



Your Northwest renewables utility

June 29, 2015

VIA ELECTRONIC FILING

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission (FERC)
888 First Street NE
Washington, DC 20426

**Re: Jackson Hydroelectric Project, FERC No. 2157
Fish Habitat Enhancement Plan 2014 Annual Report
License Appendix G A-LA 12**

Dear Secretary Bose:

Enclosed is Public Utility District No. 1 of Snohomish County's Fish Habitat Enhancement Plan 2014 Annual Report pursuant to the Jackson Hydroelectric Project's License Appendix G A-LA12. The draft report was provided to the Aquatic Resource Committee for a 30-day review and comment period; consultation documentation is included in the report's appendix.

If you have any questions on the Fish Habitat Enhancement Plan 2014 Annual Report, please contact Dawn Presler, Sr. Environmental Coordinator, at (425) 783-1709 or DJPresler@snopud.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Craig W. Collar".

Craig W. Collar, P.E.
Assistant General Manager of Generation
CWCollar@snopud.com
(425) 783-1825

Enclosed: FHEP 2014 Annual Report

Henry M. Jackson Hydroelectric Project (FERC No. 2157)



Fish Habitat Enhancement Plan: 2014 Annual Report (A-LA 12)



Everett, WA

June 2015

Final – This document has been prepared for the District. It has been peer-reviewed by the District for accuracy and formatting based on information known at the time of its preparation and with that understanding is considered complete by the District. The document may be cited as:

Public Utility District No. 1 of Snohomish County (District). 2015. Fish Habitat Enhancement Plan: 2014 Annual Report (A-LA 12) for the Henry M. Jackson Hydroelectric Project, FERC No. 2157. June 2015.

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1.0 INTRODUCTION

Public Utility District No. 1 of Snohomish County (the District) received a license on September 2, 2011 (License), from the Federal Energy Regulatory Commission (FERC) for the Henry M. Jackson Hydroelectric Project (Project). License Ordering Paragraphs D (Washington Department of Ecology 401 Water Quality Certification conditions) and E (U.S. Forest Service section 4(e) conditions) require the District to implement Aquatic License Article 12: Fish Habitat Enhancement Plan (A-LA 12) as detailed in License Appendix G. The District filed the Fish Habitat Enhancement Plan (FHE Plan) with the FERC on November 19, 2010.

As indicated in the FHE Plan, funded projects will be designed to provide additional Project-related enhancements to aquatic resources and hydrologic processes focused in the Sultan River basin; thereby, providing considerable benefits to aquatic habitat and anadromous and resident fish populations throughout the License term. These additional habitat enhancement projects, working in conjunction with other protection, mitigation and enhancement measures, such as improved side channel connectivity, increased instream flows, and the anticipated fish passage at the Diversion Dam, will likely substantially increase the quantity and quality of aquatic habitat and performance of anadromous and resident fish populations in the lower Sultan River. Establishment of the ongoing FHE Plan and Habitat Enhancement Account (HEA) will also allow for adaptive management as conditions change in the basin. The mitigation provided through the fund will best address habitat enhancement and restoration needs throughout the License term by allowing flexibility to ensure that these other habitat enhancement and restoration projects are developed and implemented during the License term.

Pursuant to Section 6.2 of the FHE Plan, the District is to prepare a report by June 30 of each year detailing activities that occurred the previous year and activities planned for the present year as they relate to implementation of FHE Plan-approved projects. This FHE Plan Annual Report, covering activities conducted in 2014 and planned for 2015, has been provided to the Aquatic Resources Committee (ARC) for a 30-day review and comment period. The ARC consists of the City of Everett, City of Sultan, Snohomish County, Washington Department of Ecology, Washington Department of Fish and Wildlife, Tulalip Tribes, U.S. Forest Service, National Marine Fisheries Service, U.S. Fish and Wildlife Service, and American Whitewater. Consultation documentation is included in Appendix 1.

2.0 ACTIVITIES FOR YEAR 2014

2.1 Project Selection

No new FHE project proposals were provided to the ARC for approval at the fourth quarter 2014 ARC Meeting.

2.2 Project Implementation

Two projects were previously approved for funding in 2013 with activities described below.

2.2.1 Lower Skykomish River Restoration Project

In the spring of 2014, the riparian restoration floodplain flood fencing was constructed totaling 5,624 lineal feet of cottonwood flood fencing. The Labish site instream salmon habitat enhancement project design was completed; taken from 90% design through the construction bid package and out for competitive bid in June. Instream construction at the Groeneveld site was accomplished in July to include 2 instream flood fence arrays and 6 wood jams. Twenty-five large rootwad logs, ballasted with habitat boulders, were placed in the backwater channel at the Bahnmillier site in September. The Labish site construction was completed in two phases in August and October consisting of 6 instream flood fence arrays, one small ballasted logjam, a larger ballasted wood placement structure and an extensive 350 foot bank rehabilitation component with 19 edge complexity structures, floodplain flood fencing, and 1.2 acres of riparian plantings. A total of 25 acres were treated for invasive vegetation, primarily knotweed, in preparation for riparian plantings and construction site rehabilitation. As-built data collection was conducted and an as-built report was completed.

2.2.2 Lower Sultan River Riparian Restoration

Treatment of knotweed and blackberry infestation continued in spring and fall 2014. Treatment included:

- Knotweed – canes bent then foliar application of broadleaf herbicide in late summer, or foliar application after flowering in early fall.
- Blackberry – typically cut and allowed to re-sprout, then foliar application of broadleaf herbicide 1 month later.
- Ivy – cut from base of tree to separate plant from food source, then base of tree receives foliar application.
- Holly – small plants sprayed with foliar application; large plants stem injected.
- Scotch broom and Butterfly bush – pulled with weed wrench and composted on site.
- Most common herbicides used are glyphosate or Imazapyr.

During the fall 2014, treated patches were replanted with the following:

- 80 Cedar -15 gal
- 50 Sitka Spruce – 15 gal
- 30 BL Maple – 15 gal
- 50 Vine Maple – 1 gal
- 50 Indian Plum – 1 gal
- 40 Cottonwoods whips – 6 ft

2.3 Project Monitoring

No monitoring of FHE Plan habitat projects was conducted since no FHE-funded habitat projects were completed in 2014.

3.0 ACTIVITIES FOR YEAR 2015

3.1 Project Selection

During the 4Q 2014 ARC meeting on October 15, 2014, no new proposals were submitted for consideration for funding in 2014. The District continues the multi-year effort on two previously ARC-approved, FHE-funded projects.

3.2 Project Implementation

3.2.1 Lower Skykomish River Restoration Project

The 1.1 miles of floodplain flood fencing that was installed in the spring 2014 will be inter-planted with mixed native conifer species and big-leaf maple. Invasive vegetation (blackberry) will be cut in preparation of the planting and an additional 1,000 feet of flood fencing installed in 2006 for a separate project will be inter-planted. At the Labish site, 7 acres of formerly agriculture pasture and immature deciduous riparian will be planted with native vegetation (predominantly mixed conifer species) as part of the Conservation Reserve Enhancement Program, led by the Snohomish Conservation District. Construction project permit reporting will be completed. Project monitoring including habitat inventory, channel form, and water quality will be initiated. Invasive vegetation treatment will be conducted this late summer for knotweed over 25 acres. Monitoring of the project for construction integrity will be conducted this summer during low flow allowing for additional plantings and minor repairs to be made this summer and fall.

3.2.2 Lower Sultan River Riparian Restoration

Year 3 activities will include re-treatment of all areas treated in 2014, as needed, and additional canvassing of selected properties where invasive species were mapped in 2014. A fraction of areas treated in 2014 will require a third year of follow-up treatment in 2015. Those sites would be revegetated, as needed, following the 2015 treatment season. A brief report will be prepared, for the ARC's review, discussing the methods and effectiveness of this project.

4.0 FUND BALANCE

As of January 1, 2015, the fund's account balance was \$2,323,272.43. However, this balance does not reflect amounts not yet spent towards approved projects and reserves for potential slides. The balance of unallocated funds for use on future projects is \$1,430,917.58, as follows:

Fund Start	\$ 2,500,000.00
Interest to-date (12/31/14)	+\$ 14,078.96
Subtotal	\$ 2,514,078.96
Confluence property acquisition	- \$ 4,861.38 (closed)
Future slides reserve	- \$ 500,000.00 (allocated)
Hochfeld property acquisition	- \$ 173,300.00 (allocated)

Lower Skykomish River restoration	- \$ 175,000.00 (allocated)
Riparian restoration Sultan River	- \$ 230,000.00 (allocated)
Total	\$1,430,917.58

5.0 FHE PLAN RECOMMENDATIONS

No recommendations for changes to the FHE Plan are being made at this time.

Appendix 1

Consultation Documentation Regarding Draft Report

Presler, Dawn

From: Presler, Dawn
Sent: Tuesday, May 26, 2015 2:13 PM
To: 'Steven Fransen' (steven.m.fransen@noaa.gov); 'Tim_Romanski@fws.gov' (Tim_Romanski@fws.gov); 'Loren Everest - USFS' (leverest@fs.fed.us); Anne Savery; 'brock.applegate@dfw.wa.gov' (brock.applegate@dfw.wa.gov); 'James (ECY) Pacheco' (JPAC461@ECY.WA.GOV); 'Mike.Rustay@co.snohomish.wa.us'; 'Jim Miller' (JMiller@ci.everett.wa.us); Tom O'Keefe; Mick Matheson
Cc: Binkley, Keith
Subject: Jackson Hydro (FERC No. 2157) - ALA12 FHE Plan DRAFT annual report 2014 for ARC 30day review and comment period
Attachments: 2014 FHEP Draft Annual Report for ARC 30day review.pdf

Dear ARC,
Attached is the draft Fish Habitat Enhancement Plan Draft Annual Report for 2014 for the Jackson Project for your 30-day review and comment. Please provide comments, if any, back to me (with cc: to Keith) by June 25, 2015 (although earlier would be appreciated). Failure to respond will be deemed approval as written. An email stating you have no comment on the draft report would be appreciated too. Thanks!

Dawn Presler
Sr. Environmental Coordinator
Generation Resources
(425) 783-1709

Public Utility District No. 1 of Snohomish County
PO Box 1107
Everett, WA 98206-1107

Presler, Dawn

From: Pacheco, James (ECY) <JPAC461@ecy.wa.gov>
Sent: Thursday, May 28, 2015 4:05 PM
To: Presler, Dawn
Subject: RE: Jackson Hydro (FERC No. 2157) - ALA12 FHE Plan DRAFT annual report 2014 for ARC 30day review and comment period

Thanks Dawn.

I have read the report and I have no comment.

Jim

From: Presler, Dawn [mailto:DJPresler@SNOPUD.com]
Sent: Tuesday, May 26, 2015 2:13 PM
To: 'Steven Fransen' (steven.m.fransen@noaa.gov); 'Tim_Romanski@fws.gov' (Tim_Romanski@fws.gov); 'Loren Everest - USFS' (leverest@fs.fed.us); Anne Savery; Applegate, Brock A (DFW); Pacheco, James (ECY); 'Mike.Rustay@co.snohomish.wa.us'; 'Jim Miller' (JMiller@ci.everett.wa.us); Tom O'Keefe; Mick Matheson
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Dawn Presler

Sr. Environmental Coordinator

Generation Resources

(425) 783-1709

Public Utility District No. 1 of Snohomish County

PO Box 1107

Everett, WA 98206-1107

Presler, Dawn

From: Presler, Dawn
Sent: Thursday, June 25, 2015 3:16 PM
To: Applegate, Brock A (DFW)
Cc: Binkley, Keith
Subject: Re: Jackson Hydro (FERC No. 2157) - ALA12 FHE Plan DRAFT annual report 2014 for ARC 30day review and comment period

Received your comments and will add this to the next ARC agenda for discussion. Hope you are staying cool given all the hot weather we are having.

Dawn

On Jun 25, 2015, at 2:35 PM, Applegate, Brock A (DFW) <Brock.Applegate@dfw.wa.gov> wrote:

Hello ARC, I have one comment on the use of the Fish Habitat Enhancement (FHE) Funds. We have used over twice as much funds for restoration projects versus purchases of habitat easements/acquisitions. If we are interested in increasing purchases of easements and fee title of riparian habitat, I recommend we contract with a land trust group and/or SnoPUD's real estate department to seek out potential habitat purchases. I recommend we add this topic to the next ARC Meeting Agenda in July.

Thanks for sending the Annual Report out for our review.

Sincerely, Brock

Brock Applegate
Renewable Energy/Major Projects Mitigation Biologist
Washington Department of Fish and Wildlife
P.O. Box 1100
111 Sherman St. (physical address)
La Conner, WA 98257-9612

(360) 466-4345 x244 (office)
(360) 789-0578 (cell)
(360) 466-0515 (fax)

From: Presler, Dawn [<mailto:DJPresler@SNOPUD.com>]
Sent: Tuesday, May 26, 2015 2:13 PM
To: 'Steven Fransen' (steven.m.fransen@noaa.gov); 'Tim Romanski@fws.gov' (Tim_Romanski@fws.gov); 'Loren Everest - USFS' (leverest@fs.fed.us); Anne Savery; Applegate, Brock A (DFW); Pacheco, James (ECY); 'Mike.Rustay@co.snohomish.wa.us'; 'Jim Miller' (JMiller@ci.everett.wa.us); Tom O'Keefe; Mick Matheson
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