



PUGET SOUND ENERGY
The Energy To Do Great Things

Baker River Project License Implementation **Baker River Coordinating Committee**

Team Lead: Tom Flynn, 425.457.5868, Tom.Flynn@PSE.com

PRESENT: Tom Flynn, Jacob Venard, Paul Wetherbee, Arnie Aspelund, Lynda Kupfer, Elizabeth Dubreuil, Tony Fuchs, (PSE); Carol Gladsjo and Erin Uloth (USFS); Steve Fransen (NOAA); Lou Ellyn Jones (USFWS); Stan Walsh (SRSC); Dan Berentson and Kara Symonds (Skagit Co.); Lyn Wiltse and Jamie Riche, facilitators (PDSA Consulting)

BRCC MEETINGS: The BRCC meets semi-annually and reserves the 4th Wednesday of each month for potential BRCC meetings or conference calls. Tom will continue to send out email updates on implementation activities to all during the months where the BRCC does not meet in person.

2014 BRCC Meetings: April 23 in Burlington and October 22 in Snoqualmie

DECISIONS: None today.

NEW ACTION ITEMS

- None today

PREVIOUS, STILL RELEVANT, ACTION ITEMS

- All Send feedback on the Baker License website to Andy Hunting or your resource group lead.
- All Email updates on your organization's designated reps to Anna.Wingfield@pse.com).

SAFETY MOMENT

- 'Tis the season ... to winterize your car. Check your tires for tread wear.
- Wipe off your headlights and taillights when you fill up your gas tank so you stay more visible.
- And if you're thinking wistfully about new snow in the mountains, start attending to your physical fitness now so you'll be ready for injury-free enjoyment of winter sports.
- Days are short; watch for cyclists and kids playing, walking along roads before and after school.

BRCC HOUSEKEEPING AND PERSONAL UPDATES

Tom welcomed attendees to the historic Carpenter Shop at Snoqualmie, part of the facility originally built in 1898 (in just 16 months under incredible circumstances! Watch the PBS special, "The Power of Snoqualmie" for more background). He gave Elizabeth and Tony kudos for their work to develop the beautiful, informative, museum-like space. He noted that this is PSE's first big meeting here and welcomed feedback from the participants with ideas for ongoing improvements.

Our friend and thoughtful participant in the relicensing process, Patrick Goldsworthy, has passed away. His service will be held Sunday, November 24, at the Mountaineers Club at Sandy Point. Lyn will be going with former BRCC member, Arn Thoreen. Contact Lyn if you would like more information.

Jacob Venard is stepping into the role of License Program Manager. He is just a month into the new role and in the transition process; attendees congratulated him and welcomed him to the role.

Former PSE License Manager and friend to many here, Cary Feldmann, has accepted a position with HDR in Anchorage, AK. He and his wife, Nancy, have been there a couple weeks and are getting settled in. He sends his best regards to all of you.

Pam Garland will be moving into a new position, O&M / Safety Supervisor for the Baker Project. PSE is still determining how some of Pam's work with the Recreation Resources Group (RRG) will transition to other PSE staff, but they assure it will be a seamless transition.

Paul noted that this is a milestone year, with PSE at the end of the five year capital projects cycle related to the relicense. Five major projects have been completed in this time: Upper Baker Floating Surface Collector (UB FSC), completed 2008; Upstream Fish Trap, completed 2010; Hatchery redesign / construction, completed 2010; Lower Baker (LB) FSC, completed March 2013; and the LB Unit 4 Powerhouse, largely completed 2013. There was not even one "lost time" work accident over the duration of these projects and their associated operations. In addition, PSE will be celebrating ten years at Baker without a "lost time" accident on Nov. 20!

2014 will be the first full year of operations for all the new fish propagation and power generation facilities. He thanked the agency representatives that partnered with PSE to move these projects forward.

Paul also mentioned the favorable outcome from the recent WUTC power rate case and was asked for a little background. He described the process, starting from the time that PSE negotiated and signed the Settlement Agreement (SA, precursor to the license). In the SA, PSE agreed to costly obligations, like all the capital projects mentioned earlier. The WUTC does not give approval for those expenditures in advance. PSE must follow through on those commitments / expenditures first, then must go to the commission to demonstrate the prudence of its actions. Essentially, in a rate case PSE tells the WUTC that its expenditures were prudent and necessary to generate reliable power for its customers. It is then up to the commission to determine if those expenditures (among many other factors) were in fact appropriate and then set PSE's power rates accordingly. Paul was pleased to report that the WUTC accepted the Baker relicense as a package deal and viewed PSE's rate case favorably, with the license as one piece of evidence.

Paul also briefly updated the group on PSE efforts to sell its Electron power generation facility to a private small hydro developer. The 10-mile long flume on this facility is old and in need of replacement; the buyer has a business plan for rebuilding the flume and plans to sell power back to PSE. Under this agreement, PSE will be able to buy power back from the developer for less money than it would have cost them to make the capital investment and generate the power themselves. The sale is contingent upon the new owner being able to enter into an operating agreement with the Puyallup Indian Tribe; that work is ongoing.

Aquatics Resources Group (ARG) Update – Arnie Aspelund

Arnie reported that the ARG continues to meet quarterly. Agendas usually involve operational details around the five major projects Paul discussed (third paragraph of p. 2 of these notes), as well as implementation activities related to aquatics articles. Arnie showcased a slide of ARG highlights since the last BRCC meeting:

- 4th operating year of hatchery, 5.3 million sockeye fry through this year
- Repairs to hatchery headworks water supply
- Decommissioning Spawning Beaches 1-3 in full swing (started July 16)
- 2013 Sockeye return to the trap: 12,528
- LB FSC 1st year, UB FSC 6th year, studies, sampling ongoing
- Record outmigration of Sockeye: 758K (total outmigration: 828K)
- Plans to FERC: Downstream Final Emergency Response Plan (June), Upstream Post Construction Evaluation Plan (Aug)
- Unit 4 commissioning, testing, operating per IPP
- 2nd year, SA 108 Gravel surveys and monitoring
- 1st Large Woody Debris collection, inventory per SA 109
- 3rd year / round of ARG-TRIG SA 505 ARHWG (Aquatic Riparian Habitat Working Group), Six restoration projects underway (heard pre-proposals Nov. 12; proposals due to PSE Jan. 15)
- Annual reports

What's next for ARG?

- 2014 ARG Meetings: 1/14, 3/11, 6/10, 9/9
- Major projects complete SB decommissioning
- Continue Sockeye enhancement
- 102 Aquatics comprehensive annual report, January 2014
- Results of LB FSC studies, develop 2014 study species protocol
- 104 connectivity consultation, February 2014
- Unit 4, complete repairs, additional testing, implement Aquatics Table 1
- USACE Skagit General Investigation (GI) update, January 2014
- Swift Creek Campground SA 110 Shoreline Erosion, October 2013
- ARG-TRIG SA 505 Application 1/15 proposals due, 1/23 meeting, 2/6 decision

Terrestrial Resources Implementation Group (TRIG) – Tony Fuchs

Much of this team's work is around acquired properties. Highlights of TRIG work since the last BRCC meeting include:

- Loon platform monitoring is ongoing; no nesting observed yet, one platform disappeared and will be replaced
- Osprey surveys complete. Osprey moving into the natural nesting structures and out of the old artificial nest platforms (which now house geese)
- Burpee Hill property, acquired in 2011, is 405 acres; developed management plan within the first year. We also received approval of the 15-year Dept. of Natural Resources Long-term Forest Practices Application (FPA)
- Completed road work at Burpee Hill, new road at Alder Creek to allow access for management
- Mowed the rehabbed and replanted pasture for elk forage at Alder Creek

- Neotropical bird monitoring in deciduous forest areas and Northern Goshawk surveys completed
- Noxious weed treatments (wild chervil, knotweed, various sites around reservoirs)
- Burpee Hill willow and cottonwood plantings in knotweed management sites
- *Carex flava* census, rare plant surveys

What's next for TRIG?

- TRIG Meetings: 12/5/13, **2014:** 3/6, 6/5, 9/4, 12/5
- Land acquisition process, one property under negotiation (some details shared at the meeting)
- Planning for 2014 management activities and monitoring
- *Carex flava* census report
- Annual review of all Settlement Agreement (SA) 501 Terrestrial Resources Management Plan (TRMP) management documents
- Develop Effectiveness Monitoring Implementation Procedures document per SA 514
- Update Management Program document for Burpee Hill property to reflect the harvest units and work approved in the DNR LFPA
- Ongoing SA 502/514 Neo-tropical bird monitoring

Cultural Resources Advisory Group (CRAG) – Elizabeth Dubreuil

Highlights of the CRAG's work since the last BRCC meeting include:

- The largest project CRAG undertook this year was the excavations at the Edgar Homestead site, which has a lot of cultural material intact (material had been inundated by the reservoir, but remains in place). They have been working on the site since 2004. This year, they completed 52 1x1 units of excavation. They have found hundreds of great historical items, including china, glass from medicinal bottles, building materials, and personal items like a woman's barrette.
- New underwater archaeology site recorded, mapped and photographed. Turns out it was the old Baker River Shuksan Railroad. Part of the trestle remains 90-120 feet below the surface at low pool.
- Cultural Resource Law Enforcement training was provided and was well attended.

What's next for CRAG?

- The LB Redevelopment is going to impact our Washington Portland Cement Company Historic District, requiring the demolition of two buildings, decay-in-place plans for two others, and rehabilitation of the historic Baker Club House building into office and visitor center space.
- Annual monitoring work for archaeology and historic buildings
- Fine cut of 3 short films
- MOA for the Lower Baker redevelopment

Recreation Resources Group (RRG) – Lyn Wiltse on Pam Garland's behalf

Pam could not be with us today because she is facing a serious illness in her immediate family and needed to attend to some important matters at home. The group expressed condolences.

- Joint Cultural / Recreational training for local Law Enforcement Officers (LEOs) was well attended. Participants provided feedback that training that involved "boots-on-the-ground" would be more relevant for LEOs.
- Sockeye fishery wasn't as robust this year compared to last year, but seemed to draw as many

people to the lake, 300 – 400 per typical summer Saturday. Logistics for welcoming those folks were much smoother this year.

- Boat safety issues were way down this year. No drug arrests. Was a great year on the lake!
- Forest Services is in the process of drafting the dispersed recreation plan. That will be coming soon.
- Interpretation and Education plan to be reviewed in February.
- WDFW delayed the start of the fishery season until after the fourth of July this year. This was very well received and will be repeated next year. Forest Service also funded an additional 50 hours of law enforcement this year (very helpful, main focus on Lake Shannon and project areas).
- WDFW appreciates the ability to store and fuel its boat up at the project; thank you, PSE.
- Looking at options for investing RAM funds, perhaps in a second launch to be installed at Lake Shannon.
- Still looking for a communication tool that would work in all areas around the lake. May investigate the purchase of a satellite phone for this purpose.
- Stan noted that the invasive species risk raised at the latest SA 505 meeting is going to be a cross-resource issue with particular relevance to RRG given that boaters are prime transporters of the little critters (zebra mollusks and others).
- License calls for a recreation plan for Lake Shannon; that plan has been developed and submitted to FERC. The space in the plan will be needed for some dam safety projects over the next few years, so expect to see recreation space move forward after that work is complete.

MAJOR PROJECTS UPDATES

Lower Baker Unit Four Powerhouse: Tom reported that construction was completed the end of May and load rejection testing was completed in September. There have been some mechanical issues (vibration problems) with the new turbine, limiting current operations to no more than 15-20 megawatts. The manufacturer has brought in their lead research team to identify the source of the problems and suggest possible fixes (which will be their responsibility). PSE updated the ARG via email last week, and will keep the ARG informed as they get more information from the manufacturer. Per the license amendment approved by FERC, this project must be completed by October 2014. PSE is operating under interim operations in the meantime.

Spawning Beach Decommissioning: Arnie reported that in-water work began in July. Man-made infrastructures were removed, five LWD flow-control structures were placed, and the rest of the site was altered to match surrounding topography. An environmental services group was on-site, monitoring all the work. Plantings will proceed next. Tom noted that this project will be substantially completed by the end of 2013, with just a few final, relatively small punch-list items to be completed during the next in-water window.

Hatchery Headworks Water Supply: Tom showed before and after photos of the work that was done to address the slide problem (day-lighted spring) near the hatchery, putting the hatchery's water supply at risk. Debris and damaged rebar pipe cages were removed, a multi-layered graded rock filter and geo-textile fabric were installed to cap the water channel. The recent major rain event was a good test of the completed work. There were no issues with the water supply (great!), but there were some fine sediment slides that require more erosion control. PSE is meeting with outside consultants to develop Best Management Practices for erosion control.

PROJECT EVALUATION PROTOCOL, AFTER ACTION REPORT

This protocol hasn't been used, yet, so this agenda item was deferred to the next BRCC meeting.

SKAGIT GENERAL INVESTIGATION (GI)

Kara Symonds and Dan Berentson provided this update. Kara started by reminding the group that the GI is a flood risk reduction study by the US Army Corps of Engineers (USACE). Skagit County has asked the Corps to evaluate the potential of additional storage at LB and changing the draw-down seasonality at UB from Nov. 15 to Oct. 15.

The goal of the GI is to reduce economic damages and risks to life and safety in the Skagit Valley. In 2012, the USACE reevaluated their hundreds of existing GI studies, cancelling most of the stalled and / or longest-running studies; the Skagit GI was one of only nine studies to make it through that review.

There are five stages involved in the new USACE process. The Skagit GI is currently in the feasibility phase. Kara noted that the corps is currently evaluating three possible alternatives, including urban improvement projects and bypass options that would require miles of new and improved levees and would impact agricultural lands. The USACE will identify their tentatively preferred alternative, probably by the end of this year. This design will be moved forward to the 30% design level. There will be an official comment period later this winter, probably in January / February. Any finally approved project will require a 35% local match by Skagit County.

Stan noted that this process doesn't include environmental studies, and he shared a variety of concerns related to changing the operating protocols (increased storage, reduced generation, and changing the seasonality of the annual draw-down). Steve noted that there would be direct impacts on project finances and risks to fish. All agreed they will continue to watch the process with interest.

We all congratulated Dan on his new role as Interim Public Works Manager for Skagit County.

ANNUAL REPORTS – PROPOSED SCHEDULE CHANGE

Jacob walked the group through the current calendar of monitoring and annual reports, noting that PSE would like to adjust the reporting schedule to reduce redundancies, minimize the lag time, and streamline work for everyone. He shared a couple of possible alternate reporting schedules for the group to consider. Each resource group will also review the alternatives. If everyone is comfortable with an updated schedule, the change would be submitted to FERC either as part of its current annual report or as an amendment to the license.

Upon looking at the current calendar of updates and reports, Steve immediately expressed support for streamlining the schedule. Carol wondered if the schedule was originally developed that way to give PSE enough time to write the reports and the group agreed that this may have been the case. If that was the case, that extra time is no longer needed and is a hindrance.

Jacob then walked the group through a possible new schedule. Attendees expressed appreciation and there was wide support for removing the second comment review period. Carol and Erin asked that the RRG reporting window be adjusted to be either before or after summer (preferably before). All agreed. Jacob then noted that the next step will be to vet this possible approach through all four resource groups.

NEXT BRCC MEETING:

April 23, 2014 at Skagit Service Center, Burlington.

DRAFT AGENDA

- Confirm official representatives to the BRCC and Resource Groups
- Working Group Updates
- Updates on Major Projects
- Overview of the Settlement Agreement
- Review the new Project Evaluation Protocol in light of RRG's experience
- Daily Pool Elevation Change Proposal (?)
- Possible: Reporting Schedule Proposal
- Update on General Investigation, Preferred Alternative

MEETING EVALUATION:**Worked Well:**

- Thanks for clear directions to this new facility
- Thanks for flexibility with moving the meeting date
- Beautiful venue, great job on the site redevelopment
- Folks prefer this venue over the other Snoqualmie room when available, supports informality, dialogue
- Olympia contingent appreciates this south-end meeting each year

Do Differently:

- Today's food options were not friendly for gluten-free / vegetarian folks
- Working Group updates run much longer than the allocated time; suggest adding additional time to the agenda and adjusting the reports to be higher-level
- Avoid use of abbreviations and acronyms!
- Beeping alarm was annoying
- Note: if we have a larger turn-out, would need the larger Snoqualmie facility
- Post PDFs of PowerPoints, graphs, etc. to the FTP site after each meeting so folks can share within their organizations