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## **BAKER RIVER PROJECT RELICENSE**

### **Solution Team**

### **Status Report in Lieu of Meeting**

**July 22, 2003**

***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.***

#### **STATUS of ACTION ITEMS from June 24, 2003 Meeting:**

- ALL: Submit to Dee contact information for your attorney as soon as possible.
- ALL: Contact Paul at 425-462-3746, paul.wetherbee@pse.com re: any HYDROPS runs you are interested in.
- Lloyd: Added Bob H. to TST notes distribution.
- Rod M: Discussed with Lorna Luebbe (PSE attorney) models to use for drafting “boilerplate” settlement language.
- Steve: Let Dee know if DNR will be having their own attorney review our settlement agreement. (keep on for August meeting)
- Patrick: Do the same for the North Cascades Conservation Council. (keep on for August meeting)
- Jerry: Do the same for Skagit County PUD and the City of Anacortes. (keep on for August meeting)
- Connie/Kris: Created a “status report” for PME’s going forward. (attached)
- Connie: Solicited input from the Louis Berger Group for July meeting report.
- Connie: Attached a list of cross resource Working Group members to June Solution Team notes.
- Pam: Drafted explanation regarding early PDEA review.
- Lloyd: Invited Paul Wetherbee to participate in August Solution Team meeting.
- Connie: Sent draft of second FERC Semi-Annual Progress Report (January-June 2003) out to members for review by June 27.
- All: No comments (blatant omissions, etc.) on Semi-Annual Progress Report were submitted to Connie by July 8. (final report attached)

- All: Consider time/location for Solution Team Party. Be ready to discuss at our July meeting. (postponed to August meeting)

## **SETTLEMENT PROCESS UPDATE**

### **Settlement Agreement Boilerplate Language**

Lorna Luebbe, PSE attorney, contacted Forest Service representatives to discuss language for the Settlement Agreement, and received recommendations regarding example settlements that were good starting points. These agreements include North Umpqua, Avista, Eldorado (EID), Rock Creek Cresta, Skagit River (City of Seattle), and Platte River. Based on this recommendation and previous recommendations received from Keith Brooks, she is working on the language for the Settlement Agreement. She was planning on distributing a rough draft just prior to the July Solution Team meeting, but since that meeting was canceled, she is further developing the first draft for distribution prior to the August Solution Team meeting.

### **Attorney Working Group**

Below is an updated list of attorneys and contact numbers. Dee has not heard of any additional stakeholders who will have attorneys involved in reviewing the settlement agreement. Since the Solution Team asked that we attempt to put together a meeting of the attorneys for September, Dee intends to call whichever attorneys are on the list as of July 31, 2003. If anyone else intends to get an attorney contact to us, Dee would **greatly** appreciate hearing before then.

### **Contacts: Members of Attorney Working Group As of July 18, 2003**

<b>Organization</b>	<b>Attorney</b>	<b>Contact Information</b>
WDFW	Bill Frymire Sonia Wolfman	360-586-2428 360-664-2962
PSE	Lorna Luebbe Pamela Krueger	425-462-3031 425-453-7311
USFWS	Nolan Shishido	503-231-6157
USFS	Ardis Bynum (coordinator)	509-996-4004
Upper Skagit Tribe	Harry Chesnin	206-328-2042
Swinomish Indian Tribal Community	Marty Loesch	360-466-7227
Sauk Suiattle Tribe		
NMFS		
WDOE		
IAC (through NPS)		
ACOE	Siri Nelson	206-764-6834
The Nature Conservancy	Greg Lind	303-541-0363
Skagit County	Craig Gannett	206-628-7654, fax 206-628-7669

### **Update RESOLVE Sessions**

Following is a RESOLVE update since the June Solution Team meeting:

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### Terrestrial Group

- Met July 17
- Came to tentative agreement on the following PME's:
  - 1.3.1—Osprey Nests (confirmed agreement made in the first Terrestrial meeting on June 19, 2003)
  - 1.3.4—Bald Eagle Nest Management
  - 1.1.2—Beneficial Vegetation in the Fluctuation Zone
  - 1.3.2—Loon Nesting Platforms
  - 1.2.3—Mountain Goats
  - 1.1.3—Old Growth Forests
  - 1.4.1—Plants of Special Status
- Next meeting is on August 8, 2003 from 8:00 a.m. – Noon at USFWS offices in Lacey

### Recreation Group

- Held their first meeting on June 16, 2003
- As reported to Solution Team at its June meeting, the group came to tentative agreement on the following PME's:
  - 2.1.1—Water Safety/2.1.2—Boating Hazards (combined)
  - 2.4.1—Create New Trails
  - 2.5.4—Kulshan Campground
  - 2.5.7—ADA Compliance
- They will hold their second RESOLVE session on Monday, July 21, 2003
- Following items are on the agenda:
  - Review and confirmation of agreements made at meeting # 1
  - 2.1.3—Law Enforcement
  - 2.4.2—Maintain Trails
  - 2.5.6—Wildlife Observation Facility
  - 6.4—Access Management
  - 6.5—Informational, Interpretive and Educational Services and Facilities

### Aquatics Group

- Will hold their first RESOLVE session on July 29, 2003
- Following items are on the agenda:
  - RESOLVE review and development of norms
  - 3.2.1—Upstream Passage
  - 3.4.1—Sediment Management
  - 3.4.2—Large Woody Debris Management
  - 3.1.2—Propagation (circumstances/scope for use)

Neither the Cultural nor the Economics/Operations Working Groups have scheduled RESOLVE sessions at this time. Such sessions may not be necessary given the issues being addressed by these groups.

**PME Status as of July 21, 2003**

<b>No.</b>	<b>PME name</b>	<b>PME Status</b>
<b>Terrestrial Resources</b>		
1.1.1	Provide young deciduous forest, mixed forest, forested wetland, shrub dominated riparian, shrub wetland, and wet meadow	No Working Group discussion to date. Haven't gotten to it.
1.1.2	Evaluate the potential for establishing beneficial vegetation in the fluctuation zones	Tentative agreement reached (no more issues with specifics of PME).
1.1.3	Old-growth forest edge effects	Tentative agreement reached (no more issues with specifics of PME).
1.2.1	Provide foraging habitat for elk	No Working Group discussion to date. Awaiting study results.
1.2.2	Provide spring foraging habitat of grizzly bears	No Working Group discussion to date. Awaiting study results.
1.2.3	Provide summer habitat for mountain goats	Tentative agreement reached (no more issues with specifics of PME).
1.2.4	Provide breeding habitat for amphibians	No Working Group discussion to date. Haven't gotten to it.
1.2.5	Provide connectivity habitat for low mobility species (provided by BAWG)	No Working Group discussion to date. Haven't gotten to it.
1.3.1	Provide nest structures for osprey at Lake Shannon	Tentative agreement reached (no more issues with specifics of PME).
1.3.2	Provide floating nest platforms for common loons	Tentative agreement reached (no more issues with specifics of PME).
1.3.3	Provide habitat for riparian cavity dwellers	No Working Group discussion to date. Haven't gotten to it.
1.3.4	Support the development of bald eagle nest management plans	Tentative agreement reached (no more issues with specifics of PME).
1.4.1	Protect plants of special status	Tentative agreement reached (no more issues with specifics of PME).
1.4.2	Develop and implement a noxious weed management plan	In Working Group discussion/RESOLVE process.

**PME Status as of July 21, 2003**

<b>No.</b>	<b>PME name</b>	<b>PME Status</b>
1.5.1	Provide a Terrestrial Enhancement and Research Fund (TERF)	In Working Group discussion/RESOLVE process.
<b>Recreational and Aesthetic Resources</b>		
2.1.1	Implement water recreation safety program	Tentative agreement reached (no more issues with specifics of PME).
2.1.2	Develop and implement boating hazard management plan	Tentative agreement reached (no more issues with specifics of PME).
2.1.3	Develop law enforcement support	In Working Group discussion/RESOLVE process.
2.2.1	Fund dispersed campsite improvement, operation and maintenance	In Working Group discussion. In RESOLVE process.
2.2.2	Manage dispersed camping impact	In Working Group discussion/RESOLVE process.
2.3.1	Develop and implement an aesthetics management plan for Lower Baker and Upper Baker	No Working Group discussion to date. Awaiting study results.
2.4.1	Create new trails (Note: Describe development of a comprehensive trail development plan)	In Working Group discussion/RESOLVE process.
2.4.2	Maintain existing trails and trailheads	In Working Group discussion/RESOLVE process.
2.5.1	Enhance Bayview Campground	In Working Group discussion/RESOLVE process.
2.5.2	Fund USFS campground operation and maintenance	In Working Group discussion/RESOLVE process.
2.5.3	Provide access and development to Lake Shannon or another suitable lakefront site	In Working Group discussion/RESOLVE process.
2.5.4	Provide improvements to Kulshan Campground	Tentative agreement reached (no more issues with specifics of PME).
2.5.5	Support redevelopment of Baker Lake Resort Campground	In Working Group discussion/RESOLVE process.

**PME Status as of July 21, 2003**

<b>No.</b>	<b>PME name</b>	<b>PME Status</b>
2.5.6	Provide funding for wildlife observation facility	In Working Group discussion/RESOLVE process.
2.5.7	Provide and fund ADA compliance	In Working Group discussion/RESOLVE process.
2.6.1	Provide a Recreation Adaptive Management (RAM) Fund	No Working Group discussion to date. Haven't gotten to it.
<b>Aquatic Resources</b>		
3.1.1	Create Habitat Enhancement, Restoration, and Conservation (HERC) Fund	In Working Group discussion/RESOLVE process.
3.1.2	Provide fish propagation and enhancement programs and facilities	In Working Group discussion/RESOLVE process.
3.2.1	Provide upstream passage continuity for migratory fish species (anadromous, adfluvial, fluvial, resident)	Tentative agreement reached (no more issues with specifics of PME).
3.2.2	Address connectivity between Baker Lake and Lake Shannon	No Working Group discussion to date. Awaiting study results.
3.2.3	Provide downstream passage continuity for migratory fish species (anadromous, adfluvial, fluvial, resident)	In Working Group discussion/RESOLVE process.
3.3.1	Implement flow regime for the Baker River Project	No Working Group discussion to date. Awaiting study results.
3.4.1	Implement fluvial geomorphic management	In Working Group discussion/RESOLVE process.
3.4.2	Implement large woody debris management	In Working Group discussion/RESOLVE process.
3.4.3	Erosion management	In Working Group discussion/RESOLVE process.
3.4.4	Implement aquatic habitat restoration and conservation measures for impacts to public lands administered by the USFS	In Working Group discussion/RESOLVE process.

**PME Status as of July 21, 2003**

<b>No.</b>	<b>PME name</b>	<b>PME Status</b>
3.5.1	Implement flow release water quality management	No Working Group discussion to date. Awaiting study results.
3.5.2	Implement reservoir water quality management	No Working Group discussion to date. Awaiting study results.
3.5.3	Implement spill prevention and containment clean-up plan	In Working Group discussion/RESOLVE process.
<b>Cultural Resources</b>		
4.1.1	Implement the Historic Properties Management Plan	In Working Group discussion/RESOLVE process.
4.2.1	Provide a Cultural Resources Management Fund (CRMF)	In Working Group discussion/RESOLVE process.
<b>Economics and Operations</b>		
5.1	Maintain current levels of flood control at Upper Baker	In Working Group discussion/RESOLVE process.
<b>Shared Resources</b>		
6.1	Utilize adaptive management principles	In Working Group discussion/RESOLVE process.
6.2	Create Baker River Coordinating Committee	No Working Group discussion to date. Haven't gotten to it.
6.3	Implement a reservoir level management and operations plan	In Working Group discussion/RESOLVE process.
6.4	Implement an access management program	In Working Group discussion/RESOLVE process.
6.5.1	Provide visitor information	In Working Group discussion/RESOLVE process.
6.5.2	Provide interpretive services	In Working Group discussion/RESOLVE process.
6.5.3	Provide cultural and natural resource and conservation education	In Working Group discussion/RESOLVE process.

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### **PMEs/License Articles**

Attached is a table giving the status of the PMEs as of July 21. The categories used are:

- No Working Group discussion to date. Haven't gotten to it.
- No Working Group discussion to date. Awaiting study results.
- In Working Group discussion/RESOLVE process.
- Tentative agreement reached (no more issues with specifics of PME)

Drafting license articles at this point seems to be premature because the working groups are still finalizing the PMEs. Also, the Berger Group resource specialists who would draft the license articles need to focus on PDEA preparation at this time. It seems logical to postpone any further drafting of license articles until late September after the PDEA is ready for public comment and more of the PMEs are finalized. In the meantime, as the working groups discuss the PMEs, some PMEs can be revised in format to make them more easily translated into license articles.

### **Adaptive Management**

Dee is in the process of setting up an Adaptive Management Teamlet meeting in September (Len Barson, Cary Feldmann, Rod Mace, Stan Walsh).

### **PDEA UPDATE**

This is the status report for the PDEA from the Louis Berger Group:

The resource specialists with the Louis Berger Group continue to work on the preliminary draft environmental assessment (PDEA) for the Baker River Project. We anticipate that our analysis and preparation of the PDEA will continue through the first week of September, at which time the document will go into production to be distributed to all stakeholders by October 1.

We were made aware that several participants in the working groups wish to review our PDEA work-in-progress prior to the scheduled distribution date of October 1. We initially indicated that we could make a rough draft available on August 1, with the understanding that we could not incorporate any new information, but only correct any errors of fact or misunderstandings concerning the "draft action" we received in early June. We further indicated at the June 24 Solution Team meeting our concern that distribution of a very **rough** draft document might only serve to distract the working groups from the critical task of finalizing the protection, mitigation and enhancement (PMEs) measures and reaching settlement. The Solution Team suggested that we not distribute the document, but ask that any individual wishing to preview the document make such a request to us.

Since the June 24 meeting, the realities of preparing the PDEA have changed. We have just received the definitive HYDROPS output for the "recent conditions" and "draft action" alternatives. This means we are just starting our analysis of some operational effects and our resource specialists need to apply all of their efforts to this analysis. Under these circumstances, we do not expect that the document, or any of its sections, will be complete enough to provide preview drafts beyond what was included in the May 2003 draft.



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At this point in time, the settlement process and the license application/PDEA process must follow parallel but separate paths. Ideally, the PDEA would reflect an analysis of the terms of a settlement agreement; however, as a settlement is not yet in place, the PDEA will analyze a “draft action.” With the concurrence of the Solution Team, this “draft action” is based on PSE’s February 2003 draft proposed action plan, updated with information Berger required PSE to provide and refinements to the PME and agreements reached prior to June 1. The October 1 PDEA will meet the Federal Energy Regulatory Commission (FERC) mandate to provide a draft license application to stakeholders for a 90-day review and comment period.

The agreements you reach between now and the end of the year will be analyzed in the final version of the PDEA to be submitted to FERC with the final license application by April 30, 2004. That is the document that will reflect the status of your collaborative effort, and will define the agreements and differences (if any) in terms and conditions for the continued operation of the Baker River Project.

### **FLOOD CONTROL UPDATE**

The feasibility study for additional flood control storage has begun. TetraTech will prepare the technical feasibility study. The Washington Group will provide structural/alternatives analysis and probable maximum flood analysis. Draft scopes of work were developed from the Corps’ draft scope and work has been started.

### **TST UPDATE**

The Technical Scenario Teamlet (TST) last met July 11, 2003. Paul Wetherbee reported that their progress to date on agreements since the June 6 TST meeting includes:

- Need for adding spill as a soft constraint for computational reasons

At the July 11 meeting, participants met in person and reviewed the sample output from the HYDROPS post processor developed by R2. The post processor includes both graphical and tabular output. The group provided suggestions to Paul on potential improvements and shifts for certain items in terms of level of detail. The topic of output distribution was also discussed. PSE is evaluating alternative means of distribution such as e-rooms (electronic rooms for file sharing and communications).

There will be another in-person TST meeting on July 27. The meeting will focus on recent conditions with respect to reservoir recreation levels and more information on the Index of Hydrologic Alteration (IHA) modeling. Modeled output of both recent conditions and draft action will be presented in the post-processor format.

### **HYDROPS**

Paul reported at the TST meeting that almost all of the HYDROPS model improvements were now functional, and except for minor debugging, production runs for the fall PDEA were imminent. These production runs were completed on July 18. A feature to permit target system generation was added to enable the dependable capacity determination for the Baker Project. This feature was completed early this week and fall PDEA production runs for dependable capacity are now underway.

### **R2 Model**

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The R2 hourly downstream routing model was completed on July 21 and a memo with the model attached will be distributed this week. The daily model (PHABSIM) will be ready in mid-September.

## **OTHER**

### **Preliminary Terms and Conditions**

Steve Hocking reminds the agencies that FERC will be requesting preliminary terms and conditions from them when the PDEA goes out for public review (Oct. 1, 2003). The terms and conditions will be due by January 2, 2004.

### **Comprehensive Plans**

Any organization wanting a plan to be considered by FERC as a Comprehensive Plan to be included in the PDEA must file the plan with FERC. FERC will then rule if the plan qualifies as a Comprehensive Plan.

## **WHAT'S HOT IN THE WORKING GROUPS?**

(Note: Cultural, Economics and Recreation Working Groups are not meeting in July.)

### **Aquatics**

- RESOLVE
- September 30 deadline!
- Diminishing resources to do the work
- Baker Lake productivity – many questions to be answered

### **Terrestrial**

- Meeting place (literally)
- Intense RESOLVE schedule

## **STUDIES UPDATE FOR SOLUTION TEAM**

### **Aquatics**

- See Phil's handout regarding status of studies (attached)

### **Terrestrial**

- Elk and Grizzly on schedule
- Weeds and rare plants are underway
- Studies and GIS data we have are posted on R2's FTP site

## **ATTACHMENTS**

- Semi-Annual Progress Report to FERC, January to July 2003 – filed July 18, 2003
- PME Status as of July 21, 2003
- Aquatics Schedule of Study Plan Reports – July 10, 2003

**Tentative Agenda August 26, 2003 at USFS Office Building in Mountlake Terrace**

**9:00 a.m.–3:00 p.m.**

1. Introductions
2. Settlement Process Update

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- Settlement Boilerplate Language  
RESOLVE Sessions  
Cross Resource Teamlets  
Adaptive Management Teamlet  
Next Steps
3. Schedules/Timeline/PDEA Update
  4. Preparation for FERC Call/ FERC Call
    - Flood Control Update
  5. Action Items
    - HYDROPS/TST Update
  6. Working Groups:
    - What's Hot?
    - Status of Studies in Working Groups
  7. Other?
  8. Set September 23, 2003 Agenda and Evaluate Meeting
    - Consider Summer Solution Team celebration