

# **SPOKANE RIVER PROJECT MEETING**

**Title: Formation Meeting and Alternative Relicensing Workshop**

**Group: Plenary Group**

**Date: 04/17/01**

**Place: Templins Resort  
Post Falls, Idaho**

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**Pre Meeting Agenda**

**Pre Meeting Distribution List**

**The Meeting**

**Meeting Summary**

**Meeting Agenda**

**Meeting Distribution List**

**Meeting Handouts and Attachments**

**Meeting Presentations**

# Final Meeting Summary

## Spokane River Hydroelectric Project Formation Meeting and Alternative Relicensing Workshop

**Date and Location:** April 17, 2001, Templins Resort, Post Falls, Idaho

**Meeting Purpose (as stated on meeting agenda):**

- ◆ Meet others interested in the Spokane River and identify any missing stakeholders.
- ◆ Share information and learn about the Alternative and Traditional Relicensing Processes.
- ◆ Stakeholders start to create the framework for the Spokane River Relicensing Process.

**Summary:**

Contact Kelly Reynolds, [kelly.reynolds@avistacorp.com](mailto:kelly.reynolds@avistacorp.com), 509-495-4486, for copies of the noted handouts that were available at the meeting.

Bob Mansfield of Avista Corporation facilitated the meeting.

Avista Utilities and the Alternative Relicensing Process

Scott Morris, President of Avista Utilities and Vice President of Avista Corporation said he is a strong advocate of a collaborative, alternative relicensing process. He said that the alternative process worked well for all stakeholders when recently used on Avista's Clark Fork Hydroelectric Projects in Montana and Idaho. He wished the group a productive day of working together to begin designing the Spokane River Relicensing Process.

Spokane River Relicensing (handout of this presentation is available)

Steve Silkworth, Avista Utilities' Relicensing Manager and Sandy Mack, Agreement Quest, gave an overview of the Spokane River Project, the regulatory time lines, and why Avista is a proponent of using the Alternative Licensing Procedures.

Steve explained that the Spokane River Project has five hydroelectric developments that operate under one license issued by the Federal Energy Regulatory Commission (FERC), and the current license expires in July 2007. He pointed out that Avista must file its application for a new license with FERC by July 2005, or lose the right to continue operating them. Steve presented a brief summary of each of the five

hydroelectric developments and how they are operated. He said these developments have a total capacity of approximately 138 MW, and an average total of about 100 MW of generation. Operations of the whole system, Steve explained, are influenced greatly by Coeur d'Alene Lake and the natural restriction at the outlet of the Lake.

Steve and Sandy said that Avista is a proponent of using FERC's Alternative Licensing Procedures to relicense the Spokane River Project because it:

- streamlines the relicensing process – initiates the required National Environmental Policy Act (NEPA) review (i.e., the Environmental Assessment or Environmental Impact Statement) much sooner in the relicensing process,
- promotes reaching agreement and resolution of issues,
- gives the local stakeholders more control of decisions,
- facilitates a timely review and license issuance by FERC, which is good for the stakeholders and the affected resources, and
- it works, as evidenced by the success of our Clark Fork relicensing experience.

Steve explained that under the FERC regulations, Avista must have a general consensus of the stakeholders in order to use the Alternative Licensing Procedures.

#### Alternative Licensing Procedures (handout available)

Ann Miles, FERC - Hydro Relicensing Branch Leader, explained FERC's role in relicensing nonfederal hydroelectric projects and the differences between the Traditional relicensing process and the Alternative Licensing Procedures.

Ann said that FERC developed the Alternative Licensing Procedures in response to lessons learned and problems encountered when using the Traditional process. She said that the Traditional process was used for a large group of licenses that expired in 1993. The results were that most of the new licenses were not issued by the existing license expiration dates, most applications needed additional information, and many of the new licenses were appealed. Ann summarized the differences between the two relicensing processes as follows:

<u>Traditional</u>	<u>Alternative</u>
Regulatory design	Flexible design
Most work post-application filing	Most work pre-application filing
Consultation through letters	Consultation through meetings
Applicant/agency driven	Locally driven by all interested parties
Settlement not likely	Settlement more likely
Process redundancies	Process efficiencies
Resource benefits likely delayed	Resource benefits likely occur sooner
No/little pre-filing FERC participation	FERC participation throughout process

Ann said that FERC's experience with the Alternative Licensing Procedures, with 21 such processes already completed and 9 more projects with applications filed, is:

- the relicensing process is completed by the existing license expiration date,
- little additional information is needed following license application filing, and
- there are few appeals of the new licenses.

## Clark Fork Relicensing Panel

A panel of people who were involved with the Clark Fork Relicensing Process, a highly collaborative relicensing effort that utilized an Alternative Licensing Procedures approach, described their experience and answered questions. The panel was moderated by Fred Ayer, Lukas & Ayer, Inc. Comments by each of the panelists are summarized below.

Bob Dunnagan, Trout Unlimited – Trout Unlimited was involved very early in the process as a nongovernment organization. Main concern was native fisheries. Tremendous amount of volunteer time needed. Good results.

Chip Corsi, Idaho Department of Fish and Game – Involved from the beginning. It took time to build trust. Time well spent. Process positive and resulted in PM&E implementation early.

Tony Incashola, Salish Cultural Committee, Confederated Salish & Kootenai Tribes of the Flathead Reservation - Great benefit to have been involved in this process. Important to enter a process like this with an open mind and an open heart and be committed to the whole process and willing to compromise.

Larry Lockhard, U.S. Fish and Wildlife Service – Need to be committed to the process. Very positive because of early implementation of resource protection and mitigation measures.

Ann Miles, Federal Energy Regulatory Commission – Early apprehension turned into a tremendously positive experience. Relationships were established that were valuable when stakeholders went on to working together in the implementation of the agreed upon measures. Facilitation is essential.

## Stakeholder Break-out session

Stakeholders broke into eight smaller discussion groups. Each person briefly described one of their issues to the small group. Then each group identified how they might like to work together to resolve these and other issues. Ideas were generated for the type of process that could be used, what type of communication mechanisms should be used, how decisions should be made, and how disputes should be resolved. Spokespersons for the smaller groups gave a general report back to the larger group. Frequently mentioned ideas included:

- having a collaborative type process where everyone’s interests were listened to and respected,
- use of an independent facilitator,
- use of a variety of communication methods, including face-to-face meetings, written materials, and electronic media,
- use of a consensus-based decision making process, although several different definitions of “consensus” were mentioned, and
- resolution of disputed issues by the local stakeholders whenever possible, possible use of neutral mediators, and use of FERC to resolve disputes only as a means of last resort.

Some concerns were also identified about the size of the group and, therefore, the feasibility of a highly collaborative, consensus-based process, about the required time commitment, and about having daytime versus evening meetings.

## Next Steps and Meeting Closure

Steve Silkworth said a summary of the meeting would be developed and distributed to the participants for review and comment. He noted some of the common messages he had heard from the meeting participants, and said he looked forward to discussing those things and other details of the relicensing process with as many stakeholders as he could in the next few weeks and months.

Steve also encouraged anyone with questions or who might otherwise want to discuss the Spokane River Project or the relicensing process to contact him directly. He said he wants to further understand their interests and work together towards designing a relicensing process that will best meet the needs of all stakeholders. He said he anticipated that the next group meeting might be appropriate sometime in July or August, but he'd have a better sense of that after looking at the comments provided here today (participants were asked to complete a brief questionnaire) and his individual follow-up discussions. He said that everyone on the mailing list would be notified of the next meeting date and time once it was clearer what the appropriate timing might be.

Steve thanked everyone for attending, asked if there were any remaining questions, and hearing none the meeting was adjourned.