BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

WASHINGTON, D.C.

IN THE MATTER OF THE ENLOE	)	
DAM HYDROELECTRIC PROJECT	)	Project No.
	)	
PUBLIC UTILITY DISTRICT NO.	)	12569-001 Washington
1 OF OKANOGAN COUNTY	)	
_____	)	

PUBLIC SCOPING MEETING

January 14, 2009

7:00 p.m.

The Depot

Oroville, Washington

APPEARANCES:

For the Louis Berger Company:

JIM HOLEMAN

LUCY LITTLEJOHN

JEAN POTVIN

KEN HODGE

For Public Utility District No. 1 of Okanogan:

DAN BOETTGER

ERNIE BOLZ

NICK CHRISTOPH

GLENN HUBER

DOUG ADAMS

JEREMY PRATT

From the Public:

GEORGE HANSON

ARNIE MARCHAND

LEE McFADYEN

JERRY BARNES

RICH BOWERS

THERESA TERBASKET

MR. HOLEMAN: My name is Jim Holeman, and I am with Louis Berger Group. With me tonight is Lucy Littlejohn, Jean Potvin, and Ken Hodge back there. We are all with Louis Berger Group, and we are an extension of the Federal Energy Regulatory Commission, chairing this meeting.

Tonight's meeting is about the Enloe Hydroelectric Project. The Okanogan PUD has filed an application to license the project, and the F-E-R-C has begun to do its NEPA process, and part of that process is the scoping meeting tonight, January 14.

So, welcome, everybody. Glad you could make it out tonight. We've had such a beautiful sunshiny day today. It is nice and warm this evening. Anyway, it's great that you all could make it.

Behind me, restrooms are right here. And I hope everybody has filled out a sign-up sheet and indicated whether you want to speak or not. If you didn't indicate on there that you want to speak, but you decide to later, that's fine, too, you'll be able to.

This meeting will be recorded. We have a court reporter over here, Bill Bridges. And, so, when you speak, please be sure to give your name, address, affiliation, and speak clearly so he can record what

you say. Oh. And, spell your name, please.

Okay. Can you put the agenda on there. I would also like to let the Okanogan PUD folks introduce themselves.

Do you want to start here?

MR. BOETTGER: Okay. I'm Dan Boettger, Director of Regulatory and Environmental Affairs, Okanogan PUD.

MR. CHRISTOPH: Nick Christoph, Environmental Coordinator.

MR. ADAMS: Doug Adams, Okanogan PUD, Manager of Operations.

MR. BOLZ: Ernie Bolz, PUD Commissioner for District 3.

MR. HUBER: Glenn Huber, Northern Area Manager.

MR. HOLEMAN: Do you want to introduce yourself, too?

MR. PRATT: I am Jeremy Pratt with ENTRIX. I'm the licensing manager for the Enloe Project.

MR. HOLEMAN: Okay. Our agenda, we're going to go through a little bit of background, the purpose of scoping.

We'll review what we're looking for from

you tonight, because basically this is an opportunity for you to give to us what your concerns are. It's not really a Q and A period, but basically we're trying to learn what the main issues are.

We'll turn it over then to the Okanogan PUD folks to give a project description. And description of their operation and their proposed environmental measures.

Then it will come back to us, and we'll give a summary of what we view the issues are, cumulative effects, and resource issues that are identified in the Scoping Document 1. There are copies available, if you didn't pick one up when you walked in.

We'll talk about the Environmental Assessment schedule and when we anticipate that being issued. And then we're going to open it up for comments.

So, any question on the agenda at this point? We're all clear on that?

(No response).

MR. HOLEMAN: Okay. Unfortunately, the F-E-R-C representatives weren't able to make it here tonight. But as I said, we are an extension of FERC staff under contract to FERC, and we have

performed this function many, many times before.

The purpose of scoping. This is to comply with NEPA, the National Environmental Policy Act, and FERC's regulations and other applicable laws that require evaluation of environmental effects, licensing or relicensing of hydropower projects.

The scoping process is used to identify issues, any concerns, and that's what we want to hear from you.

We request information from you, and that is any significant environmental issues, any other studies in the project area that you believe need to be performed; any information or data describing past or present conditions of the project area that you may have that hasn't been already disclosed in the record; any resource plans or future proposals in the project area that you believe need to be addressed.

How to give comments. All comments must be received by FERC by February 16, 2009. You can give comments orally tonight or tomorrow, because we will have a similar meeting to this tomorrow afternoon, primarily for resource agencies, but others are invited to attend that meeting, as well.

If you have written comments today, if you could pass them up to us, we'll get them into the

record. Another way you can give us comments is you could mail them to the F-E-R-C, and I will give you that information in a minute. And preferably, if you don't give your comment, written comment tonight, FERC prefers that you file them electronically, if you have that capability. And that address is www.ferc.gov.

When you file written comments by mail, and this is really important, so be sure and get this information down, all correspondence must identify Enloe Project, F-E-R-C, 12569-001, on the first page. It has to be identified there. Send it to Kimberly D. Bose, Secretary, Federal Energy Regulatory Commission, 888 First Street N.E., Washington, D.C., 20426.

All filings sent to the secretary of the Commission should contain an original and eight copies. And if you don't send the eight copies, what might happen is your comments don't get to the right person. Because there are a lot of people that are working on this Environmental Assessment, and the copies are distributed out to those respective technical experts.

Let's leave that up there for just a little bit, so people have an opportunity to get that address.

(Pause in the proceedings).

UNIDENTIFIED SPEAKER: It is also on page 18 of the document.

MR. HOLEMAN: Very good. Thank you. Did people hear that? It's on page 18 of the scoping document.

Okay. With that, I'm going to turn it over to Okanogan PUD to give a project description.

MR. PRATT: I am Jeremy Pratt, P-R-A-T-T, and I'm with ENTRIX. ENTRIX is providing the support for the PUD for the license application, and Nick and Dan asked me today to give the presentation. I've got a few slides.

The first one would be the description of the project. Many of you have been to our meetings over the last three or four years and have heard the project description. We will go through it pretty quickly. Most of you know the project site. It's about three-and-a-half miles up the river from Oroville. If you've been up there, you've seen the dam with the overflow spillway, it's a 54 foot in height, hydraulic height. The dam is 315 feet long with a concrete gravity arch, and the spillway itself is 276 feet.

The crest gates. You'll see in FERC's scoping notice, the description of the project, it

refers to flashboards. The flashboards are the older version of what today is called a crest gate. The flashboards were initially wooden boards that were placed in slots along the top of the dam and raised the water level by five feet.

The crest gates do the same thing, and still have the same functionality as the original project had, but they are operated automatically with a bladder that raises and lowers the gate during the spring freshet, and allows the reservoir to be kept several feet higher so that there is a gain of a few feet in hydraulic head.

The reservoir provides no functional storage. It is not there to provide flood control or water supply or anything else. It's just a reservoir that's created as part of creating the head for the generation.

It's about, as it stands, it's about two miles long with the crest gates up, it will be about 2.4 miles long, it will add another four-tenths of a mile of flat water upstream at Shanker's Bend, going around the bend there. It's narrow, about 200 feet wide, average depth is about nine feet. There is one kind of a pinch point where the water comes in and is carved down considerably deeper. But generally it's

filled, largely filled with sediment that has accumulated over the years, washing down from land use practices and mining practices and so forth upstream into Canada.

So, there's about two million-plus yards of sediment stored, and that's reduced the volume of the reservoir today to about 550 acre-feet. We did some bathometric studies over the past couple of years in preparing the license application. So, that estimate's pretty firm.

So, that's what it means when it says the remaining storage volume. That's with the ongoing accumulation of sediment.

The powerhouse originally was -- Well, originally, in 1905, there was a powerhouse on the east bank where we are proposing to develop today the project that was pure run of river, there was no dam at all.

But the project that the PUD would like to restore to operation had operated until 1958, was on the west bank. And it was only about a four megawatt project. And many of you have seen the old now dilapidated powerhouse on that side. There is one -- Well, we'll get to a map here. I'll describe it with the map more in terms of geography.

But our proposal today, the PUD's proposal, is to relocate the east bank of the river. It will continue to be a run-of-river. It's not going to ramp the river up and down. The reservoir isn't going to go up and down as a matter of operations. The crest gates rise and fall underneath the spring freshet. So, they come up to meet the hydrologic regime.

As the stream flow drops down, the crest gates come up to meet that, and hold the water a little higher, and then in the spring when the rise in -- rising limb of the hydrograph occurs, those crest gates will drop down underneath the water again.

So, they do not serve in themselves to raise and lower the reservoir or the river flow. It remains a run-of-river operation. Its hydraulic capacities is 1600 cfs. The PUD currently has 1,000 of cfs of water rights. It will be another 600 cfs of water rights application made if the FERC orders the project to go forward.

The power generation capacity with that flow, it would be nine megawatts now. There's two vertical Kaplan turbines installed within the proposed project. So, it gets considerably more power than the old project. And that average annual generation will be about 45 gigawatt hours.

Construction cost is about 31 million. Annual operation, about 2.6 million. And the estimated value of the project power is a little over three million, or about close to six cents a kilowatt hour.

So, if we go to the map, first, this is the big view. That kind of hairpin at the top outlined in red is Shanker's Bend. And the red line is the FERC project boundary. That is the boundary of the project over which FERC would take jurisdiction in its order.

So, there's Shanker's Bend (indicating). The red line mostly hugs the shoreline of the reservoir. It's drawn I believe at 1055 elevation. That was the elevation under which, I should have said earlier, the project was licensed actually previously twice, in the 1980s and '90s. Both times the license was rescinded at the PUD's request because of issues related to fish passage.

It is going forward now with FERC's blessing because a regional consensus has been reached on fish passage and the fact that, first of all, the Similkameen Bands and the Canadian government upstream do not favor an introduction of American anadromous fish upstream. There is a strong cultural legend that they never occurred up there. There is good physical

evidence that they never got past Enloe Falls.

And with that, and the agreement with the Colville Tribes and the Similkameen Bands, the American agency, the National Marine Fisheries Agency, the sub-basin plan does not identify critical habitat above Enloe Falls and does not identify that any anadromy ever occurred above Enloe Falls.

So, the project boundary here goes down just to the base of the falls. The project itself will be located here on the east bank. And we'll get into, it's got an inset here that we'll get into a bigger picture. But the 1055 elevation line, as I was saying, is carried over from the 1991 application that the license was previously licensed under.

This is the proposed design, the conceptual design. So, there's the dam that exists today. The spillway, there is a short basically bedrock reach here between the foot of the dam and the top of the falls. It's about 340 feet from the spillway to the top of the falls.

The intake channel would be located just above the dam on the east side. It's been designed to be shallow and wide to minimize disturbance of sediments that have been accumulated there in the reservoir, as they come into the intake channel.

There's two penstocks that drop down into the Kaplan turbines.

And down here is the tailrace which partially makes use of the old 1905 tailrace that was blasted out of the rock there on the east bank.

Here is the old penstock that runs down to the existing surge tanks and old powerhouse that were further down the river.

So, one of the design elements of the new proposed project is the relocation further upstream to minimize the bypass reach. The reach that's bypassed is essentially this little 340-foot bedrock sheet reach between the dam and the falls.

I think we will go on from there. I would be glad to answer questions about the project later.

MR. HOLEMAN: Yes.

MR. PRATT: One thing that we wanted to show, some people had questions about typical crest gates over the years.

This is a typical crest gate. It is not exactly what it would look like at Enloe.

This one here that looks kind of like a snow fence, you can see the cylindrical bladder behind it. That's operated automatically, based on a water level sensor in the reservoir, and that's what would

bring the crest gates up and down and the rising and falling of the spring hydrographs.

We were asked to quickly run through the PM&E's, protection, mitigation, and enhancement measures, are proposed as part of the program that the license application sets forth to offset any effects of the development. And they are organized in resource categories.

This is geology and soils. I am not going to read each one of these in detail. We can provide, again, answers to questions in detail, if you have them. But starting with geology and soils, we've got basically soil erosion and sediment control plans which are developed and are actually out right now for 30-day review with agencies and stakeholders.

The water resources. We have temperature monitoring, water temperature monitoring. Some of the PM&E's are incorporated in the design of the project. So, one of them is not only the location of the powerhouse and tailrace further upstream to minimize the length of the bypass reach, but also the orientation of the tailrace, such that it would provide circulation up to the base of the falls and maintain waterfall right from the point where the falls reach the river.

Also, a project design element, aeration vents in consultation with NMFS, Washington Department of Fish and Wildlife and U.S. Fish, have been proposed to be included in the flow tubes to maximize dissolved oxygen levels during low flow periods, so that we can keep dissolved oxygen in that reach.

Right below the falls is somewhat of a cool water refuge, and we want to keep that from becoming a stressful environment for fish. So, DO levels would be maximized by that design.

And another element of PM&E's would be to monitor those dissolved gases coming down over the spillway and falls during higher flows and through the project during lower flow periods, and make sure that they don't exceed standards.

The intake I think I have already mentioned, was designed to minimize the disturbance of sediments, and there is also a spill prevention and cleanup to deal with any accidental spills that occur and that sort of thing on the project.

For aquatic resources and fisheries, there are quite a number of PM&E's. Blasting plan to avoid and minimize potential effects during construction. There are boulder clusters proposed to be placed upstream to provide habitat, structural diversity, and

improve quality for species such as mountain whitefish.

Logs and other large woody debris would be allowed to pass over the spillway during annual floods or moved actually over the spillway into the river, if they don't pass naturally, if they create a logjam up there.

In consultation with the fisheries agencies, modifications to the intake trashrack were designed to allow smaller fish to pass through safely and discourage the larger fish, the resident fish in the reservoir, warm water fish, from passing through the turbines.

We'll have entrainment studies and monitoring to look at seasonal variation in entrainment and trauma and mortality that are sustained by the fish and some sampling to relate those observations with the fish distribution and abundance. That would be a study, PM&E.

In the tailrace there are some net areas that were designed with NMFS engineers, and the state and federal fish agencies as a means to prevent fish in the tailrace from continuing to swim upstream into the draft tubes during low flows. And there's also a plan to do video monitoring in the tailrace to

document adult salmonids are not entering into the nets, or if they do, that they will be able to safely exit.

I have already mentioned the location of the tailrace. That's a PM&E for both fish and for water quality. This says a fisheries enhancement project, a side channel spawning project that's being developed with the fisheries managers of the Washington Department of Fish and Wildlife and the Colville Tribes to provide enhancement to anadromous fish spawning downstream of the project.

There will be biological review projects ongoing with stakeholders, Tribes and agencies to consult with the design, management and the monitoring, and review and evaluate the data and so forth.

On the terrestrial side, there is a riparian mitigation and monitoring plan. That will be out for 30-day review shortly. And that addresses the effects of the reservoir on shoreline, riparian and wetlands, including effects of crest gates.

There will be some plantings of riparian vegetation along the east and west banks to mitigate the temporary loss of habitat. There will be a natural reestablishment of the riparian vegetation

with the crest gates.

There's an area on the road, for those of you going on the field trip tomorrow, you'll see, as we drive in, we'll drop down right next to the shoreline of the reservoir on the east side, and travel through what in other seasons in the winter is a wet area with some nice riparian wetland. And in that area the road that we are currently traversing, the road will be abandoned in that area, and that vegetation, that habitat would be restored, and the road will be moved a bit upslope along the -- partially along the old OTID irrigation canal route that's been abandoned.

So, there's some restoration planned along that road and some plantings along the corridor to mitigate the effects of that road, and some plantings on both banks downstream from Shanker's Bend.

Grazing control measures. We are still working to design fencing that will sort of address multiple objectives at once. There's a recreation plan which we'll get to in a minute, and the desire is to separate the livestock from people, although some folks have been telling me that people and livestock get along just fine.

Nevertheless, we wanted to create a

livestock-free recreation area, and that's going to be part of the PM&E for fencing. Department of Ecology wants fencing to keep livestock away from the shoreline for water quality protection.

There's some culturally sensitive sites and the new plantings of riparian vegetation needs some protection to get established.

So, for all those reasons there is fencing that's been proposed.

We have been working with the grazing lessee on the east bank side to design water gap features so that livestock will be able to continue to access the river without having effects on their herds.

So, that's what that one's about. We will be monitoring restored areas, replanting as necessary. There are some PM&E's to protect the vegetation and avoid effects associated with construction.

Environmental training programs so that folks that are out onsite during construction are aware of the sensitive resources and avoid conflicts.

Biological construction monitor for the same purpose.

Noxious weed control program to deal with the weeds along the roads and construction sites.

A little bit of -- There's one power pole, constitutes the FERC transmission line for the project, and that will have raptor protection, so bald eagles are safe from electrocution, and some timing windows so that we minimize effects on those species.

I think these next are already covered essentially in the aquatic and terrestrial. These are just the ones that are specific to T & E species, and that would be for the anadromous fish downstream to prevent them from coming into the tailrace and injuring themselves, and some vegetation maintenance in the sensitive habitats for the threatened Ute ladies'-tresses.

On recreation and land use, there is a group that's been meeting now since October in a consultation to develop a recreation management plan, beginning with the set of PM&E's that are proposed in the license application. And that includes abandoning the existing shoreline road as I described and providing a new access, the fencing that we talked about, public access to continue for people who want to recreate and travel down below Enloe Dam, allowing foot traffic to go around the security fencing that protects the facility itself.

The PUD has already transferred ownership

to Okanogan County to the rights to the trestle bridge. That's located on the west side of the river, with some conditions. And that's part of the coordination the district is doing with the trail groups that want to develop the Oroville Night Hawk Trail and so forth.

The existing informal boat ramp that has already sort of been established by informal use up in that little riparian area on the east bank would be improved and replaced.

There would be some interpretive publications, maps and brochures and interpretive boards and some cleanup. A parking area, a toilet, picnic tables, primitive campsites with fire rings and picnic tables would all be installed and maintained by the district as part of its recreation plan.

And the plan itself is one of the measures. It just was released for 30-day review Tuesday, we had the last of the recreation management plan consultation meetings.

On the esthetics, there's also an aesthetics plan that deals with colors, and materials and textures and so forth. And there will be grading and slope repair where buildings and facilities are either removed or installed, vegetation, native plants

and species and some interpretive panels.

On cultural resources, there's been a cultural resources work group, what has it been, three years now that it's been meeting? That is representatives from FERC, the state SHPO, which is the state historic preservation office, the tribes, BLM, which is the underlying landowner, have all been working together with the district for several years to develop the Section 106 technical report and the traditional cultural properties review and had an HPMP, Historic Property Management Plan, which is the final piece. Consultation has gone on throughout that period with the Tribes in terms of their sensitive properties and traditional, religious and culturally important sites.

So, if we go on, there are now, as we work, having filed the license application, we are in a traditional licensing process, which is a little different than for those of you who may be veterans of other license processes that are current, these days the process is a little different. It is an older process in that it is a little less integrated than the current ones.

And so, although the license application is filed, we work with agencies, Tribes and stakeholders,

and out of that have come some new suggestions and proposals for the PM&E's, including on esthetics, developing a viewpoint below the dam as part of mitigation for esthetic effects.

Sensitive bat concerns are identified, for bats that may occupy the old irrigation tunnels that were used for the conveyance.

And, so, we're working with WDFW about how to protect those species.

And in recreation, quite a number of changes and improvements have been made to the recreation plan as far as that consultation goes. Those changes are continuing and will be filed with FERC over the course of the next six weeks or so.

Also, as I mentioned, going through, a number of plans are in preparation or have been prepared and are either out now for review or will be, and they include modifications to the noxious weed plan, which was an appendix to the license application; the recreation management plan, which we have just completed; riparian mitigation monitoring, which will come out in the next couple weeks; erosion and sediment plans have already been out for a month already. The same for blasting. Esthetic plan is just waiting for the riparian mitigation monitoring

revegetation, it will be out then. And the cultural language, we are going through that cultural now.

And finally, in addition to the studies that were completed for the license application, we're in process with a few others that were requested, to include some studies for the esthetic flow, recreation site, key observation points.

We had observation points up higher, and BLM and others requested some down at the site of the recreation improvements themselves. So, we are also adding one from the proposed new viewpoint, esthetics viewpoint, that we are providing.

And then lastly, again, BLM, American Rivers, National Park Service, all requested a recreation needs inventory. So, that's in process, and that we will be out probably in March with that.

So, I think, Jim, I've talked enough.

MR. HOLEMAN: Thanks. Okay. In terms of cumulative effects, cumulative effects are defined as the effects on the environment that results from the incremental impacts of the action when added to other past, present, or reasonable foreseeable future actions, regardless of what agency, federal or non-federal, or person undertakes such other actions.

Cumulative effects can result from

individually minor but collectively significant actions taking place over time, including hydropower and other land and water development activities.

Using that definition, in the scoping document, we do not find any cumulative impacts.

UNIDENTIFIED SPEAKER: Jim, could I ask a question? Is there going to be time for questions? We have a question for Jeremy. Should we ask it now or later?

MR. HOLEMAN: Let's hold those until we get finished, and then have your questions during the comment period.

Geology and soils. The effects we see there are land-disturbing activities associated with the construction of the proposed intake canal, penstocks, powerhouse, and other project facilities.

Water resources. Effects of the project construction activities on state turbidity standards of the Similkameen River, and what measures could be implemented to avoid adverse effects.

Effects of construction on the potential release of contaminants, such as fuel, lubricant and other wastes, into project waters, and what measures could be implemented to avoid adverse effects.

Effects of project operations on

temperature and dissolved oxygen downstream of Enloe Dam, and what measures could be implemented to prevent or limit any adverse effects.

Fish and aquatic resources. Project construction and operation effects on state sensitive species, such as Pacific lamprey, western ridged mussel, western pearlshell mussel, western floater mussel, and California mussel, even though it is in Washington, in the Similkameen River below Enloe Dam.

So, effects of project construction on fish, for example, disruption of spawning, and their habitats, sedimentation, temperature or dissolved oxygen, below Similkameen Falls and Okanogan River.

Effects of project operations on pre-spawn mortality of summer Chinook and Sockeye salmon associated with water temperatures in the Similkameen River and Okanogan Rivers.

As I go through these, if you want to follow along, these are also verbatim in the scoping document.

Continuing on the fish and aquatic. Effects of project operation on upstream migrating fish, including potential for false attraction and entrance into the powerhouse tailrace and subsequent injury and mortality by turbine strikes.

Effects of retention of spawning gravel and large woody debris in Enloe reservoir on the Similkameen River and Okanogan River downstream of Enloe Dam.

And the effects of project operations on aquatic resources due to dewatering Similkameen River between Enloe Dam and the confluence of the powerhouse tailrace during nonspill periods.

On the terrestrial. Effects of project construction, operation, and maintenance on wetland, riparian, and littoral habitats and associated wildlife within the project boundary.

And effects of inundation of approximately .4 miles of riverine and riparian habitat upstream of the reservoir pool at Shanker's Bend.

Continuing with terrestrial. Effects of project construction and operation, including road and transmission line maintenance and recreation activities, on the establishment, spread, and control of noxious weeds and exotic plants of concern around project facilities.

Effects of removal and disturbance of vegetation due to project construction and maintenance on aquatic and terrestrial species.

Effects of disturbance from noise and other construction activity on wildlife, including waterfowl, furbearers, and amphibians.

More terrestrial. Effects of modified flows in the tailrace and increased surface water elevation of the reservoir on wildlife and vegetation.

Effects of new public access on wildlife, including waterfowl, bald eagles, and other water-dependent species, and vegetation.

Effects of project construction, operation, and maintenance on state wildlife and plant species of concern within the project area, including state threatened bald eagle, state endangered sage grouse, state endangered Ute ladies'-tresses, and state sensitive Snake River cryptantha.

Threatened and endangered species. Effects of project construction and operation on federally listed threatened and endangered fish, wildlife, and botanical species and their habitats that may occur within the project boundary, including: threatened bull trout, threatened Columbia River steelhead, and threatened Ute ladies'-tresses.

Recreation and land use. Effects of the project construction and operation on public access to project waters, including but not limited to, trails

to provide access to the river below the dam for fishing, hiking and the portage of car-top boats.

The ability of recreational facilities and opportunities to meet the current and future, over the term of the original license, recreational demand, including barrier-free access and the need for and benefit of interpretive opportunities, such as interpretive signs, at the project.

Effects of the project operation, reservoir level fluctuations, on recreation resources, including, but not limited to, a shift in recreational use of boaters taking out farther upstream at Miner's Flat, and closure to an informal boat launch and dispersed campsite.

Effects of the proposed project on nearby recreational opportunities, such as the proposed Greater Columbia Water Trail and the proposed Nighthawk Oroville Rail Trail.

Still on recreation. Effects of developing a river crossing, possibly restoring a historic foot bridge near Similkameen Falls, to provide public access across the east shore of the Similkameen River and connect with the Pacific Northwest Trail on the opposite shore.

Effects of project construction and

operation on three BLM grazing allotments located within the project area.

Continuing recreation and land use. Effects of possibly turning abandoned road segments into trails for recreational use.

Effects of project construction and operation on fisheries resources as it relates to the Columbia River Inter-Tribal Fish Commission tribes and other fishers and the fishing industry.

Esthetics. Effects of the project operation, flow releases over the Enloe Dam and Similkameen Falls, and project construction on esthetic resources, demolition of the historic powerhouse on the west bank.

Effects of maintaining the historic powerhouse for at least five years, determine if another entity would be interested in partnering to maintain and restore it.

Effects of noise level from the proposed new powerhouse on visitors to the project area.

Cultural resources. Effects of the project construction and operation on historic and archeological resources that are listed or considered eligible for inclusion in the National Register of Historic Places.

Effects of project construction and operation on properties of traditional religious and cultural importance to Indian tribe -- to an Indian tribe.

Effects of project operation on archaeological resources located along the reservoir shoreline.

Developmental issue. Effects of the proposed project and alternatives, including any recommended environmental measures, on project generation and economics.

Okay. That was the list of issues as they are described in the Scoping Document 1.

As we go forward to prepare the environmental assessment, have you got the schedule up there? Okay. We issued the Scoping Document 1 in December. This is the first -- this is the scoping meeting and site visit. Comments on the Scoping Document 1 are due in February. I gave you that date. February 16th, I believe it is. It turns out the 16th is a holiday. So, you actually have until the 17th to file those comments.

FERC will issue then a ready for environmental analysis notice in March. Oh. Wait a minute. I skipped one.

The second scoping document would be issued in March, if it is necessary. If the extent of the comments that we receive indicates that issues are much broader or there's more information that needs to be addressed in scoping, we will issue another scoping document.

If not, it may be just a letter, saying that there will not be a second scoping document issued.

Then the ready for environmental analysis notice will be issued in March. The deadline for filing comments, recommendations and agency terms and conditions and prescriptions is in May.

Issue a draft Environmental Assessment in November.

Deadline for filing modified comments, recommendations, agency terms and conditions, in January 2010. And issue a Final EA in June of 2010.

These are long processes. A lot has to be done.

So, at this point I would like to open it up for comments and questions for clarification of the project description or any of the proposals. I'd like to keep the questions kind of narrowly focused for clarification purposes.

When you speak, when you get up to speak, please provide your name, address and your affiliation. Please spell your name so the court reporter can get it correct. And hopefully you have filled out a registration form, and we will pass those over to the reporter here in a second.

Are there any elected officials that would desire to speak?

(Pause in the proceedings).

MR. HOLEMAN: Okay. If not, I'm just going to take these in order here. Is speaker George Hanson here?

MR. HANSON: Uh-huh.

MR. HOLEMAN: Oh. Incidentally, if you have a written statement, please give it to the court reporter as well.

MR. HANSON: Thank you, Mr. Chairman. When you asked if there were any elected officials, I was assuming you were asking for American elected officials and not Canadian elected officials. Sir, I'm a Canadian elected official.

MR. HOLEMAN: Well, it just happened you were on top of the stack anyway.

MR. HANSON: Actually I was hoping I would be second on the list, but, however, my name is

George Hanson. And I'm the vice-chair of the regional district of Okanagan Similkameen.

MR. HOLEMAN: Spell your name, please.

MR. HANSON: Hanson, H-A-N-S-O-N. And the regional district of Okanagan Similkameen is a local government in Canada. That's the government below the provincial level. And our local government is responsible for land use.

Mr. Chairman, I respect that this meeting is about Enloe.

One of the comments that I would like to bring from the Okanagan Regional District is that, per se, we do not have many concerns with the specific project of Enloe.

However, I think it's fair to say that we have some consternation about a project that is associated with the efficiency of Enloe downstream, and that's to do with Shanker's Bend.

And my desire is not to take this into a Shanker's Bend hearing. My desire is to present FERC with some -- a couple of motions that were passed in the last six or seven months, and for that to be registered.

As a Canadian, it's not often possible for us to have access to FERC. But I can tell you that

recently these two motions have been filed electronically, and I'll provide written record to the court reporter.

One of these motions, it is related to Shanker's Bend, and if I may, it will just take me a minute to read it, sir.

MR. HOLEMAN: Sure.

MR. HANSON: At the May 8th meeting of the Regional District of the Okanagan-Similkameen River Board, the following resolution was passed.

"Whereas, the Public Utilities District of Oroville, Washington, have put forward a FERC application with three different proposals."

This is not quite accurate today, but this was a motion in May of last -- or May of this year.

"Whereas proposal one and two have small structures that will hold reservoir waters on United States land only;

"And whereas the Regional District does not have nor does not wish to express any concerns about reservoir waters effecting lands located in the United States;

"And whereas proposal three calls for a tall structure that would have reservoir waters spill over and flood parts of the lower Similkameen valley

in Canada;

"And whereas the Regional District Okanagan Similkameen is the Canadian local government authority that oversees land use in most of that area that is encompassed by proposal three;

"Therefore be it resolved that the Regional District of Okanagan Similkameen strongly opposes the third option as it will significantly affect the lower Similkameen valley and has serious concerns that that particular proposal and the flooding of Canadian lands;

"And further that the Board's position and concerns be expressed to the Provincial and Federal authorities of Canada and the Public Utility District by letter."

And this was carried. That is one motion, sir. That was a motion made on May 8. I believe the clerk has it.

Recently, last week, January 8, another motion.

"Whereas the Federal Energy Regulatory Commission of the Government of the United States of America has issued a preliminary permit for development of Shanker's Bend project;

"And whereas Shanker's Bend Project when

developed may cause flooding into the Similkameen River, negatively affecting lands within the Regional District of Okanagan Similkameen;

"Therefore, be it resolved that the Board support the notice of intervention submitted by the Okanagan Alliance of First Nations and the Canadian Parks and Wilderness BC;

"And further, that the Board strike a committee to address this concern, working with other agencies in British Columbia to ensure property in the Regional District is not affected nor is the fish habitat and other environmental concerns located along the waterway, particularly within British Columbia damaged or altered." And that was carried.

Mr. Chairman, this last motion may speak to our desire to be an intervenor, but perhaps we've missed, or did not receive communication or missed the deadline for that. So, if it is at all possible, we would like to be an intervenor of the Shanker's Bend project.

Again, I do not wish to take anything away from Enloe. This is our opportunity to speak to the FERC people.

MR. HOLEMAN: Arnie Marchand.

MR. MARCHAND: Yes. I am a local

fellow here.

MR. HOLEMAN: Could you spell your last name, please.

MR. MARCHAND: My name is Arnie Marchand, M-A-R-C-H-A-N-D.

And I wanted to reiterate what was said previous to me. That the Okanagan National and the Colville tribe want to strongly emphasize that Shanker's Bend is not part of the Enloe Project. We never knew, and the first I heard about it was a month ago, when they were in Okanogan, talking about Enloe Shanker's Bend.

And I said, "You can't have that. First of all, Shanker's Bend can't occur without a signature from the Colville tribe and the Okanagan Nation Alliance and the Upper and Lower Similkameen Band. It cannot, no license, no anything can happen without our express written consent."

Enloe Dam's application did not proceed to this point without the Colville tribe and Okanagan National saying okay, and getting past the fish issue. We did that.

Shanker's Bend can and will not ever happen. We didn't know, and I still swear to God they don't know at the Colville tribe, that Enloe Dam and

Shanker's Bend are one project.

Is it Enloe Dam, or are we talking about Shanker's Bend, too? I need to know that. It's your understanding this is an Enloe issue?

MR. HOLEMAN: This scoping meeting is specific to Enloe Project, Enloe Hydroelectric Project at Enloe Dam. It does not include Shanker's Bend.

MR. MARCHAND: I wanted to make very sure everybody understood that.

Enloe Dam will never include Shanker's Bend at even a passing conversation, in any meeting. We will not allow it.

Then you can go to the Federal Fish and Wildlife in D.C., or provincial and federal, the state, tribal and federal down here Fish and Wildlife, they won't allow it either.

MR. HOLEMAN: Let me --

MR. HANSON: So, I'm not debating the issue. I'm trying to express a point. I want to emphasize to FERC, I've had to do this at Kelowna when we were meeting with you eight or nine years ago, we had to talk really slow to them. Just wanted to emphasize that, he's right, it is not an issue, and will never be considered an issue when it comes to Enloe Dam.

MR. HOLEMAN: Let me, just for a point of clarification, explain what a preliminary permit does.

When FERC issues a preliminary permit, essentially all that is doing is preserving that site for the holder of that permit for a period of three years while they go through their process of studying that project to determine if it's going to go forward.

They can towards the end of that preliminary permit extend it for a second three-year period, at which time they could be preparing their license application and they have to go through all the process, same process, that any other project would have to go through. Hopefully that helps.

One quick question.

MS. McFADYEN: Okay. I would like to ask you --

MR. HOLEMAN: State your name, please, and spell it.

MS. McFADYEN: Oh. Lee McFadyen from Cawston, M-c-F-A-D-Y-E-N.

I am making an assumption here that that would be the point, when people would again have an opportunity to gain intervenor status on any other project.

MR. HOLEMAN: Yes.

MS. McFADYEN: Thank you.

MR. HOLEMAN: Okay. After that clarification, Jerry Barnes.

MR. BARNES: Jerry with a J, B-A-R-N-E-S. And I'm from Loomis, and this and that photo are of beautiful downtown Loomis. And it was bright and sunny there today. The fog stays in the bottom, or something like that.

I'm here to express our, meaning my, end, our family's support, Barnes Livestock, for the Enloe Project. We have been associated with, we call it south, but southwest side of the river there for about 90 years.

And as a little kid it was always the highlight of the day when we were riding down there to get to see the dam and be close to the river.

And I can't explain why I had a certain sadness when they quit producing electricity. I didn't really, I don't know why.

But anyway, I was sure pleased when they started talking about relicensing it in the '80s and '90s. And of course the frustration there when some unrealistic terms were put on that essentially killed the project.

But this time around those protections, with our friends to the north are there, and we won't be messing with the fish that never were. And we wholeheartedly support the project.

The PUD and the BLM have bent over backward I think to accommodate our concerns on grazing livestock, riparian water rights, that sort of thing, on our side of the river. And to me it's got to be the perfect project.

Hydropower, I would challenge anybody to stand up there and watch that water go by and say that that is not generating power from a renewable resource.

And the wind and solar projects are warm and fuzzy projects, but they are not economically feasible or reliable at this point in time. And Enloe sure will be.

I do have two concerns with the project.

The first one I become aware of here lately, when obviously the BLM, this is going to be part of the action, they are a landowner there, but it became a concern to me when other various agencies started piling on their wish lists as a part of this process to gain approval.

And to me it's just a little bit like

interagency extortion. And this is not Chelan County and this is not Rocky Reach Dam. It's a little backwater dam on a little PUD.

And I don't feel that our ratepayers, paying for the dam and paying for the electricity, need to fund a close to destination resort for folks elsewhere. So, let's keep that down to a reasonable amount of money spent on recreation things. It's looking like another million dollars worth, three-quarters at least.

And the final one, we remain adamantly opposed to unrestricted public access to the southeast side of the river, or trail, foot bridge, whatever. I really can't understand why anyone would think that it should be unrestricted public access to a hydro plant on the other side. So, it just doesn't really make sense.

But anyway, we think it's a great project and we support it fully. And I'm glad I was second.

George, I'm glad you were first -- or third, I mean.

MR. HOLEMAN: Thank you. Rich Bowers.

MR. BOWERS: I am Rich Bowers, B-O-W-E-R-S. I represent the Hydro Reform Coalition. We are about 150 environmental and recreational groups

nationwide and a great number, a large number of intervenors here in Washington state.

Our members have an interest in protecting the environmental, recreational, and other values of a fully connected and continuously flowing Similkameen River.

I want to make three, actually, I had four points I wanted to make, and I am going to add one to it, I will try to do it quick.

These are issues that we think require more complete record than what we have seen in SD1.

The first is that in this day it's really incredible to see a project that is proposing to completely de-water a river for eight months of the year.

SD1 speaks about the aquatic resources and how that will be affected by that, but it fails to address other effects from that de-watering, including esthetic and cultural resources.

The second one is really to go back to the fishery issue, and Scoping Document 1 ignores the discussion of historic range, fish passage and potential habitat values upstream by accepting a consensus that has been achieved. A lot of people have reached that consensus, but not all.

And if we don't address that, you won't get an environment -- an adequate Environmental Assessment, you won't identify reasonable alternatives, and you won't provide opportunities for enhancement and mitigation, all parts of what FERC's trying to do on this project.

The first point is that, and this is going to the Shanker's Bend Project, FERC is required to complete a comprehensive basin analysis, and that needs to look at the cumulative impacts, and cumulative effects or cumulative impacts, and let me read it, it is out of NEPA, "are effects on the environment that result from the incremental impact of an action," Enloe, "when added to other past, present and reasonably foreseeable future actions."

Just a couple of weeks ago we had Shanker's Bend got its preliminary permit, which moves it into the reasonably foreseeable action for FERC.

The fourth one is, really goes to economics. This is the fourth time they've tried to get a license for Enloe. In each of the others it was found to be uneconomic.

In this one it seems that to become economic it has to allow no water in the river, it has to ignore some really important issues, like fisheries

and others and cultural. And if that is the price that has to be paid to make it economic, we think it should be taken a really strong look at, that FERC should probably not issue that.

Now, FERC has no requirement to make sure that a project is economic before it issues a permit. But I would say that it is certainly a public interest.

And a fifth issue was, going back to recreation, and everything I will say on that is right now we look like we're looking at post-licensing on a recreational management plan.

Post-licensing studies don't work. They run into compliance issues. They run into enforcement issues. And adaptive management can't happen if you can't even make the plan until after the project's a done deal.

So, those are my comments, and I appreciate it.

MR. HOLEMAN: Thank you. Okay. Theresa Terbasket.

MS. TERBASKET: I guess my comment to you is --

MR. HOLEMAN: Would you state your name and spell it, please?

MS. TERBASKET: Theresa Terbasket. T-E-R-B-A-S-K-E-T. And my comment is in listening, I hear Shanker's Bend mentioned, and I disagree with that. It hasn't come up before. And I agree with what Arnie said, that it's never been mentioned until just now.

Learning about it is hard to accept. I guess for many reasons. There's many things on that river that mean different things to each one of the tribal members. We have different stories about it. And many other esthetic reasons.

And one of the reasons I really am not in favor of it is I think it's like an addict, since I've been to a meeting, I haven't been to a meeting for a while, it's been, I think the last one I attended was in Omak, and it has been a while, it's been about two years, and representatives have come to the meetings, but I don't get feedback from them, not right away. So, that's my comment.

MR. HOLEMAN: Thank you. Okay. That concludes the people that signed up and made the statement that they wanted to make some sort of a statement.

I'd like to open it up to anybody else who has any question or statement that they would like to

make.

MR. MARCHAND: Arnie Marchand again. M-A-R-C-H-A-N-D.

I wanted to ask a question, that I don't know who can answer it.

Is federal law, will federal law allow the trail, the northwest trail, that empty railroad, will they allow the public to walk that trail next to that dam? Is there a federal law prohibiting that?

Because you can't walk next to Grand Coulee Dam. You can't walk next to Well's Dam or Rocky Reach. You can drive by it. But you can't get off and walk by it, not even close to it. You can't even go see the museum at any of the dams.

My point is, is that anywhere addressed, the trail, the trail they propose? And can FERC answer that, or does the feds. or the dam manager, and we don't have a dam manager in here anyway. Joking.

MS. POTVIN: I'm Jean Potvin. I'm doing the recreation, land use and esthetic section for this NEPA document.

And there is no federal law that would prohibit anybody from walking by the dam.

Now, certain dams, specifically since 9-11, have stipulated that people will not be able to go so

close to the dam if they feel there's going to be a hazard. It could be a project-related reason --

MR. MARCHAND: I'm with the Greater Columbia Water Trail, which is mentioned in your application, I'm part of the Executive Board.

MS. POTVIN: Okay.

MR. MARCHAND: One of our issues is that we don't want this all to happen, and find out the door's going to slam on that.

Because flat water and paddling above and below the dam is part of the recreation plan from here to Walla Walla, portaging all the dams along the Columbia. We don't want the door to slam on this one. That's why I wanted it to be publicly asked, so somebody will answer yes or no.

MR. BOWERS: Rich Bowers with the Hydro Reform Coalition.

FERC is actually required to provide portage around structures such as this. On larger dams, it might be not where you want it to be, it might be a really large walk, and it might not even be done at that. But they are required to provide that.

MR. MARCHAND: Well, we know that with the other dam manager, but this one isn't here yet. I don't want the door to slam on this one.

MR. HOLEMAN: Thank you.

MR. MARCHAND: You are welcome. Glad you came here.

MR. HOLEMAN: Anybody else have any questions or comments.

MR. BOWERS: Rich Bowers, B-O-W-E-R-S. I just want to follow up on Jeremy.

Jeremy, you were giving a little bit on the project cost, and I think you said it was 31 million for construction, 2.6 million for operation, that's all annually, I take it. And then you said it was three million in power.

Is that annually, or what was the three million for?

MR. PRATT: The average annual generation value, the .058 cents per kilowatt hour.

MR. BOWERS: And then how many months is that generating capacity at --

MR. PRATT: Well, it would generate year round, but it would generate at different levels. There would actually be a graph.

MR. BOWERS: I'm sure that's in the report.

MR. PRATT: Yes, it is.

MR. HOLEMAN: Okay. Anyone else?

MR. BOLZ: I'm Ernie Bolz, B-O-L-Z. I'm the PUD Commissioner for this end of the county. And I was asked if I wanted to speak first, and I didn't, but I would like to give a little perspective from the Board of Commissioners' perspective.

One of the things, as all the debate has been going on about Enloe and then about Shanker's and all of this, is that first of all, there's -- the final decision, once FERC makes its ruling, rests in the hands of three people, and that's the Board of Commissioners of Okanogan PUD, for either project, if there would be a Shanker's project.

And, so, you know, the three of us on the board are the people, or the people who will be on the board at that time, whenever it comes up, will make those decisions.

Enloe, again, from my perspective on the board, is of significance to us simply because it's a renewable hydro resource that is in the district and has been for a long time. And now the economics of power are such that it becomes practical to have a generator there again.

In the good old days when we could buy electricity for -- on the market for $25 a megawatt, it wasn't really practical. These days with costs

anywhere from 45 to $300 a megawatt, depending on the time of the year and the demand, Enloe suddenly looks pretty interesting to us. Plus it has some advantages for our whole electrical system, to have a generating source on this far north end of it.

Those of you who are concerned about a Shanker's project, that idea has -- I think those of you who have lived in the county a long time, was born in the mind of some in 1948, and some people hope to live long enough, and you know who I am talking about, to see something happen there.

As a board member, I don't see a connection personally between Shanker's and Enloe. Enloe stands alone.

Anything that would happen at Shanker's might enhance the generation at Enloe. But it is not a factor in considering whether Enloe is successful or not.

We did file for the preliminary application -- preliminary permit for Shanker's simply because there were bigger entities and more powerful entities and richer entities interested in that spot that aren't associated with our county, and we thought we needed to block that from happening until we had a chance to look at it, or the county as a whole,

including all of you in this room, and the folks across the border, have a chance to look at it before somebody big comes in and stomps on us all, or attempts to.

So, we see Shanker's as something that we will think about in the future when we have more information. Enloe is something that we are excited about and hope to see accomplished as soon as possible, which may be, you know, another three, four years, depending on how things move.

So, I really appreciate the turnout tonight, to see all you folks out for this, from both sides of the boundary, and it's great to feel like we are in a larger community where we share resources and have concerns about them, and it was good to hear from all of you.

And I certainly will take to heart, that as I consider Enloe, the things that were said here tonight, plus the studies that are being done.

MR. HOLEMAN: Okay. Tomorrow morning we will have a site visit from nine to twelve. And then another meeting here tomorrow where we expect resource agencies to be here, as well. And that will be from two to four.

The public is welcome also to attend that

meeting. And we will be assembling here at nine o'clock in the morning.

With that, we will adjourn the meeting then at 8:17.

(8:20 p.m.)

* * *

STATE OF WASHINGTON)
) ss.
County of Benton)

I, William J. Bridges, do hereby certify that at the time and place heretofore mentioned in the caption of the foregoing matter, I was a Certified Shorthand Reporter and Notary Public for Washington; that at said time and place I reported in stenotype all testimony adduced and proceedings had in the foregoing matter; that thereafter my notes were reduced to typewriting and that the foregoing transcript consisting of 55 typewritten pages is a true and correct transcript of all such testimony adduced and proceedings had and of the whole thereof.

Witness my hand at Kennewick, Washington, on this _____ day of January, 2009.

_____

William J. Bridges
CSR NO. 2421
Certified Shorthand Reporter
Notary Public for Washington
My commission expires: 11-1-11