

**City of Tacoma
Department of Public Utilities, Light Division (dba Tacoma Power)
Cowlitz River Project
FERC No. 2016**

**Settlement Agreement, License Article 19
Water Access Facilities**

1. INTRODUCTION

1.1 Project Description

The Cowlitz Project (FERC No. 2016) is Tacoma Power's largest electricity generating facility and is located on the Cowlitz River, Lewis County, Washington. The Project consists of two dams, the Mayfield Dam at river mile (RM) 52 and Mossyrock Dam, upstream at RM 65. In addition to the project generating electricity and providing flood control, Tacoma operates 3 major parks, manages approximately 14,000 acres of wildlife lands, and owns and funds operation of the Cowlitz Salmon Hatchery (RM 50) and the Cowlitz Trout Hatchery (RM 42). The Barrier Dam, associated with the Cowlitz Salmon Hatchery is located at RM 49.5. The original 50-year license for the Cowlitz Project was issued on December 28, 1951. A new thirty-five year license was issued March 13, 2002, and then became effective on July 18, 2003.

The Mayfield development completed in 1963 includes a 250-foot high, 850-foot long, concrete arch and gravity dam that impounds Mayfield Lake, which has a maximum surface area of 2,250 acres. In addition to the Cowlitz River, inflows from the Tilton River also contribute to Mayfield Lake, which supports public and private recreational facilities. An 854-foot long power tunnel passes through the right abutment of the dam and terminates at a concrete forebay structure. Four penstocks continue from the forebay structure to the four generating units, which have an installed capacity of 162-megawatts (MW).

The Mossyrock development completed in 1968 includes a 606-foot high double curvature concrete arch dam that creates Riffe Lake, a 23-mile long, 11,830-acre reservoir with 52 miles of shoreline. Riffe Lake supports several parks and other recreational facilities. Three penstocks, varying in length from 248 to 285 feet, extend down to the powerhouse, which is adjacent to the base of the dam. The powerhouse contains two generating units with room for a third, and has a total installed capacity of 300 MW. Transmission lines link the Mossyrock and Mayfield developments.

1.2 FERC License, Settlement Agreement Article 19, Water Access Facilities

The Licensee shall file with the Commission for approval, plans for expenditure of \$67,000 in each of years four, seven and thirteen for additional facilities to improve water access, such as parking, trails to water, ramps and piers. The plan shall be developed in collaboration with the Interagency Committee for Outdoor Recreation, the U.S. Forest Service, the U.S. Fish and Wildlife Service, Lewis County, Washington State Parks and Recreation Commission, and the Washington Department of Fish and Wildlife. The Licensee shall allow a minimum of 30 days for affected agencies and Tribes to comment and to make recommendations prior to filing the plans with the Commission.

The Licensee shall include with the plans documentation of consultation and copies of comments and recommendations, and specific descriptions of how the agencies' comments are accommodated by the plans. If the Licensee does not adopt a recommendation, the filing shall include the Licensee's reasons, based on Project-specific information. The Commission reserves the right to require changes to the plans. No land clearing or land-disturbing activities shall begin until the Licensee is notified by the Commission that the plans have been approved and has received all necessary permits and certifications. Upon Commission approval, the Licensee shall implement the plans, including any changes required by the Commission. Following Commission approval, the plan becomes a requirement of the license, enforceable by the Commission.

1.3 Objective

The objective of this article is to develop a process in 2006 to meet the requirements of Article 19 of the Settlement Agreement for the Cowlitz River Project FERC License. It describes how Tacoma Power will work with a funding committee to set up a mechanism for advertising, soliciting, reviewing and funding water access projects that meet the objectives of the License article.

2. PLAN DEVELOPMENT

2.1 Background

Discussions regarding recreational needs and possible enhancements at the Cowlitz River Project began in 1996 during initial consultation meetings. Tacoma Power and its consultants conducted studies on recreational facilities, current and projected use and on future trends and needs. The Recreational Technical Advisory Committee and the Resource Planning Group, oversight groups consisting of agency, tribal, local government and non-governmental organizations provided oversight. The Recreation Technical Committee met many times during 1998 and 1999 to craft a package of recreational enhancements that met needs identified in the studies and were sensitive to the desires of the local and regional recreational community. Ultimately, the package of recreational enhancements was incorporated into final license negotiations for the comprehensive Settlement Agreement.

Additional water access facilities were supported by studies and public requests. Both agencies and non-governmental groups were interested in these opportunities. The many proposed modifications of the fish management program suggested that new fishing locations could develop. The Recreation Technical Advisory Committee decided that spacing water access improvements in 3 time blocks over the first 13 years of the License would allow them to be built adaptively in areas that would be most useful to the recreating public. In addition, it would allow more than one project to be funded.

2.2 Consultation

The plan for the Water Access Fund will be developed in consultation with representatives from the United States Department of Agriculture – Forest Service (USDAFS), the United States Fish and Wildlife Service (USFWS), the Washington Department of Fish and Wildlife (WDFW), the Washington State Parks and Recreation Commission (WSPRC), the Interagency Committee for Outdoor Recreation (IAC) and Lewis County.

3. PLAN

3.1 Introduction

There is \$201,000 available to fund water access facilities to be spent in \$67,000 increments in license years 4 (2007), 7(2010) and 13(2016). The consulting agencies have agreed that consideration will be given to providing the money in larger or smaller increments and at different intervals than specified in the License Article if there is a resulting public benefit. All funds will be allocated by License year 2016.

The funds will only be available for water access facilities that meet the objectives of Article 19 to include, but not be limited to, such things as parking for water facilities, trails to the water, ramps and piers. Although License Article 19 did not describe the geographic area, Tacoma Power suggests that funds will be available only for projects in the Cowlitz River basin upstream of the mouth of the Toutle River. Funds will only be provided to entities that can ensure the funds will be spent responsibly, that the project(s) built using the funds will be completed within 2 years and that the facility will provide a public benefit for the life of the license period (year 2038). In addition, a project will not be funded that conflicts with existing provisions of the Cowlitz River Project FERC License. Tacoma Power and the other consulting agencies as well as any other governmental, tribal or non-profit groups will be eligible to apply for the funds. In the case of Tacoma Power, only projects that are beyond what is required by the Cowlitz Project License would be considered for funding.

3.2 Proposal

Tacoma Power will convene a committee consisting of members of the consulting agencies willing to sit on a panel to make planning and funding decisions. The Funding Committee will meet in early 2005 to draft a plan for the Water Access Fund. Their task will be to give Tacoma Power direction on writing a plan that will include: 1) funding criteria 2) a process for advertising and soliciting proposals 3) a process for making funding decisions 4) a framework for guaranteeing completion of projects 5) reporting requirements. This plan will be sent to FERC by Jan 30, 2006, for approval after a 30-day review by the agencies and tribes. If the selected plan(s) is within the FERC Project Boundary, the plans must be submitted to Tacoma Power 90 days prior to construction to allow time for FERC review and approval. Funded projects shall have 2 years to expend the money after funding is approved. A final report will be required and will be filed with FERC.

3.2 Schedule

The plan will be developed with the consulting agencies during 2005 and will be sent to FERC by Jan. 30, 2006 after a 30-day review period. The first project(s) to be funded in 2007 are expected to receive approval in early 2007. Construction would need to be completed within 2 years of funding. The second round of funding would begin review in 2009 for funding in 2010 and the last round of funding would begin review in 2015 for funding in 2016.

3.4 Reporting

When the selected projects are completed Tacoma Power will prepare a summary report for FERC, or a summary report will be included in the annual Hydropower Compliance Management Program (HCMP) Report (Article 501).

If the project was built within the Project Boundary, required as-built drawings will be submitted to FERC. Upon FERC approval, aperture cards will be prepared and submitted.

In addition, new recreational improvements within the Project Area will be reflected in the Recreation Report per Article 20 of the new license. This report is due to be filed with FERC in 2009 and every 6 years thereafter.

4. APPENDIX

4.1 Record of Consultation

4.2 30-Day Formal Review Transmittal Letter

APPENDIX 4.1
RECORD OF CONSULTATION
Consultation on Article 19

Date	Agencies/ Committees	Participants	Type of Communication	Topics
09/30/03	WSPRC Tacoma Power	Paul Malmberg Pam Wilkens-Ripp Pat McCarty Debbie Young Tom Martin Cindy Swanberg Ted Lyons	Meeting - Tacoma	<ul style="list-style-type: none"> WSPRC outlined some of their project ideas and locations. Briefly discussed the availability of water access funds for future projects.
10/28/03	Lewis County Tacoma Power	Dennis Hadaller Pat McCarty Debbie Young Tom Martin	Meeting - Chehalis	<ul style="list-style-type: none"> Reviewed recreation articles including 19.
10/31/03	USFWS WDFW Tacoma Power	Gene Stagner Fred Dobler Mark Grabski Cindy Swanberg Debbie Young Observing: Kim Moore Dean McLeod	Meeting - Morton	<ul style="list-style-type: none"> Reviewed articles that influence CWA. WDFW proposed some projects that could be eligible for water access funding.
11/06/03	IAC Tacoma Power	Jim Eychaner Tom Martin Kim Moore Cindy Swanberg	Meeting - Tacoma	<ul style="list-style-type: none"> In large meeting on recreation articles, briefly discussed concept of using water access funding to leverage IAC grants.
11/13/03	IAC WSPRC WDFW USDAFS USFWS Tacoma Power	Jim Eychaner J. Paul Malmberg Pam Wilkens-Ripp Hal Beecher Jack Thorne Gene Stagner Debbie Young Kim Moore Tom Martin Dean McLeod Cindy Swanberg	Meeting-Tumwater	<ul style="list-style-type: none"> Reviewed each part of recreation plan Discussed each agencies issues and interests Briefly discussed process outlined in Article 19 and asked for continued assistance from agencies.
02/05/04	Public WDFW Tacoma Power	Public Richard Vanderlip Casey Morris Cindy Swanberg Kim Moore other Tacoma Power Staff	Meeting – Chehalis	<ul style="list-style-type: none"> Took public comments on recreation plans
02/11/04	USFWS WDFW USDAFS IAC WSPRC	Gene Stagner Hal Beecher Jack Thorne Jim Eychaner Sheila Unger	Letter	<ul style="list-style-type: none"> Asking how consulting agencies want to provide input on early draft of plans.

Date	Agencies/ Committees	Participants	Type of Communication	Topics
03/11/04	IAC, LCBC, USFW, USDAFS, WSPRC, WDFW, The Cowlitz Tribe, The Yakama Nation	Agency Contacts & Tribes	Mailing from Tacoma	<ul style="list-style-type: none"> Settlement Agreement Articles 17, 18 & 19 Draft Plans
03/15/04	USFWS Tacoma Power	Lou Ellyn Jones Cindy Swanberg	Meeting – USFWS office Lacey, WA	<ul style="list-style-type: none"> Overview of recreation articles as they effect wildlife and fish
05/07/04	IAC, LCBC, USFW, USDAFS, WSPRC, WDFW, The Cowlitz Tribe, The Yakama Nation	Agency Contacts & Tribes	Mailing from Tacoma	<ul style="list-style-type: none"> Settlement Agreement Articles 17, 18 and 19 Formal Plan Review
5/11/04	Tacoma Power WDFW	Cindy Swanberg Debbie Young Mark Grabski Richard Vanderlip Casey Morris Fred Dobler Charles Leidy	Meeting	<ul style="list-style-type: none"> In annual WMCC meeting discussed availability of water access fund, timing, and process.
6/8/04	WSPRC Tacoma Power	Pam Wilkens-Ripp Steve Brand Cindy Swanberg	Meeting	<ul style="list-style-type: none"> Discussed state park requests for additional funding, availability of water access funds and process for decision-making.

Abbreviations:

- CWA Cowlitz Wildlife Area
- DNR Department of Natural Resources
- IAC Interagency Committee for Outdoor Recreation
- LCBC Lewis County Board of Commissioners
- USDAFS U.S. Department of Agriculture – Forest Service
- USFWS U.S. Fish and Wildlife Service
- WDFW Washington Department of Fish and Wildlife
- WMCC Wildlife Management Coordinating Committee includes USFWS, WDFW, Tacoma Power
- WSPRC Washington State Parks and Recreation Commission