

**Cooper Lake Project Relicensing
Meeting Summary
Joint Agency/Public Meeting and Site Visit
July 9 and July 10, 2002
Cooper Landing, AK**

Meeting Attendance:

| Name | Affiliation |
|--------------------|--|
| Dwayne Adams | HDR / Land Design North |
| Margaret Beilharz | U.S. Forest Service (USFS) |
| Elizabeth Bella | USFS |
| Dave Blanchet | USFS |
| Patti Bogan | Chugach Electric Association (Chugach) |
| Karen Demsey | Long View Associates |
| Helen Donahue | Alaska State Legislature, House of Representatives |
| Dora Gropp | Chugach |
| Carl H. Harmon | Chugach |
| Clayton Hawkes | Alaska Department of Fish and Game (ADFG) |
| John Heberling | D. Hittle and Associates |
| Steve Hennig | USFS |
| Eric Johansen | USFS |
| Carol Johnson | Chugach |
| Joe Klein | ADFG |
| Rep. Ken Lancaster | Alaska State Legislature, House of Representatives |
| Glenda Landua | ADFG |
| Tony Largaespada | USFS |
| Nick LeMieux | Cooper Landing resident |
| Jon Little | Anchorage Daily News |
| Ken Lord | U.S. Department of the Interior, Solicitor's Office |
| Tom Lovas | Chugach |
| Gary Mitchell | Cooper Landing resident |
| Jan Mitchell | Cooper Landing resident |
| John Morsell | HDR / Northwest Ecological Services |
| Sally Morsell | HDR Alaska |
| Doug Mutter | U.S. Department of the Interior, Office of Environmental Policy and Compliance |
| Steve Padula | Long View Associates |
| Larry Peltz | National Marine Fisheries Service |
| Alan Remsen | Chugach |
| David Rhode | Cooper Landing resident |
| Isobel Roy | HDR / Land Design North |
| Alice Saniat | Cooper Landing resident |
| John Saniat | Cooper Landing resident |
| Andy Schmidt | USFS |

| Name | Affiliation |
|-----------------|---|
| Bill Shuster | USFS |
| Neil Stichert | U.S. Fish and Wildlife Service |
| Bill Stockwell | Cooper Landing Fish and Game Advisory Committee; and Fish for Cooper Creek Coalition |
| Molly Stockwell | Cooper Landing resident |
| Dave Thompson | Montgomery Watson Harza |
| Jim K. Topolski | Chugach |
| Burke Wick | Chugach |
| Mike Yarborough | HDR / Cultural Resource Consultants |

Joint Agency/Public Meeting

(Note: A copy of the PowerPoint presentation slides shown during the July 9 meeting session is attached to this meeting summary.)

Opening/Welcome

Tom Lovas (Chugach) welcomed the meeting participants and provided a brief overview of the purpose and itinerary for the two-day meeting and site visit to the Cooper Lake Project (Project). Tom noted that the meeting session was being recorded on audio tape, and that a written transcript would be provided to anyone upon request. He encouraged open discussion during the meeting, and reminded participants that the meeting was an opportunity for participants to provide verbal comments on the Initial Consultation Package (ICP) for the formal consultation record.

Introductions around the room followed.

Review of Initial Consultation Package

Steve Padula (LVA) began the review of the ICP by summarizing the outline for the discussion, including:

- Contents of the ICP
- Relicensing Steps
- Schedule
- Planned Next Steps
- Requirements for Written Comments

Dave Blanchet (USFS) commented that the USFS felt that the ICP did not provide sufficient details on Chugach's plans for relicensing studies to allow the agencies to meet the regulatory requirements for written comments. Dave asked for clarification on the timing of the transition from Stage 1 consultation to Stage 2 consultation. Steve Padula explained that Stage 1 consultation would end with the submission of comment letters on the September 9 deadline (60 days following the site visit). Dave Blanchet indicated that the USFS would likely make a formal request to the Federal Energy Regulatory

Commission (FERC) for an extension to Stage 1 consultation so that Stage 1 would encompass finalization of study plans.

Bill Stockwell (CLFGAC/FCCC) asked whether Chugach also would be taking comments from the public within the comment period ending September 9. Steve Padula confirmed that all relicensing participants have the opportunity to provide written comments during the 60-day comment period.

Andy Schmidt (USFS) commented that the ICP did not provide a map of the Project boundary and added that the USFS needed to understand what the area of analysis for the relicensing encompassed. Dave Blanchet (USFS) added that the USFS considers Cooper Creek to be part of the Project area to be considered in relicensing studies. Steve Padula explained that the formal Project boundary is a relatively tightly confined area essentially encompassing only the footprint of the Project features, as defined by the FERC license; the Project area for evaluation of Project impacts differs from the formal Project boundary (legal description), and typically differs among the various resources evaluated. Steve noted that Chugach also considers Cooper Creek to be within the area of analysis for relicensing studies.

Andy Schmidt also asked whether the Project boundary included access roads. Jim Topolski (Chugach) replied that the current Project boundary did not include access roads, but that Chugach was considering the possibility of proposing a modification to the Project boundary under the new license to include access roads. Andy Schmidt requested that a map be prepared to show the existing and proposed Project boundary. Steve Padula indicated that Chugach would develop such a map.

Communications Protocol

Steve Padula (LVA) briefly summarized Chugach's guidelines for its communications with relicensing participants as described in its Communications Protocol (issued to relicensing participants in June 2002). In addition to the proposed guidelines, Clayton Hawkes (ADFG) requested that all substantive consultation letters be posted on the relicensing website, and that a log of all consultation-related communications (e.g., phone calls) be maintained and also posted on the website.

Resource Information Development -- Update

Sally Morsell (HDR) introduced HDR's team for conducting environmental studies for the relicensing on behalf of Chugach. Sally briefly summarized the general areas of current activity toward resource information development.

Clayton Hawkes (ADFG) commented that there had not been sufficient discussion or communication to allow agencies to understand the full scope of current activities toward resource information development. Clayton stated that written plans were needed, even for the preliminary data-collection efforts, to give agencies a better understanding of and level of comfort regarding these activities. Steve Padula (LVA) explained that activities to date have essentially encompassed pre-study reconnaissance/planning activities, and that none of the activities conducted to date would preclude agency involvement in

design of the eventual study efforts. Steve also indicated that HDR experts would be interacting directly with agency resource experts for input as the planning activities moved toward study design.

Joe Klein (ADFG) asked whether Chugach anticipated that it would initiate any data collection this field season. Steve Padula and John Morsell (HDR/NES) replied that Chugach hoped to be able to complete the planning and coordination with agency experts in time to guide field data collection on arctic char starting this fall, but that it depended on the progress of the planning work this summer.

Andy Schmidt (USFS) reiterated the USFS's concern that because detailed study plans were not included in the ICP, it is not clear what participants are to comment on in the letters due September 9. Steve Padula explained that the letters should provide input regarding what are the most important resource information needs and any preferences for methodologies to be used.

Andy Schmidt also noted that FERC's relicensing handbook indicates that study plans should be finalized by the beginning of Stage 2 consultation. Andy Schmidt and Dave Blanchet (USFS) acknowledged that it seemed that Chugach was trying to be flexible on timing of consultation to allow input from participants on study plans, but explained that the USFS fears that if study plans are not finalized before the end of Stage 1, participants would have no recourse with Chugach or FERC for affecting the final study plans. Steve Padula stated that the transition between Stage 1 and Stage 2 is typically not clearly distinguished, and that planning for all of the various relicensing studies often does not proceed in lock step; some study plans take longer to finalize than others. Steve stated that to provide greater flexibility in the process, Chugach does not see an advantage in emphasizing a firm boundary between Stage 1 and Stage 2 consultation. Steve added, however, that it is important to the planning for 2003 studies that participants provide their comment letters by the September 9 deadline.

Project Facilities and Operations

Tom Lovas (Chugach) provided an overview of Project facilities, operations, and economics, as summarized in the ICP. Dora Gropp (Chugach) briefly described the Project transmission lines and associated distribution substations, including maintenance of the transmission line facilities and management of vegetation along the transmission line rights-of-way.

Closing

Tom Lovas (Chugach) summarized plans for the tour of Project facilities, requesting anyone interested in taking the tour to sign up for a time slot for the helicopter trip. Tom also reminded the group that following the next day's informal tour of Cooper Creek (morning of Day 2), the plan was to reconvene for follow-up questions/answers. The meeting adjourned for lunch followed by the site tour.

Site Tour

At approximately 1:00 P.M. on Day 1 of the meeting / site visit, participants drove to the Project powerhouse on Kenai Lake. Chugach representatives provided tours of the powerhouse. The powerhouse turbines were shut down to minimize noise during the tour, but were turned back on at 4:30 P.M. so that interested participants could also have an opportunity to observe the powerhouse in operation. Throughout the afternoon, groups of participants were taken by helicopter to Cooper Lake Dam, where they had the opportunity to walk around and view the dam and spillway. Burke Wick, Chugach Project Engineer, was stationed at the dam during the site tour to answer questions from participants. On each flight back to the powerhouse, the helicopter flew down Cooper Creek canyon to allow participants to view upper Cooper Creek and Stetson Creek (the major tributary to Cooper Creek). A two-person USFS team was on site, stationed at both the powerhouse and dam, to assist with flight logistics and ensure that USFS protocol for helicopter transport was followed.

Participants reconvened at the Kenai Princess Lodge at approximately 8:30 A.M. on Day 2 and drove to the east side of lower Cooper Creek, at its confluence with the Kenai River. There was no formal tour planned; participants walked along and viewed lower Cooper Creek in small, informal groups. Participants returned to the Kenai Princess Lodge at approximately 12:00 P.M. for lunch and the follow-up question/answer meeting session.

Joint Agency/Public Meeting (Follow-up Session)

During the follow-up meeting session, several agency representatives again strongly encouraged Chugach to begin some data-collection efforts in the 2002 field season, but also expressed that Chugach should be sure to coordinate with agencies to confirm the approach and protocol ahead of this field work. Larry Peltz (NMFS) suggested that there were key areas of information, such as water temperatures in Cooper Lake and Cooper Creek, that would be straightforward to obtain and could be collected this summer. Joe Klein (ADFG) agreed, adding that habitat surveys should also be done this year because they will be a cornerstone for future studies.

Dave Blanchet (USFS) again noted the USFS's disappointment that details about planned relicensing studies were not included in the ICP for agency comment. He asked whether the agencies would be expected to develop relicensing study plans or whether Chugach would issue detailed study plans before the September 9 comment deadline on the ICP. Steve Padula (LVA) indicated that Chugach fully intended to develop draft study plans for agency comment but that it was unlikely that the draft study plans would be completed by September 9. (Steve also clarified that the regulatory requirements for study requests in the ICP comments letters do not require agencies to provide anywhere near the level of detail of a full study plan; they only require that the agency specify its basis for the study request and its preferred methodology/approach.) Steve suggested that in the meantime the focus would be on planning discussions between study leads on the HDR team and agency resource experts, both for data collection in 2002 and development of the study plans for 2003 studies. In response to a question from Neil Stichert (USFWS), Steve stated that it would be most efficient if the HDR and agency

resource experts interacted directly, instead of having larger meetings or communication through a Chugach or Long View Associates spokesperson. Steve noted that the HDR team would document all such planning conversations with agency representatives for the formal consultation record.

The USFS reiterated its request that Stage 1 consultation be extended to cover development and finalization of draft study plans, suggesting that the participants and Chugach could jointly request the extension from FERC. Dave Blanchet indicated that the USFS had discussed this with FERC staff, who had suggested requesting the extension. Steve Padula noted that the regulations place a limit on the maximum length of extension that can be granted, and stated again that Chugach does not feel that it would benefit this relicensing process to try to clearly call out the boundary between Stage 1 and Stage 2 consultation. Steve pointed out that Chugach's intent is not to run this process strictly by the minimum requirements for traditional (i.e., three-stage consultation) relicensing but rather to provide a number of additional enhancements to the traditional process to allow for more interaction with and input from the relicensing participants, for example in the scope and design of relicensing studies. After further discussion, the general consensus was that Chugach team would reconsider the pace for development of study plans, and would also consider the idea of requesting an extension of Stage 1 from FERC.

Neil Stichert also expressed a sense of urgency from the agencies' perspective for communication from Chugach regarding its plans for 2002 data collection, again noting that the agencies feel it is crucial to 2003 studies that some basic information be collected this year. Based on questioning from Steve Padula, agency representatives at the meeting expressed the willingness and availability during the next several weeks for consultation with the HDR research leads regarding planning for 2002 data-collection efforts.

Regarding subsequent consultation meetings during the relicensing process, Bill Stockwell (CLFGAC/FCCC) commented that while weekday meetings during normal business hours may be convenient for agency participants, representatives from non-governmental organizations and other members of the public would find it easier to participate if meetings were held in the evenings. Bill also suggested that meetings be held in Cooper Landing as well as Anchorage to further facilitate public involvement. Tom Lovas (Chugach) acknowledged that timing and location of the consultation meetings would always be somewhat problematic in terms of accommodating the schedules of the public as well as agency participants; Tom stated, however, that Chugach would continue to try to schedule meetings to encourage the best overall participation.

Tom Lovas thanked the attendees for their participation at the meeting and site tour. The meeting adjourned at approximately 1:30 P.M.