control.
- ALL: Let Keith know if you'd like to participate in the flood control teamlet meeting.
- ALL: Check with your organizations re: single NEPA process.
- Steve H: Call Steve F. and Rob re: how PDEA can satisfy NMFS requirements (BA).
- Steve H: Finish up Scoping Document 2 by January 31 and send to Connie to send out for review.
- Steve H: Touch base with Kris and Rob re: schedule. Kris will post the SureTrak schedule and the Flow Chart Versions of the Relicensing Schedule on the website.
- Bob H.: Categorize list of meeting norm items for our review.

SETTLEMENT PROCESS UPDATE

We will review an approach to the Settlement Process at our February meeting. We will address if we are looking for a settlement in total, on a piecemeal basis, etc.

CROSS-RESOURCE WORKSHOP – (Revised Design)

Dee distributed a revised outline of the dates, participation, and desired outcomes for the March workshop:

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- By February 18, CDs of first draft PME's will be available
 - By end of February, PSE will put out key proposals
 - Added a plenary session from 1-5 p.m. on March 4, for overview of all draft PME's
 - Working sessions are from 8 a.m. to 4:30 or 5 p.m. on March 5 and 6
 - Discuss synergies, conflicts across resource working groups
 - Discuss initial proposals
 - Agree which actions are project related
 - Develop an action plan for next steps - PME's

The facilitator team will be contacting Solution Team and Working Group members to confirm their participation.

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 PME's. (*Action item moved to this section.*)

* Potential Elephants

- Flood control (water buffalo?)
- Downstream Fish Passage
- Land Acquisition
- Fish Production
 - Resident fish
 - Lake fertilization
 - Sockeye hatchery
 - ESA – chinook
- Economics

ADAPTIVE MANAGEMENT

Bruce distributed an expanded outline of the key components and actions involved. We removed 1(d). An updated version of this will be attached to the draft notes. A teamlet was formed to assist Bruce in fleshing out this approach. It will include Cary, Len, and Jon.

REVIEW NORMS

Lyn distributed a copy of the norms for the Solution Team that she updated on December 17, 2002. It included the new norm of making sure that notes accompany presentations, as suggested at the last meeting. Bob H. will take a stab at categorizing these so they are easier to track.

REPORT ON OLD ACTION ITEMS

- ALL: Gave 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: Reviewed our Meeting Norms to discuss at our January meeting.
- ALL: Gave suggestions to Bruce, Dee, or Lyn re: the March 5 and 6 Cross Resource Workshop.
- Bruce: Used PME format for elements of adaptive management for us to review at our January 21 meeting.
- Connie: Updated comprehensive list of interest statements from all members of the Solution Team and verified its completeness.

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- Lyn: Gave Bruce and Kris copies of Bob Helton's earlier suggestion re: ombudsman.
 - Kris: Talked 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: Sent FERC copy of Army Corps of Engineers' letter along with Ken Brettman's presentation.
 - Connie: Followed-up with Gary's requests for additional information re: flood control.
 - Lyn: Added to our list of norms a statement requiring anyone doing a presentation to have copies for everyone to provide space for notetaking.
 - Marian: Checked EIS status/timeline re: flood control.

FERC CONFERENCE CALL

What Constitutes the Official FERC Record?

- FERC Record – Substantial evidence to document decisions in license application and settlement agreement; pertinent information, not everything
- ALP does not require a record of pre-filing consultation like traditional process; documentation is in PDEA, license application, other formal FERC required filings
- When license application is filed, PSE includes a subset of information from PSE's public document room
- May include information or a list of what is available (from which FERC can request specifics)
- May include only most relevant studies and list other less relevant studies
- Final PMEs will be included in PDEA and settlement agreement
- Meeting minutes will generally not be included, unless they document a specific decision that will affect the license application or settlement agreement
- NOTE: Anyone can include information or comments in the official FERC record by writing directly to FERC (possibly in response to PDEA, license application)
- If study results are still outstanding on an issue at time of filing, provisions may be included under adaptive management
- After license issuance, FERC would review set-up of technical committees but stay out of their work unless it involves a compliance issue

PDEA Outline Review/Comments/Explanations

Rob walked us through the January 16th draft PDEA outline. It includes changes suggested by Steve Hocking. Steve's goal is to get this as close to the FERC format as possible to facilitate a quick turn around once it is submitted to FERC.

Cumulative Effect Analysis for Threatened and Endangered (T&E) species: The rules are different under NEPA and ESA. Gene suggests we use ESA guidelines. He also said that Spotted Frog should be listed under special status rather than T&E.

Flood Control: Keith Brooks will convene a teamlet to address this issue including:
How are social and other implications of the flood control agreement (list effects of change in flood control) going to be handled in the PDEA? Will there be any NEPA on the Corps' part? The Corps wrote an EIS in 1976. If nothing changes, that EIS would stand. Marian reported there is no sunset clause on the current congressional resolution re: flood control. Are PME's associated with flood storage the responsibility of PSE? Keith will be meeting with the Corps, PSE and others (Bob H., Gary, Stan, Dave) to clarify some of these questions.

The Louis Berger Group is now ready to begin drafting the affected environment portions of the PDEA. The PME's will be included as placeholders in the appropriate sections that they refer to.

Currently, only one Proposed Action (the Settlement Agreement) is listed in the outline. Steve H. noted that other alternatives to be analyzed could be added later if necessary (depending on the type of disagreement with the Settlement Agreement alternative).

Single NEPA Document

With ALPs in the East, FERC has been issuing a single NEPA document, not both a draft EA and final EA. FERC would issue an EA for comment, with those comments addressed in the license order, rather than in a final EA. This would affect the timing of USFS 4(e) conditions. Otherwise, the timeline would not be affected except to possibly move up the license issuance date.

Steve F. pointed out that this process might work well from a functional standpoint if we have a settlement agreement. Steve F., Gene, Jon, and others will run this process past their attorneys/organizations to get feedback on using this approach.

Scoping Document 2

Steve will get this out for our review by January 31.

WHAT'S HOT IN THE WORKING GROUPS?

Aquatics

- PME's
- *Adaptive* Adaptive Management

Cultural

- Don't know what kind of field season to expect
- Area of Potential Effect – so hot it's set to pop!

Recreation

- PME's
- Studies

Terrestrial

- Process vs. substance
- Schedule

Economics

- Reached agreement in principle re: flood control assumption (Lloyd handed out the flood control statement, further comments on it, and the wording from Article 32 of the current license re: flood control.)
- PMEs
- PDEA schedule tight

STATUS OF STUDIES IN WORKING GROUPS

Aquatics

- Fish Passage (“Upstream Fish Passage Conceptual Design Report” [January 2003] is complete and out for review. Copies were available at the meeting.)
- Instream Flow
- We have 40 studies now!

Terrestrial

- HEP – determining scope
- Drawdown Zone Planting moved to PME status
- Grizzly Request moved to Plan
- Wetland monitoring
- Elk Plan being developed
- Most study reports done this month!
- Noxious weeds – summer 2003

Recreation

- Aesthetics - Hope to approve Study Plan at January meeting
- Visioning – writing up report from November 6 exercise with public participants – then will look at examining underserved/unmet needs
- Capacity /Suitability Analysis – GIS map layers
- Coordinating with Terrestrial Working Group re: trail, wetland buffers

Economics/Operation

- Flow Releases from the Baker River Project
- Evaluation of Optimal Flood Control Storage in Upper Baker Reservoir (Baker Lake)
- An examination of spawning and incubation flows in the Skagit River below the Baker confluence during brood year 2000

Cultural

- Archaeological field work still on going – report being drafted
- Traditional Cultural Properties (TCP) studies: in data collection and data management phase
- Tribal proposals in response to Request for Proposal for TCP studies tentatively set for January 31, 2003
- Historic structures inventory is complete; draft report expected in March

SCHEDULES/TIMELINES

Kris distributed two versions of the flow chart schedule: regular and single NEPA document process. He explained how the single NEPA document process would affect the schedule: license could be issued three months sooner.

Kris told us that the PME's are on the critical path. Kris and Rob will continue to discuss the schedule with Steve Hocking.

HYDROPS Update

A 2-3 page report of Stetson's findings is being reviewed by Joel Molander at PSE. Jon reported that they have reached agreement on the capability of the model to address resource agency requirements. Issues are around how the model deals with resource effects. There will be some modifications made to the model that should be complete by March 1. Accessibility has also been a challenge. We will make a copy of the model available to Stetson at Stetson. It is also installed on Joel's PC at the PSE offices in Bellevue. Participants should call Joel to reserve time to run the model.

Next Step: The USFS will be getting together with representatives of various agencies to review status of the model. All are encouraged to begin submitting requests (use the request form on the website.)

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.
- PME's listed for each Working Group.

HANDOUTS

- Cross Resource Working Groups – PME Workshop, March 4-6, 2003
- Solution Team Norms, Dec. 17, 2002 Version
- Draft Adaptive Management Model
- Baker Relicense Project – Flow Chart Schedule
- Baker Relicense Project – Flow Chart Schedule – Proposed Single NEPA
- Baker River Project – Applicant-Prepared Draft Environmental Assessment Outline (updated January 16, 2003)
- Economic Working Group Flood Control Statement, January 8, 2003

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MEETING EVALUATION

Done Well

- FERC (productive conference call)
- Got out early
- Good turn out
- Forest Service hosting!
- Good food

Need to Improve

- Traffic was tough
- Make room set-up larger (use 9 tables)
- Need more bottled water