



BAKER RIVER PROJECT RELICENSE

Baker Solution Team Meeting

October 25, 2000

10:00 a.m. - 3:00 p.m.

US Forest Service Office
21905 64th Avenue West
Mountlake Terrace, WA 98043
(425) 775-9702

AGENDA

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| 1. Introductions & Team expectations |
| 2. Mission statement and discussion of participants' roles |
| 3. Discussion of additional members for the Team |
| 4. Review of <i>RESOLVE</i> training |
| 5. Establishment of Team norms |
| 6. Discussion of Alternative Licensing Procedures filing (including status of Communications Protocol and Process Document) |
| 7. Puget Sound Energy's interests for the relicensing and discussion of value in listing member organizations' interests |

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MEETING NOTES

PRESENT

Kathy Anderson (US Forest Service), Jon Vanderheyden (US Forest Service), Larry Wasserman (Skagit System Cooperative), Stan Walsh (Skagit System Cooperative), Bob Helton, (Citizen), Gary Sprague (WA Dept. of Fish & Wildlife), Bill Reinard (Wildcat Steelhead Club), Don Schluter (Trout Unlimited), Paul Schissler, (Town of Concrete), Wayne Wagner (US Army Corps of Engineers), Marian Valentine (US Army Corps of Engineers), Jerry Louthain (City of Anacortes, Skagit PUD), Connie Freeland (Puget Sound Energy), Lloyd Pernela (Puget Sound Energy), Cary Feldmann (Puget Sound Energy), Lyn Wiltse, (PDSA Consulting)

Facilitator: Lyn Wiltse (PDSA Consulting) (425) 822-3549, pdsa@aol.com

Team Leader: Connie Freeland (Puget Sound Energy) (425) 462-3556, cfreel@puget.com

ACTION ITEMS

- Connie: • Distribute Process Document and Communications Protocol document to team by Dec. 4 so members can review prior to next Solution Team Meeting (Dec. 13, 2000).
- All: • Review and send comments on draft Process Document and Communications Protocol document to Connie by noon, Nov. 6 (prior to Process Team meeting on Nov. 7, 2000).
- Lyn: • Contact all missing participants and bring them up to speed on the happenings of this meeting
- All: • Bring drafts of your (higher level) interests to the Dec. 13 meeting.

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- Connie: • Email draft meeting minutes to team members for comment
Connie: • Post meeting minutes and handouts (those selected by team to be posted) on website
All: • Review handout of sample norms and send comments to Lyn at pdsa@aol.com or mail
 hard copy.

AGENDA

October 25, 2000, US Forest Service Office, Mountlake Terrace

1. Introductions: What are your experiences with FERC licensing? (All)
2. Debrief RESOLVE Training (All)
3. Licensing Process review (Connie)
4. Draft Solution Team Mission Statement (All)
5. 15 minute Break/Working Lunch
6. Setting Up For Success (Lyn/All)
7. Discuss ALP request to the FERC (Connie)
8. Discuss Need for Interests of each Organization (Lloyd)
9. Set agenda, time, and location for next meeting (All)
10. Evaluate meeting (All)

INTRODUCTIONS

Participants introduced themselves and described their previous experiences with the FERC licensing process. While some participants were new to the process, there was, in general, considerable depth of experience by the majority of team members.

- Don Schluter – Experience with several other relicense processes: Cushman, Cowlitz Falls, Mossyrock, Condit
- Gary Sprague – Experience with Cushman relicensing; worked previously for a tribe and at Skagit project
- Wayne Wagner – Reviews all FERC applications for Corps; experience with flood control as part of Baker; 20 years of experience with dams
- Marian Valentine – Experience with Pend Oreille project; experience regulating Upper Baker for flood control
- Bob Helton – Experience as systems and program manager for 20 years; no FERC experience
- Bill Reinard – No license process experience; catchable fish in Skagit River is main interest
- Stan Walsh – Experience with FERC in implementing Seattle City Light agreement; 10 years experience in Baker basin
- Larry Wasserman – Experience with Seattle City Light relicense, Enloe, Condit, Similkameen, Columbia projects
- Paul Schissler – Concrete community development; no FERC experience
- Jerry Louthain – Retired from Dept. of Ecology; experience with issues and permitting related to floodplain development and water rights
- Kathy Anderson – Experience with small hydro; hydro coordinator for Forest Service for 8 years; experience with traditional and alternative processes
- Jon Vanderheyden – Experience with small hydro, Seattle City Light project; Forest Service has national and regional hydro teams; District Ranger for 10 years
- Connie Freeland – Experience with Snoqualmie Falls traditional FERC relicense process

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- Cary Feldmann – Experience with nuclear, small hydro, White River and Snoqualmie Falls FERC licensing projects; 25 years as a fish biologist
 - Lloyd Pernela – Experience with FERC hydro and pipelines; Susitna project in Alaska; staff EPA policy consultant; VP Development MAPCO; Director Energy & Power, State of Alaska

LEARNINGS FROM RESOLVE TRAINING

- Define your values and needs and then we can collaborate
- Start with interests instead of positions or solutions
- Thoroughly analyze/respect interests before dismissing them
- Listen
- Seek first to understand, then to be understood
- We all have different perceptions of the world
- It's good to understand that perspective so you can better understand the person
- We all have different styles of doing work/processing information/making decisions
- People are all a blend of these different styles:
 - Red = creative, non-linear thinking, adventurous
 - Blue = trusting, process oriented, values relationships
 - Green = analytical, detailed, investigatory, likes data
 - Brown = results oriented, just do it!
- We often perceive ourselves differently from how others perceive us
- We also may switch styles under pressure
- It's hard to stay with interests because we want to jump to solutions!
- It's vital to establish trust and respect

DISCUSSION OF OPERATING PROCEDURES FOR SOLUTION TEAM

Notes/record:

- Include all substantive discussion or input – whether or not team members agree
- How use these notes? Reference for those who aren't attending regularly. Define in Process Document how minutes will be used especially if have to default to traditional process. Post to website.

Attendance:

- Need a norm on being here – it's critical. Maybe miss 3 meetings in a row, you must get a replacement.

Process Document may need to address following situations:

- What if still studying with no resolution in 2+ yrs? Have to have a process protocol for what we would do (i.e., here are the options, here is what we agree to do depending on results). Adaptive management approach – build into the license?
- What if ALP doesn't reach settlement? How does the Proponent submit if no settlement agreement? (At Cowlitz, submitted what all but 2 parties agreed, went into post-filing settlement work.).
- Acronym list for these meetings

LICENSING PROCESS REVIEW

- Handouts: 1) What is Relicensing?, 2) Relicensing Process Structure, 3) Schedule

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- Current 50-year license expires April 30, 2006; must file license application by April 30, 2004
 - Two processes:
 - Traditional three-stage consultation process
 - Stages 1 and 2: Licensee compiles info, conducts studies, files application
 - Public, agencies: attend meetings, review documents
 - Stage 3: FERC evaluates application, conducts NEPA environmental review, issues license decision
 - Alternative licensing procedures
 - Combines stages 1, 2 and NEPA from stage 3
 - Collaborative process with all interests addressed
 - NEPA, license application and settlement agreement filed together
 - Advantages and disadvantages to both processes
 - Relicensing activities to date:
 - Public information meetings held in March, April and July
 - Public project tour in July (91 participants)
 - Project Information Package (PIP) distributed in July
 - Salmon History distributed in July
 - Six working groups started in May – 6 monthly meetings so far
 - Process Working Group: drafted Communications Protocol and Process Document
 - Participated in Watershed Analysis for Baker basin being drafted by Forest Service
 - FERC has to approve use of Alternative Process – they have to commit to participate in process also.
 - Steps after approval: Notice of Intent, Initial Information Package submitted, official public meeting, scope issues, environmental studies, environmental assessment process (preliminary draft environmental document – FERC finalizes), submittal of documents.
 - Need to identify issues at the front end of the process.
 - FERC rule 596 – consensus defined as “general agreement” or “collective opinion: the judgment arrived at by most of those concerned.” PSE would in its request indicate this group’s support to proceed with the alternative procedures.
 - If Tribes go ALP route depends on what the ground rules are going to be.
 - Baker Solution Team – represents all real interests is the intent. Next level interest clarification and resolution is the Policy Solution team. We need to talk about how decisions are made for each entity in the Solution Team and/or Policy Team – who has what authority? We are missing eight of the players of this team – can’t really make any substantive decisions, etc., without them – critical to be present from the start.
 - Two main concerns: 1) Cost of the process and 2) spectrum of interests from citizens to mandatory conditioning of agencies. Process where no one loses or is left out is the ideal.
 - Schedule –
 - ALP request – no hard and fast deadline.
 - Relicense NOI no sooner than 5½ years before expiration of current license. Must file by April 30, 2001.
 - Process Document – is part of the filing for ALP; included with Communications Protocol and letters of support.
 - Initial Information Package (revision of Project Information Package) out by May 30, 2000.

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- Studies Phase – conducted over 2+ years – Depends on the working groups doing work. Don't know what studies must be done yet. How will studies get done in 2½ years? Many fish studies take 5- 6 years.
 - What would happen if studies aren't done? Define process for delayed resolution. Put in stipulations about ranges for studies if don't have results: "if result is ____, then ____ will happen."
 - About 2/3rds through the studies phase, likely start on the initial settlement agreement as we get consent on things.
 - Some studies must be finished before settlement proceeds: ESA , Sect 18 and 4e of FPA and Clean Water Act for example. If a study is tied to things that would supersede the FERC process, then must complete these if data are needed before the process would move on. Need to get the tail-wagging-the-dog issues soon as we can.

DRAFT MISSION STATEMENT

The purpose of a mission statement is to guide team actions and intentions and guard against the dreaded "scope creep." The team reviewed a handout containing the mission statements from the six Baker Working Groups. The team will finalize the following draft mission statement at the December 13 meeting:

By April 30, 2004, the Baker Solution Team will draft a settlement agreement and associated documents for relicensing of the Baker River Project that (best) meets the interests of the participants.

SETTING UP FOR SUCCESS

With an eye toward re-creating the good things and guarding against the bad, team members cited the following success factors from previous projects with which they have been involved:

Factors that Contributed to Success

1. Having documents prior to the meeting
2. Have revised documents show revisions (strike-through)
3. Have dated documents with page numbers
4. Have regular updates re: the schedule
5. Work on issues between (outside of) meetings
6. Keeping policy people current
7. Process checks/making good use of the "Parking Lot"
8. Respect for confidentiality
9. Good facilitation
10. Avoid personal attacks
11. Have a good pre-published agenda (this can help guide participant decisions re: which meetings to attend)
12. Attendance
13. Creativity on finding solutions
14. Contact list shared with all (email addresses included)
15. Members can write position note to distribute/discuss if they feel they are not being heard
16. Participants know what the law is
17. Meetings with time to introduce new topics and see where to put them in the agenda (build in flexibility)
18. Impartiality helps with closure on issues

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19. Regular meeting times
 20. Pre-announce agency caucuses (caucuses outside of regular meetings)
 21. Stick to the agenda
 22. Clarify meeting locations
 23. Participants that are well prepared
 24. Standard starting and ending times
 25. Keep back-up reps informed

Factors that Detracted from Success

1. Not having key players involved
2. Getting hung up on issues during the meeting that would be better handled outside of the meeting
3. Working the issues through the press/legislators/regulators (e.g., trying to lobby FERC during this process)
4. Hidden agendas
5. Bad facilitation
6. Not keeping policy makers informed
7. Uncomfortable room
8. No tea (coffee only)
9. Not being open up front with issues early in the process
10. People bringing past/current prejudices to the table

ALTERNATIVE LICENSING PROCESS REQUEST TO THE FERC

- Handout: Alternative Licensing Procedures
- Requirements for filing: cover letter, communications protocol, process document, and letters of support from major players.
- Communications Protocol – 2 rounds of review so far; Process Working Group hopes to finalize Nov. 7; then send to Solution Team
- Process Document – Process WG worked on it since July; Nov. 7 revise again; then to the Solution Team. Legal review of this should be concurrent with the Communications Protocol.
- Process for a document when it comes to Solution Team from Process WG: (A) members of Process WG all agree; (B) most agree, others note their issue; or (C) can't resolve issue, provide the Solution Team with alternatives and plusses/minuses.
- Process Document contains the "rules" – need that first.
- Comments on draft documents to group/Connie by noon Nov. 6

PARKING LOT

- Members disclose legal requirements (perceived authority and responsibility)
- 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 Solutions Team)
- Develop a template for Working Group recommendations
- Define a process for delayed resolution (based on incomplete studies)
- PSE provides their expectations of license legal ramifications
- Adaptive management:
 - How can we take into account future technology, knowledge, conditions, resources, etc.?

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- How can we balance licensee exposure?

MEETING EVALUATION

Well-Dones:

- Meeting facilitation
- Good participation by all participants
- Working through lunch helped us maintain our focus
- Good meeting room and parking/facilities (Many thanks to the Forest Service!)
- Don's participation by phone
- We ended on time

Need to Improve:

- Only half of the players were present
- No decaf coffee

TENTATIVE AGENDA FOR NEXT MEETING

December 13, 2000 at Forest Service Office in Mountlake Terrace

9:00 to 3:00 (with working lunch provided)

1. Review/revise minutes and agenda
New items?
2. Action items
3. Finalize mission statement
4. Finalize norms
5. Who else do we need on the team to successfully accomplish our mission?
6. Review/Revise Process Document and Communications Protocol
7. Identify interests (of each organization represented)
8. Set agenda for next meeting (January 24, 2001 at Forest Service Office in Mountlake Terrace)
9. Evaluate meeting