

ALASKA POWER AUTHORITY  
SUSITNA HYDROELECTRIC PROJECT  
SETTLEMENT PROCESS

POSITION PAPER DISCUSSION MEETING #8

June 10, 1985

Northern Lights Inn  
598 W. Northern Lights Blvd.  
Anchorage, Alaska

New Business: Pre-Filing Consultation Package  
License Application Amendment  
Position Papers W-17/18, R-6

A T T E N D E E S

Tom Arminski, APA  
Douglas Baker, Harza  
Pam Bergmann, HE  
Randy Fairbanks, HE  
Chris Godfrey, EPA  
Mike Granata, ADNR  
Debrah Hebner, ADNR  
Mark Kuwada, ADF&G  
Leroy Latta, ADNR

Gary Letcher, BHB  
Eric Marchegiani, APA  
Dan McKay, ADF&G  
Jack Robinson, HE  
Brad Smith, NMFS  
Rick Suttle, HE  
Susan Tomasky, VFS&C  
Jim Thrall, HE  
Steve Wilson, USFWS

# ALASKA POWER AUTHORITY

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June 14, 1985  
Susitna File No. 1.8.1/6.18.8.8/1.17.4.2

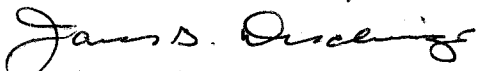
Mr. Don McKay  
Alaska Department of Fish & Game  
333 Raspberry Road  
Anchorage, Alaska 99502

Subject: Susitna Hydroelectric Project  
Transcript Transmittal

Dear Mr. McKay:

Please find enclosed for your use one copy of the Eighth Position Paper Discussion Meeting Transcript.

Sincerely,



James B. Dischinger  
Project Manager  
Susitna Hydroelectric Project

sdw

Enc: as noted

cc w/o Enc:

T. Arminski, Power Authority  
C. Curtis, VFS&C (DC)  
J. Lowenfels, BHBP&A  
W. Larson, HE

ALASKA DEPT. OF  
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HABITAT  
REGIONAL OFFICE

12948

Susitna File # 6.18.8.8

ALASKA POWER AUTHORITY  
SUSITNA HYDROELECTRIC PROJECT  
SETTLEMENT PROCESS

POSITION PAPER DISCUSSION MEETING #8

8:30 a.m.  
June 10, 1985  
Alyeska Room  
Northern Lights Inn  
Anchorage, Alaska

\* \* \* \* \*

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CHARZA EBASCO

11 JUN 85 1:28

P R O C E E D I N G S

1  
2 MR. ARMINSKI: We've got a lot of new faces  
3 here today, either because people are on vacation or for one rea-  
4 son or another, and I think what we should do is maybe go around  
5 and introduce ourselves, especially for the benefit of Susan,  
6 who's visiting us from Washington, D.C., who'd like to know who  
7 all of you are. Susan is with our law firm, Van Ness, et al.,  
8 in D.C., and this is, I think, your first trip up here?

9 MS. TOMASKY: Yes. Yes.

10 MR. ARMINSKI: So, Susan Tomasky. Chris,  
11 why don't you start off?

12 MS. GODFRED: Chris Godfred with EPA.

13 MR. GRANATA: Oh, Michael Granata, Department  
14 of Natural Resources.

15 MR. LATTA: Leroy Latta, DNR.

16 MS. HEBNER: And Deborah Hebner, DNR.

17 MS. BERGMANN: Pam Bergmann from Harza Ebasco  
18 and I manage the social science program.

19 MR. SUTTLE: Rick Suttle, Harza Ebasco.

20 MR. ROBINSON: Jack Robinson, Harza Ebasco.

21 MR. FAIRBANKS: Randy Fairbanks, Harza Ebasco,  
22 and I manage the terrestrial programs.

23 MR. THRALL: Jim Thrall, Harza Ebasco, I'm  
24 the chief chicken herder.

25 MR. MARCHEGIANI: Eric Marchegiani with the

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1 Power Authority.

2 MR. SMITH: Brad Smith, National Marine  
3 Fisheries.

4 MR. WILSON: Steve Wilson, Fish & Wildlife  
5 Service, I'm substitutin for Hank Hoskins this morning.

6 MR. MCKAY: Don McKay, Alaska Department  
7 of Fish & Game, Habitat Division.

8 MR. KUWADA: Mark Kuwada, Fish & Game, Habi-  
9 tat Division.

10 MR. LETCHER: Gary Letcher with the law firm  
11 of Birch, Horton, Bittner, and I'm filling in for Jeff Lowenfels  
12 today. I know some of you, I think, through my recent experience  
13 with the Division of Mining.

14 MR. ARMINSKI: Okay, the first thing we wanted  
15 to do today is discuss the prefiling consultation package. I  
16 think most of you've probably got it by now and you've had a chance  
17 to look at it. I just want to say briefly that this is a package  
18 that we sent out, it's -- for 30-day review, and it's kind of  
19 a precursor to the draft amendment that we're going to prepare  
20 for the three-stage project. What we'd like is -- formally, are  
21 your comments on this thing so that we can use those in the pre-  
22 paration of the amendment. And I think I'd probably just turn  
23 it open, now, if anyone's got any questions on it or --

24 MR. SMITH: Has there been any thought about  
25 having something like a workshop on the information that was

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1 presented in that package? A lot of the graphs and charts and  
2 such, even though they're backed up by the main text, I think  
3 I'd like to have a little walking through of some of the material  
4 in the appendices. And I don't know whether we could do it infor-  
5 mally or --

6 MR. ARMINSKI: Yes, as a matter of fact we  
7 had discussed amongst ourselves having a workshop on this. And  
8 I think Jim Thrall'd probably be available to organize it. Would  
9 you want to give like a week of review before we have that or  
10 -- you know, what do you think is an appropriate time frame to  
11 do it in?

12 MR. SMITH: Well, if we're going to try to  
13 meet the 30-day response period, it's probably, you know, what  
14 are we doing after lunch. But I don't know what -- whether you'd  
15 want to relax that, the June 30th --

16 MR. ARMINSKI: -- Well, no, I don't think  
17 we're in favor of relaxing it, but certainly we could try to put  
18 together some sort of a workshop, you know, quickly, if everyone  
19 feels that it's needed. And if it's not -- I mean, if it's not,  
20 favorable to the whole group --

21 MR. SMITH: -- Well, maybe let's --

22 MR. ARMINSKI: -- we could just --

23 MR. SMITH: -- give everybody a week to go  
24 through the material and see whether they think it would be worth-  
25 while or not.

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1 MR. ARMINSKI: You know, we're always avail-  
2 able for individual counseling on the thing.

3 MR. THRALL: What would be the simplest,  
4 I think, and maybe the most useful, is set something up so --  
5 not a workshop in the sense of a very structured thing where we  
6 get up with a lot of charts and go through it, but something,  
7 rather, where you come in and sit down with us and we could have  
8 Larry Gilbertson and Gene Gemperline, or example, in the fisheries  
9 and the aquatic area run through briefly what the package con-  
10 tains, how it was put together, and then get into a discussion,  
11 more of a question/answer type of thing. Would that --

12 MR. SMITH: Yeah.

13 MR. THRALL: Would that be -- I think that  
14 we can do almost --

15 MR. SMITH: -- I'd just as soon get away  
16 from the real formal --

17 MR. THRALL: If you give us a day or two's  
18 notice. We could do it two ways. Either we could just, you  
19 know --

20 MR. MARCHEGIANI: I think if we leave it  
21 to just happening, it may not happen. I think our best bet's  
22 to set up something and maybe a week from today on Monday meet  
23 at 9:00, is that -- is that a problem?

24 MR. SMITH: Not for me.

25 MR. THRALL: Yeah, we can just -- Well,

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1 that's -- 9:00 is -- Monday mornings are never -- 1:00 would be  
2 great

3 MR. MARCHEGIANI: Okay, well, 1:00. Let's  
4 make it 1:00, sixth floor?

5 MR. THRALL: Yes, 1:00, sixth floor, in our  
6 conference room. And the only thing I would ask is if everyone  
7 who plans to attend would let me know between now and the end  
8 of the week sometime, give me an idea who from -- you know, how  
9 many people from your respective organizations are going to be  
10 attending, and what their interests are. And we will set some-  
11 thing up accordingly.

12 MR. GRANATA: It would be better for us on  
13 Friday, but perhaps we could discuss that.

14 MR. THRALL: We could have a separate one.

15 MR. GRANATA: Yes, that's a --

16 MR. THRALL: -- Yes, particularly if we go  
17 to this format of a smaller, more of a technical thing, it really  
18 is -- the more people we have at one shot, obviously, the less  
19 problems in terms of just time. But we can certainly do it  
20 several times with individual groups. So we'll set something up  
21 for next Monday at 1:00, and please let us know. We might even  
22 want to split it up into two or three working groups if we get  
23 different agencies with different interests.

24 MR. ARMINSKI: Okay. Any other discussion  
25 on this consultation package?

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1 MR. SMITH: Well, maybe just briefly go over  
2 what the procedural part of this is and where we're --

3 MR. ARMINSKI: Okay, we'll take the comments  
4 from this and we will use those to prepare the draft amendment.  
5 And the draft amendment will be a thing that we're going to submit  
6 to FERC. And we'll take -- the draft amendment should come out,  
7 I believe, about the first of August. And we'll distribute that  
8 to all the parties, and there will be a -- the formal 60-day con-  
9 sultation on that as required by the regulations. And then we'll  
10 take your comments and finalize that amendment. The amendment,  
11 once it's submitted to FERC, basically just replaces the license.  
12 And it's a substitution so that the license will be, in effect,  
13 voided, and I think that's the way to think of it. So what we're  
14 trying to do is prepare an amendment that's -- really, there's  
15 two ways of doing this. We could prepare a shorter amendment  
16 that references a lot of the material that's in the license in  
17 the previous documents so that you'd have a -- kind of a -- some-  
18 thing that you'd have to refer to all these other documents.  
19 Or what we could do is prepare a kind of a stand-alone document.  
20 In a sense it would be like a new license application. And that's  
21 what we're going to try to do here so that we'll extract all the  
22 pertinent information from the old license and the other documents  
23 that have been prepared and try to provide any new information  
24 that's been developed in the studies over the last couple years  
25 and put it into this amendment, so that basically what we've got

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1 is a complete stand-alone document that's got the most current  
2 information in it. And then after that has been reviewed and  
3 revised, we'll submit that to FERC, and we'll begin the licen-  
4 sing process, in a sense, over again. And we still -- I think  
5 we're still unsure as to what they're going to do about the draft  
6 environmental impact statement, whether or not we're going to  
7 have a second draft environmental impact statement or whether  
8 they're going to take and finalize the draft that they've got  
9 now and prepare a supplemental that relates to this staging of  
10 the project. So I don't think --

11 MS. TOMASKY: There will be some opportunity  
12 for comment. The real question on the supplement will be is it  
13 simply a supplement, which strictly speaking means it deals with  
14 simply the incremental effects of staging and doesn't over --  
15 constitute an overall assurance of the draft environmental impact  
16 statement, or will they issue what's called a revised environmental  
17 impact -- draft environmental impact statement, which is a restate-  
18 ment of the broad issues incorporating the staging information,  
19 but not simply limited to the incremental differences between  
20 the two-stage proposal and the three-stage proposal. And our  
21 understanding at this point is that FERC doesn't -- hasn't made  
22 a decision as to how they would proceed. And what the draft amend-  
23 ment looks like is going to be critical to that decision. But  
24 there will be a comment opportunity.

25 MR. SMITH: Have they ruled or decided on

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1 the Case E-VI submittal, whether that constituted a change that  
2 would require -- was that submitted as a formal amendment? Or  
3 is that going to be made part --

4 MS. TOMASKY: -- It wasn't submitted as --

5 MR. SMITH: -- or is that going to be made  
6 part of this document?

7 MS. TOMASKY: It was not submitted as a for-  
8 mal amendment and it will be incorporated into the draft amendment  
9 at this point, so there would be opportunity to comment on that.

10 MR. ARMINSKI: Yes, we expect that once we  
11 submit the amendment FERC will have us distribute it again as  
12 soon as it's accepted for another review and comment period.  
13 So there's basically about -- let's see, we've got one, two, three  
14 opportunities to comment on this material. Leroy?

15 MR. LATTA: No, I was just rubbing my fore-  
16 head.

17 MR. ARMINSKI: Okay, well, I think that we  
18 all recognize that we're going to be very busy with this amendment  
19 business for the next several months, so we've decided that the  
20 best thing to do is kind of hold the settlement process in abey-  
21 ance until we had the amendment taken care of. The -- I think  
22 one thing I'd like to maybe just kind of throw out for people  
23 to think about is identification of issues through this review  
24 of the amendment. As you all know, we spent -- that's Harza Ebasco  
25 and the Power Authority spent a month or so, or several months,

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1 going through all the correspondence that had ever been written,  
2 and testimony on the original project to identify the 56 issues.  
3 And it was kind of an artificial list in some senses because  
4 issues that were identified early on really had been resolved  
5 already and we were just kind of going through a formal process  
6 of getting rid of those. And I think that through the amendment  
7 process it may be a way of discarding a lot of those issues so  
8 that we don't have to address them either through formal agree-  
9 ments or whatever, or even revised issue papers. And so I just  
10 -- I'm just saying that maybe we can, if everyone's in agreement,  
11 revise the issues based on the information that's presented in  
12 the amendment. And we can shorten this process somewhat.

13 MR. SMITH: I guess I don't follow the rea-  
14 soning, I don't quite understand what you're getting at.

15 MR. ARMINSKI: Well, we've got -- we've got  
16 56 issues that we came up with based on, you know, the reviews  
17 of the draft license application, the license application and  
18 whatever comments had been provided the Power Authority over the  
19 years. And I think that through the studies and some of the  
20 information we've developed we could agree that some of those  
21 issues are no longer issues. And I'm thinking of the amendment  
22 -- going through this amendment process as being one way of dis-  
23 carding some of those issues without having to reach a formal  
24 agreement on them that they've been resolved. For example, we  
25 would look at the comments on the amendment and we could, from

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1 that point, start afresh and say, "Well, these are the issues  
2 that still need to be resolved". You know, for example, we may  
3 all agree that, you know, a case like E-VI is the appropriate  
4 type of flow regime, but we still need to quantify flows and reach  
5 an agreement on that. That might be one issue. The issue of  
6 changes in pH, you know, I -- we may think, "Well, that really  
7 doesn't concern us any longer and let's not bring it up again  
8 or continue with it through the settlement process, let's just  
9 forget about it". And, you know, we'll have some information  
10 in the amendment that'll say, you know, based on such and such,  
11 you know, we don't believe there's going to be any changes in  
12 pH in the reservoir. Can basically resolve that issue by a state-  
13 ment in the amendment. And, you know, we can -- I think we can  
14 probably cut the number of issues that we've have to discuss in  
15 the settlement process in half.

16 MR. SMITH: Would the Power Authority make  
17 the first cut at the cut? Would you go --

18 MR. ARMINSKI: -- Well, I think the --

19 MR. SMITH: -- through the issues list and  
20 decide which ones probably fit that --

21 MR. ARMINSKI: Well, I think the cut would  
22 be made -- either call it a cut or an identification process based  
23 on the comments that are made on the amendment. You know, what-  
24 ever you comment on as being of concern in the amendment would  
25 become an issue to be resolved. You know, if there weren't any

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1 comments on pH, or there weren't any comments on temperature or  
2 caribou road kills, we could just presume that those were all  
3 resolved already.

4 MR. SMITH: Now, before the comments are  
5 back on the prefiling consultation package or the amendment, will  
6 you have already done a reanalysis of all the issues papers in  
7 light of the staging and submitted something to the agencies or  
8 is that going to occur after you've got our comments back now?

9 MR. ARMINSKI: I think we're going to have  
10 to wait on that. There's just -- for two reasons. One, there's  
11 physically, I don't think, enough time for us to go through and  
12 revise all those issue papers with respect to staging, because  
13 we've got a -- I think, a pretty monumental task here to get this  
14 amendment in the amount of time we've allotted ourselves. And  
15 secondly, at least my feeling is I'm hopeful that we won't have  
16 to go through and revise all these issue papers because they're  
17 really nonissues.

18 MR. MARCHEGIANI: There may be some new ones.

19 MR. ARMINSKI: Yes, there may be new ones.

20 MR. THRALL: But very few, we hope. But  
21 basically, if no one comments on anything, we assume then that  
22 it's no longer an issue. Is that --

23 MR. ARMINSKI: That's what I would like.  
24 And, you know, I don't know how that sits with everyone else.

25 MR. SMITH: Well, whether it's an -- that

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1 it's ceased to be an issue or simply that it's been resolved.

2 MR. THRALL: Well, that, yes, we would hope  
3 if nobody commented on pH in the reservoir, pH changes, that we  
4 would, when we resume the settlement process, we simply don't  
5 have to include that among our list of issues to be resolved.  
6 That's the simplest -- to me, the simplest way to put it. If  
7 acceptable.

8 MR. ARMINSKI: Anything else anyone wants  
9 to talk about with respect to this? Okay, let's get into the  
10 papers. The first one today is W-17/18, and this is the feasi-  
11 bility and desirability of specific options for habitat compensa-  
12 tion. Our position is that based on the available information  
13 we can compensate for habitat losses and that we will continue  
14 studies to refine our estimates for compensation. I think Randy's  
15 going to discuss this one, aren't you, Randy?

16 MR. FAIRBANKS: Okay, this paper basically  
17 presents the summary of the planning process that has been on-  
18 going regarding development of compensation measures for terres-  
19 trial resources. It's based on -- well, analysis of methods for  
20 habitat enhancement is based on some detailed literature reviews,  
21 some field surveys of candidate lands have been conducted. The  
22 paper describes the process used to date for defining the candi-  
23 date lands that have been defined. And I might note that consi-  
24 derable refinement of that list and narrowing down of the specific  
25 areas we expect to have completed this summer. And we also expect

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1 to have an updated and fairly specific plan outlined in the --  
2 in the amendment. That'd open it up to questions and comments.

3 MR. KUWADA: Well, I guess I've got a comment  
4 starting on Page 1 under the position statement. The third sen-  
5 tence says "The Alaska Power Authority continues to sponsor studies  
6 to refine estimates of habitat removal" and so on and so on.  
7 It was our understanding that funding for studies to develop a  
8 carrying capacity model haven't been provided for this coming  
9 year. Is that going to change?

10 MR. FAIRBANKS: Well, to my knowledge, the  
11 total picture hasn't been defined yet for funding for FY86.

12 MR. ARMINSKI: We're talking to some of the  
13 legislative aides to find out what the intent was of the legisla-  
14 tion that allocated our budget. There seems to be some confusion  
15 regarding the million dollar cut that we had. And it's still  
16 in the process of being resolved, so it's still open at this point.

17 MR. MARCHEGIANI: But in any case, Tom, if  
18 it's not funded this year is it presumable that we would do it  
19 the following year?

20 MR. ARMINSKI: Yes, I think --

21 MR. MARCHEGIANI: -- I don't know enough  
22 about the study to --

23 MR. ARMINSKI: You know, I think so.

24 MR. THRALL: Yes, that's the basis of our  
25 discussions with Richard and between Richard and Carl Schneider.

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1 MR. MARCHEGIANI: The commitment's there  
2 to do --

3 MR. KUWADA: -- I think it's going to be  
4 essential for the mitigation.

5 MR. MARCHEGIANI: Right.

6 MR. KUWADA: The next comment I had was on  
7 this Table 1 on the next page. I was wondering why in the foot-  
8 note there it talks about what's included and its effect and it  
9 doesn't seem the borrow sites or sediment ponds are included in  
10 terms of total acreage?

11 MR. FAIRBANKS: I believe they are. Yes,  
12 I can verify that and it should be listed there, but I'm essen-  
13 tially sure they are -- they are included. The extent of borrow  
14 sites outside of the impoundment zone is included.

15 MR. KUWADA: And then it mentions airstrips  
16 and I think there's only going to be one airstrip, isn't there?

17 MR. FAIRBANKS: Correct.

18 MR. KUWADA: That's it for that page. Page  
19 3, the second sentence, we think the goal -- let's see, this says  
20 "The goal is to narrow the number of candidate lands down to those  
21 that satisfy the management objectives of all land agencies or  
22 owners involved". Maybe you might modify that to "land and  
23 resource agencies".

24 MR. FAIRBANKS: Sure.

25 MR. KUWADA: And then further on in the paper

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1 where it discusses burning and crushing and logging, we thought  
2 it might be useful if there was some type of comparative analysis  
3 between the different techniques as to which one might be more  
4 valuable or have better success. And also in terms of -- well,  
5 I guess crushing, particularly, if you could provide some of the  
6 vegetative types that are most responsive to that type of tech-  
7 nique.

8 MR. FAIRBANKS: We could do a little more  
9 in here, but this three pages or so basically summarizes a much  
10 more detailed report, I don't know if you've seen that --

11 MR. KUWADA: -- I haven't, no --

12 MR. FAIRBANKS: -- that we completed last  
13 year on enhancement methods. It's cited in the back. And if  
14 you really want more detail, that's probably the best place.  
15 "Habitat Management, Methods to Increase Moose Browse Production  
16 in Alaska, Review, Synthesis and Annotated Bibliography of Avail-  
17 able Information", a 70-page report.

18 MR. KUWADA: And we have that report?

19 MR. FAIRBANKS: Right, yes.

20 MR. KUWADA: Okay, next comment is on Page  
21 8, first paragraph under Habitat Preservation, the last sentence  
22 there, "These are lands that currently support healthy populations  
23 of targeted wildlife species, selected to be retained for the  
24 primary purposes of maintaining the support of those species  
25 during the project operational period". We think that the period

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1 should extend through the license, it shouldn't just be confined  
2 to the operational period but through the license.

3 MR. FAIRBANKS: Yes, I think that's the  
4 intent.

5 MR. KUWADA: Through construction, I mean.

6 MR. FAIRBANKS: Right. You mean the con-  
7 struction and operational phases?

8 MR. KUWADA: Yes. And I think that's all  
9 I have. Did you want to mention anything, Don?

10 MR. MCKAY: No, not really. The -- someplace  
11 or other there's a map of the proposed Prairie Creek area to be  
12 somehow acquired for protection of brown bear. At some point  
13 in time the Department of Fish & Game submitted a map estimate  
14 of how much land would be required to protect those bears and  
15 basically it reflected something of a mile corridor within about  
16 the same area that you have indicated here, so near as I can tell  
17 this is roughly a half mile corridor.

18 MR. FAIRBANKS: Okay, this -- this corridor  
19 is just intended to be a general location, nothing else. It  
20 doesn't define the specific boundaries on any mitigation maps.

21 MR. ARMINSKI: And actually, Don, we're trying  
22 to enter into an agreement with the Native corporations that own  
23 this land to develop a whole land use plan for this area. And  
24 the intent is to reserve a corridor along Prairie Creek that would  
25 have no development, and then there would be constraints on land

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1 use that lie outside of the corridor because I think everybody  
2 recognizes that just preserving a corridor isn't going to make  
3 a lot of difference if -- if you've got it completely built up  
4 with recreational cabins on the fringe. And so we're in the pro-  
5 cess of trying to get a land use planner to work with the Native  
6 corporations basically as -- as their planner to identify the  
7 land use capabilities out there and develop a plan with us that  
8 preserves this habitat. So it's more really than is shown here.

9 MR. WILSON: I have some comments that were  
10 prepared by Hank Hoskins. I'll attempt to read his comments.  
11 I'll be limited in my ability to be very responsive to any ques-  
12 tions concerning these comments, but I will write down any ques-  
13 tions for Hank and he said he'd get right back to you with any  
14 answers to -- that may be posed as a result of these comments.  
15 On Page 8 under Habitat Preservation the proposed Prairie Creek  
16 corridor under consideration for replacement lands as undisturbed  
17 brown bear habitat is approximately eight miles long and one mile  
18 wide. Since brown bears travel great distances to feed at Prairie  
19 Creek, please discuss any curbations (ph) that are likely to occur  
20 outside of the corridor which will interrupt bear travel lanes  
21 and preclude the bears from utilizing salmon resources. Are there  
22 any known or expected roads or facilities that will isolate the  
23 Prairie Creek corridor from brown bear use? So that's posed as  
24 a question, I guess.

25 MR. FAIRBANKS: That's something we can more

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1 fully address in a future revision of the paper.

2 MR. WILSON: On Page 9, the second paragraph,  
3 the statement is made, "Additional areas of undisturbed forest  
4 types that contains streams and wetlands are under consideration  
5 for habitat compensation". The Fish & Wildlife supports the set-  
6 ting aside of a 35,000 acre block of land as a bear, furbearer  
7 management area. Ideally this area should be comprised of con-  
8 tiguous parcels containing native timber and remain undisturbed  
9 for the life of the project. Then he asks a question here, "Has  
10 the Alaska Power Authority investigated this possibility with  
11 Native landowners to establish such a management area with other  
12 than fee title options?" This type of management area, along  
13 with enhancement of habitat for moose or wildlife habitat lands  
14 as listed in the Susitna area plan, would help to mitigate impacts  
15 on the 55,000 acres listed in Table 1. The Fish & Wildlife Ser-  
16 vice feels that an expanded Prairie Creek corridor and/or the  
17 establishment of a bear, furbearer management area would go a  
18 long way in meeting Item 2 of habitat compensation planning listed  
19 on Page 10, which states "Protection of important wildlife habi-  
20 tats, including special use areas, undisturbed forest and asso-  
21 ciated riparian and wetland areas". And that was his comment  
22 on that particular paragraph.

23 On Page 11, last paragraph, the statement is made that  
24 old growth mixed white spruce/paper birch forest will be given  
25 preference over closed black spruce forest". Because -- because

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1 the focus -- I'm having a little trouble with his writing here.  
2 (Pause) Need a little interpretation here on this. (Pause)  
3 I'm going to have to go on to the next sentence here, I guess.  
4 Please keep in mind that the mitigation policy statement does  
5 not provide for the discretionary exclusion of these species which  
6 have adapted to black spruce forest. Simply because black spruce  
7 forest is abundant in the surrounding region does not mean that  
8 there is room for more animals. That was the extent of Hank's  
9 comments on this particular issue.

10 MR. ARMINSKI: Leroy?

11 MR. LATTA: Generally we're in favor of the  
12 position paper, but we've got several comments and I've given  
13 our reporter copies of Kay Brown, Director of Oil and Gas's com-  
14 ments, which were hand-delivered to the meeting, I haven't seen  
15 them yet myself. We've got some comments -- everybody's moving  
16 at DNR so it's been real frantic. Got some comments from AG,  
17 which I gave her a copy of, and a handwritten copy I got from  
18 Forestry this morning, she's got a copy of those. I also gave  
19 her a copy of some fairly detailed reviews that Debbie made on  
20 the matrix. And I assume that the contractor had considerable  
21 trouble reading the maps because there is --

22 MR. FAIRBANKS: Yes, I recognize the meri-  
23 dians are all off, yes, the township, range identifiers.

24 MR. LATTA: And Deb can explain that if any-  
25 body wants to get into it. But one of the -- One thing you should

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1 be aware of, the final draft of the Susitna Plan is out. This  
2 is one of 25 copies. The printer has got it backordered for ano-  
3 ther month before we're going to have general distribution copies,  
4 but the edition that was used for the matrix and for the position  
5 paper was the agency review draft which has been followed by the  
6 public review draft and now the final review draft. We've got  
7 an order in to get the pertinent parts Xeroxed so you'll get those  
8 as soon as possible. Not to rub salt in the wound, we're still  
9 working on that clerk. But we have identified in this mark-up  
10 copy with a little dot and then down the margin which designations  
11 have changed since the agency review draft.

12 MR. ARMINSKI: What's the process to finalize  
13 the final draft?

14 MR. LATTA: What do you mean, what's the  
15 process to final -- It's final. As far as we're concerned, it's  
16 done.

17 MR. ARMINSKI: Okay, so it's final.

18 MR. LATTA: It's done. Now it's five years  
19 for the next review, got to go through the whole shooting match,  
20 public review, agency review and everything to amend it now.  
21 It's -- I'll check and make sure it's signed, but -- DNR's Commis-  
22 sioner's signed it, Fish & Game's hasn't. And the Borough, Gary  
23 Thurlow's signed it. So DNR and the Borough have signed off on  
24 the final draft of the plan, so I would say it's -- that's the  
25 rules for the next five years, unless someone wants to start an

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1 earlier change. I did -- I also gave her a copy of our December  
2 11th memo. Those concerns really haven't changed, and most of  
3 those haven't been addressed in the matrix, so --

4 MR. FAIRBANKS: Basically this is still the  
5 same matrix?

6 MR. LATTA: It is exactly the same, yes.

7 MR. FAIRBANKS: It's just updated, the text  
8 is updated but the wording and stuff hasn't changed. In fact,  
9 we're kind of waiting before we went the next step -- or, go to  
10 the next step, anyway, in the next month or so, but we were wai-  
11 ting for this official memo or letter from DNR and ADF&G that  
12 was in the works. I guess that's -- as I understand it, it's  
13 kind of fallen by the wayside now, or is not going to be --

14 MR. LATTA: Well, our -- our department's  
15 position is we're still trying to get it signed. And that's about  
16 as -- "the check's in the mail", "one size fits all" -- Don't  
17 put that in the record.

18 REPORTER: It's too late now.

19 MR. FAIRBANKS: Do you know what the status  
20 is.

21 MR. LATTA: But anyway we're still working  
22 on it. I have a few modifications or concerns with the position  
23 paper. Page i, and that would also apply to the main body, we're  
24 talking 56,000 acres in this one, so is that the latest, I assume?

25 MR. FAIRBANKS: No, that's just -- these

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1 are just general --

2 MR. LATTA: -- General numbers --

3 MR. FAIRBANKS: This is just a general des-  
4 cription of the total amount of area to be affected, not neces-  
5 sarily the amount of land that would be needed or -- but just  
6 to give some general perspective.

7 MR. LATTA: It keeps changing. On the second  
8 page, second line, it says, "protection of important wildlife  
9 habitats", and I would suggest a more definitive word than "impor-  
10 tant". And I don't know if it would be "unique", I don't -- I  
11 think we'd have to work that out, but "important" is just so broad  
12 that we're a little concerned about that.

13 MR. FAIRBANKS: Well, we wanted to leave  
14 it fairly broad there in terms of the types of land that could  
15 be used in that category. This is not a -- this again is a  
16 general statement in terms of it representing the -- you know,  
17 the types of land that we would be looking for. I don't know,  
18 I don't have a suggestion for another --

19 MR. LATTA: Just off the top of my head,  
20 "unique", but I don't know -- I mean, I think we need to work  
21 with Fish & Game on that, I don't know. We'd like to see "special  
22 use areas" defined because that's really not a DNR term, and we'd  
23 just like to find out exactly what you mean when you say that.  
24 About midway in the next paragraph it says "fall of '85", so I  
25 think you probably mean spring, but it says "were made" and it

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1 isn't -- it either would be "will be made" or else it would be  
2 "were made" either in '84 or --

3 MR. FAIRBANKS: That should be '84.

4 MR. LATTA: Okay, '84.

5 MR. FAIRBANKS: Yes.

6 MR. LATTA: On Page 1 of the main paper it  
7 makes the statement one, two, three, fourth line down in the Posi-  
8 tion heading it says, "fullest extent feasible", and our foresters  
9 are very concerned with that phrase, and they would like it nar-  
10 rowed a little bit more than -- you know, we talked in a technical  
11 or a -- they're very concerned with that.

12 MR. ARMINSKI: Can you explain that a little  
13 bit further?

14 MR. LATTA: Well, let me read it. This  
15 meeting was like five minutes before I got here so we didn't have  
16 a lot of time to talk about it but it says, "It is our position  
17 that available information supports these measures and that by  
18 employing these measures compensation for project-related reduc-  
19 tions in habitat value will be achieved to the fullest extent  
20 feasible" and, I mean, that's real subjective. You know, "for  
21 the most effective" -- "for the most affected wildlife species".  
22 And Forestry, you know, is real concerned with the acreage that's  
23 involved, and --

24 MR. ARMINSKI: In other words, we'll be cut-  
25 ting into State forests for habitat compensation?

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1 MR. LATTA: Right, and when you say "the  
2 fullest extent feasible", I mean, feasible to who? Forestry's  
3 idea of what's feasible, Fish & Game's idea of what's feasible,  
4 your idea of what's feasible is just really -- they're real con-  
5 cerned with that phrase. On Page 2, last paragraph, one, two,  
6 three, four, fifth line, it says, "land use designation in the  
7 Susitna Area Plan", and we've brought that up before, it's clas-  
8 sification, those are land use classifications. So we'd just  
9 like it changed throughout to classification. The asterisk for  
10 the footnote, there's no asterisk on the page, so that's just  
11 minor.

12 MR. FAIRBANKS: Yes, I think that's supposed  
13 to refer to the 21 areas.

14 MR. LATTA: Yes. Phase 1, Page 3, again  
15 it says "on land designated to be managed as wildlife habitat"  
16 and then it goes on to say "avoid areas to be proposed for special  
17 use designation". "Designated to be managed" and "special use  
18 designation" really aren't DNR terms and we either need to define  
19 them so we -- you know, we all know what you're talking about.

20 MR. FAIRBANKS: Yes, I've got say "classified"  
21 again rather than "designated".

22 MR. LATTA: Let's see. Page 8, the third  
23 line, it talks about "long-scale", and I was wondering if you  
24 meant "long-term" or "large-scale", I wasn't sure what "long-scale"  
25 was.

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1 MR. FAIRBANKS: Yes.

2 MR. LATTA: Page 9, "A legislative proposal  
3 to protect the primary calving grounds of the Nelchina caribou  
4 herd by establishment of the Nelchina Public Use Area is currently  
5 under consideration by the Alaska State Legislature". And I think  
6 Don, hasn't that been enacted?

7 MR. FAIRBANKS: Yes.

8 MR. MCKAY: Yes, it has, right.

9 MR. LATTA: In the appendices under the head-  
10 ing "Notes on Column Headings", Item h. says "ADF&G will be  
11 responsible for burning or crushing of vegetation for the purpose  
12 of habitat enhancement on State lands". Forestry doesn't agree  
13 with that at all. And if it's on game refuges -- you want to,  
14 you know, add game refuges and take out state lands, then it's  
15 fine. But in terms of burning and crushing on state lands,  
16 especially forested lands, Forestry's real concerned about that.  
17 Again --

18 MR. MARCHEGIANI: Would it be a combination  
19 thereof?

20 MR. LATTA: Well, it would depend -- in terms  
21 of land management DNR's the land managers, unless it's a game  
22 refuge. Especially having to do with burning, I think that the  
23 mitigation plan would certainly be developed in concert with Fish  
24 & Game, but in terms of the actual call as to burning, what's  
25 burned and what's crushed, I think we need to -- right this minute

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1 I'd say no, but I think we've got a lot of talking to do before  
2 -- that's something that ought to be in this joint memo, for  
3 example, you know. But right now -- right now Forestry's very  
4 concerned and they -- they see that as their responsibility, un-  
5 less it's on a game refuge.

6 MR. MARCHEGIANI: Couldn't we put something  
7 in that would state something, that there would be coordination  
8 with Fish & Game?

9 MR. LATTA: Yeah, there'd certainly be coor-  
10 dination with Fish & Game, I think that's part of the mitigation  
11 plan. You might -- you might mention the mitigation plan in that  
12 section, but for fire control, that's us, and for any crushing  
13 of marketable timbers, Forestry -- Forestry's very concerned.

14 MR. ARMINSKI: Okay, we'll put you down as  
15 the manager.

16 MR. LATTA: And then Area D1 again is pro-  
17 posed for legislative designation as a state forest, and that  
18 is Forestry's prime baby, and this is sacred ground. So if we  
19 could just take it out, that'd be the best.

20 MR. MARCHEGIANI: Where are you at?

21 MR. ARINSKI: Which one's that?

22 MR. LATTA: Area D1, it's on the first legal-  
23 sized sheet. I was speaking on the land designations. That is  
24 proposed for the Susitna State Forest, I think is the name of  
25 it. And they're very concerned that that's still in there. And

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1 that's covered in our -- I think in our December memo. And that's  
2 all I've got -- Oh, one other thing. In terms of -- in terms  
3 of the Prairie Creek brown bear habitat, you might want to add  
4 a note that an in-stream flow reservation for fish protection  
5 -- you know, you're going to need to protect the salmon for the  
6 -- I think as a mitigation measure for the bears, just an in-stream  
7 reservation for the fish. That's kind of secondary to this paper.

8 MR. FAIRBANKS: Say that again?

9 MR. LATTA: Okay, an in-stream flow reserva-  
10 tion -- Do you want to explain that?

11 MR. GRANATA: We were suggesting that with  
12 the negotiations you're having with the Natives that perhaps you  
13 could also not -- we're not suggesting who, either APA or one  
14 of the resource agencies file for an instream flow reservation  
15 on the -- on the flows at Prairie Creek to protect the fisheries  
16 habitat.

17 MR. ARMINSKI: Do we have to do an in-stream  
18 flow study?

19 MR. GRANATA: Yes.

20 MR. ARMINSKI: Are there any --

21 MR. LATTA: There's lots of ways to do them,  
22 three or four ways.

23 MR. ARMINSKI: That's what I -- that's my  
24 question, to what level of detail?

25 MR. LATTA: I don't know if we can answer

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1 that right this minute.

2 MR. GRANATA: Yes, that's hard to answer  
3 right now. To a -- I'd say to a fairly high level of --

4 MR. FAIRBANKS: How would future development  
5 or other activities affect in-stream flow in Prairie Creek?

6 MR. GRANATA: Well, that's -- that's a detail  
7 that has to be looked into in light of any development on Stephan  
8 Lake. In-stream flows from Stephan Lake would have to be main-  
9 tained, depending on the writing of the reservation. So that  
10 may impede certain development on Stephan Lake protecting the  
11 fishery.

12 MR. ARMINSKI: Doesn't -- Doesn't ADF&G in  
13 16.05.870 accomplish the same purpose?

14 MR. GRANATA: I -- I really couldn't address  
15 that.

16 MR. ARMINSKI: The anadromous fish permit.  
17 I think basically through that permitting process there's no --  
18 there's not supposed to be any diminishment of fisheries resources

19 MR. GRANATA: Well, we wouldn't -- Our reser-  
20 vation doesn't diminish the resource, it protects the flow for  
21 the resource. And I guess in that sense it'd be different.

22 MR. ARMINSKI: It would be different.

23 MR. MARCHEGIANI: What you could do, and  
24 this is -- I mean, a strange way of trying to get around to ques-  
25 tion. What you could do is a put a gauge in the stream and gauge

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1 the stream for the next couple years, okay, and just from the  
2 hydrology of the stream, what you could do is reserve that flow  
3 or approximately that flow for the fish purposes without doing,  
4 let's say, a very detailed in-stream flow analysis. I wouldn't  
5 advocate this in all situations.

6 MR. GRANATA: Well, the regulations read  
7 that you can maintain levels as well as flows, so --

8 MR. MARCHEGIANI: Okay, whatever. But basi-  
9 cally do that, and then, if the developer wished to change that  
10 flow, okay, because he felt that the flow could be used for some  
11 other beneficial purpose and fisheries resource did not need all  
12 that flow, they can come back in and amend that.

13 MR. GRANATA: Right.

14 MR. ARMINSKI: Who's the burden on? Yes,  
15 that's interesting, because if we put a gauge in there and reserve  
16 -- make an application to reserve 100% of the flow for fisheries,  
17 number one, would you -- is it realistic to suppose that that  
18 flow would be reserved? And then two, if it were reserved, any-  
19 one that applied for a use, would they -- would it be their bur-  
20 den to prove that that wasn't a detriment to the fisheries?

21 MR. GRANATA: Well, number one, I would say  
22 that we'd be talking to Fish & Game on that to see if 100% of  
23 those flows were adequate. And I would venture to guess that  
24 we wouldn't reserve 100% of the flows. So, yes, in reference  
25 to your second question, the burden would be on the new applicant.

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1 Speculatively speaking, a new developer coming in needing certain  
2 flows, a new -- I couldn't imagine what that would entail. Per-  
3 haps a lodge at Stephan Lake or downstream. It would probably  
4 be -- it would be the burden of that new developer to come in.

5 MR. MARCHEGIANI: I don't think we'd ever  
6 get a chance to do it, though, because basically what it boils  
7 down to is we'll be dealing with Native lands, and if we tried  
8 to reserve 100% of the flow, the first thing that -- it's unfor-  
9 tunate Bruce is not here because he'd speak up, sure as shooting.  
10 What they'd turn around and say is, you know, they're going to  
11 need "X" amount of water for something, and I don't know what,  
12 but -- And in any case, if we tried to reserve 100% of the flow  
13 in any public hearing be guaranteed that Bruce would be there  
14 and he'd turn around and tell us that we couldn't do that, and  
15 he'd oppose it. And that, in a sense, it would end up in your  
16 lap, and then you might bounce it back to us.

17 MR. GRANATA: Or perhaps not. You know,  
18 certain strategies are different. Reserving 100% of the flow  
19 may prove beneficial to the lake itself.

20 MR. THRALL: Wouldn't this be the Natives  
21 that have to do this reservations anyhow?

22 MR. GRANATA: No.

23 MR. THRALL: Or would it be the Power  
24 Authority?

25 MR. ARMINSKI: Anybody.

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1 MR. GRANATA: It could be anybody.

2 MR. THRALL: But I mean in this case wouldn't  
3 it be more sensible for them to be the ones reserving the flow?

4 MR. LATTA: They wouldn't oppose their own  
5 application, yes.

6 MR. GRANATA: Well, you see, Jim, if the  
7 Power Authority were to negotiate with the Natives to protect  
8 that corridor, then I would say it would be the Power Authority's  
9 game.

10 MR. THRALL: Yes, they would -- they would  
11 negotiate at the same time as a part of the protection would be  
12 to reserve the flow. It seems to me from a -- I'm just --

13 MR. GRANATA: I would say that a good way  
14 to do it is to have joint application. Have various organizations  
15 come in together and work on this for the mutual benefits of all.

16 MR. THRALL: Is there a way that you can  
17 define how much detail would be needed for an in-stream flow?  
18 In other words, I think -- Eric?

19 MR. MARCHEGIANI: Yes?

20 MR. THRALL: Want to listen to this? I think  
21 that the thought that Eric -- one of them behind what Eric was  
22 saying was that if you're going to request a conservatively high  
23 flow to protect the fish you should be able to do with the minimum  
24 type of study, absent any other obvious competing uses, that  
25 doesn't foreclose someone later on coming in. I think the interest

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1 is to keep the total in-stream flow study effort at a minimum  
2 as long as you're going to be going in a conservatively high  
3 reservation.

4 MR. GRANATA: I agree.

5 MR. THRALL: Is there some way to define  
6 that?

7 MR. GRANATA: Yes. In that case we would  
8 -- we would look at proposals, or pre-application, if you will,  
9 and discuss that. The in-stream flow reservation legislation  
10 is fairly new to the state, so I would imagine that the regula-  
11 tions are broad enough to open it to discussion. They're not  
12 really set in concrete.

13 MR. THRALL: So we make some sort of a --  
14 what do you call it?

15 MR. MARCHEGIANI: Pre-application --

16 MR. THRALL: -- Pre-application --

17 MR. MARCHEGIANI: -- proposal.

18 MR. THRALL: -- proposal?

19 MR. GRANATA: A letter stating that you plan  
20 on doing -- once you've decided to go that route.

21 MR. MARCHEGIANI: Do we have any -- just  
22 out of curiosity, I'm not even aware, maybe Jim may know. Do  
23 we have any fisheries information on Prairie Creek on Fish & Game  
24 reports at all? Has anybody just flown over the area, walked  
25 the area, looked at the area at all?

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1 MR. ARMINSKI: Yes, I think Fish & Game has  
2 done some --

3 MR. THRALL: There are -- there are data,  
4 we -- in our comments on the DEIS I think we dredged up a lot  
5 of the Fish & Game work on this.

6 MR. MARCHEGIANI: So, I mean, it's not like  
7 we're devoid of any information. I mean, there is biological  
8 information. There probably isn't a stream gauge on it, which  
9 might be beneficial for us to install.

10 MR. LATTA: We brought it up for discussion --

11 MR. GRANATA: It was a suggestion, yes --

12 MR. LATTA: -- and consideration, you know,  
13 just so you guys . . .

14 MR. ARMINSKI: Any other comments? Does  
15 anybody need DNR's written comments right away, so that we should  
16 copy them, or can everyone wait for the transcript? Okay, they'll  
17 be in the transcript. The next paper is R-6, this is the signi-  
18 ficance of recreational activities of project construction workers  
19 on fish and wildlife resources in the Susitna River Watershed.  
20 Our position is that the recreational activities of construction  
21 workers may result in reduced populations in streams and lakes  
22 near the camps, and the local populations of bear and moose may  
23 be reduced if substantial numbers of workers elect to hunt in  
24 the area. We believe that mitigation measures that are proposed  
25 in the paper will reduce the associated impacts as much as

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1 practical, and that the extent of the remaining impacts depends  
2 largely on the fishing and hunting regulations in the project  
3 area, and -- or adjacent landowners' consent for hunting and  
4 fishing. Rick, are you --

5 MR. SUTTLE: Yes. The focus of the paper  
6 was essentially to elaborate on the potential recreation or leisure  
7 activities of the construction workers, particularly as it relates  
8 to impacts on the hunting and fishing of the fish and wildlife  
9 resources in the area. The basic sources that we used were some  
10 of the refinements of worker numbers that was done for the project  
11 not for staging but for the design refinements. And then some  
12 of the Fish & Game's resource information pertaining to big game  
13 and resources in general, particularly the one done for the --  
14 as, I think, a back-up to the Susitna Area planning study, and  
15 previous on-going mitigation reports done within Harza Ebasco,  
16 particularly like the raptor mitigation report. The approach  
17 taken was to take somewhat of a worst case scenario with respect  
18 to assuming no transportation plan and workers having free access  
19 in terms of vehicular access. That's pretty much the way the  
20 paper was presented.

21 MR. GRANATA: I have one thing to add. The  
22 Division of Parks and Outdoor Recreation were at a disadvantage  
23 -- were they at a disadvantage?

24 MR. LATTA: That's one of our hand-delivered  
25 ones.

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1 MR. GRANATA: I'm not even going to attempt  
2 to read this to the record, so perhaps I can --

3 MR. LATTA: We're in favor of it.

4 MR. GRANATA: Yes, okay. What I was going  
5 to say is that they had a -- they were doing a lot of moving this  
6 week and so we didn't really expect to hear from them for this  
7 meeting, but obviously I was mistaken.

8 MR. LATTA: Well, we've -- I gave her a copy  
9 of Parks' comments and then Oil & Gas also commented, and she's  
10 got a copy of those. But we don't have any major concerns.

11 MR. KUWADA: I guess the first comment we  
12 have is why a worst case scenario was used in this particular  
13 issue paper. I mean, it's great, but, you know, it doesn't seem  
14 like we've had a worst case scenario analyzed in any of the other  
15 issue papers that we've looked at. Is there some reason that  
16 it was in this instance?

17 MR. SUTTLE: I think -- I believe the main  
18 reason was because of the worker transportation plan really wasn't  
19 -- hasn't been established and we're still working on that, and  
20 it's a key component that's going to affect the impacts related  
21 to this particular issue. I think that, the way it was set, that's  
22 the main reason it was set up for this.

23 MR. KUWADA: And so the air bus system, I  
24 guess, you said last time still has to be approved by the Board.  
25 So does everything else that we see in these papers represent

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1 Board-approved positions?

2 MR. ARMINSKI: Well, the Board hasn't really  
3 approved any of these positions, in a sense, and I'm not -- and  
4 I don't believe that the Board is going to be involved in approving  
5 every one of these positions. The worker transportation plan  
6 is one of these things that's -- you know, I think it's signifi-  
7 cant with respect to cost and the operations of the project.  
8 And quite frankly, I'm not sure that the Board is going to have  
9 approve that one either. We haven't -- really haven't defined,  
10 you know, what requires a Board-level approval.

11 MR. KUWADA: I guess it's just not clear  
12 to us why the -- you know, the air bus system is such a sensitive  
13 issue that it's been, you know, excluded from most of the discus-  
14 sion --

15 MR. ARMINSKI: -- Well, it's not -- it's not  
16 sensitive, per se, it's complicated, more than anything, I think.  
17 It involves labor contracts which are going to be negotiated some  
18 time in the future. It's -- you know, it's an item that there  
19 are certain cost trade-offs that have to be considered. It's  
20 -- you know, it's just -- it's a more complicated issue, and I  
21 think -- you know, there's a hesitancy, probably, to make a deci-  
22 sion on it, because you do jeopardize -- well, basically, your  
23 labor contracts in the future. You know, the opportunity to nego-  
24 tiate certain things by committing to this at this point. So  
25 I think it's just -- it's just one of these things that's, you

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1 know, taking a long time to be developed. I think from a fish  
2 and wildlife perspective and a socioeconomic perspective, you  
3 know, we wholeheartedly endorse, you know, air bus. But, you  
4 know, from the labor contract standpoint it may not be the best  
5 thing. So it's just -- it's one of these things we're just not  
6 able to deal with yet.

7 MR. KUWADA: Well, on this type of issue  
8 paper I think, you know, we can't really sign off on it until  
9 after the issue is resolved. It's a pretty important component  
10 on what the ultimate impact will be.

11 MR. MARCHEGIANI: That's part of the -- that's  
12 part of the reason why we've looked at it from a worst case  
13 scenario. I mean, it goes back to your original question, okay.  
14 By looking at it from a worst case scenario we provide that infor-  
15 mation, rather than say, "Okay, it's going to be this way". You  
16 it would've been very -- it would be very easy for us to say "It's  
17 going to be this way" and then all of a sudden three years or  
18 five years down the line all of a sudden somebody comes in and  
19 says "No, it's not going to be that way" and it's a different  
20 way. And then you're going to be mad at us.

21 MR. KUWADA: My main concern was just that  
22 the air bus system was being, as I perceived it, kind of phased  
23 out or swept under the rug, and I just wanted to make sure that  
24 that was still a viable alternative to this worst case analysis  
25 that we're seeing in here.

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1 MR. ARMINSKI: Yes, it's not -- it's not  
2 being swept under the rug.

3 MS. BERGMANN: The other thing I'd add, Mark,  
4 is that the socioeconomic papers took the same approach as this  
5 paper. We indicated, for affects on lifestyles of community resi-  
6 dents, employment, whatever, we took the worst case scenario and  
7 did the same thing with those, and then said, assuming our worker  
8 transportation plan, here's what the impacts will be, and in many  
9 cases those impacts will go away, or they're not very important  
10 anymore. And we're hoping to take that whole plan several steps  
11 forward so that when we write the license amendment we can have  
12 a decision and make your question a moot point. We're hoping  
13 we can get some strong directions because that'll make it a lot  
14 easier for us. It's just that this is the way we're planning  
15 to do it.

16 MR. KUWADA: I think a worst case scenario's  
17 great but, you know, it just hasn't been made available in any  
18 of the other issue papers and it just sort of --

19 MS. BERGMANN: Well, yes, and you probably  
20 aren't as familiar with the socioeconomic ones.

21 MR. KUWADA: No, uh-uh.

22 MS. BERGMANN: Yes, I just wanted to point  
23 out that in those papers that we also took the same approach.  
24 So this one wasn't the only paper that was unique.

25 MR. FAIRBANKS: I think also in the two

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1 wildlife papers that deal most heavily with the transportation  
2 plan the same situation was used, sort of a worst case scenario  
3 assuming the license application case was actually analyzed.

4 MR. KUWADA: The next question I have is  
5 on -- I guess it's Page 4 of the Executive Summary, and there's  
6 also a comment -- a related comment on Page 5. They talk about  
7 prohibiting privately-owned snowmobiles or all-terrain vehicles  
8 on site on Page 4, and then on Page 5 they prohibit firearms within  
9 the project sites. Have those -- has that been defined, "project  
10 site" versus "project area"? "On-site" versus "off-site", that  
11 type of thing?

12 MR. SUTTLE: The on-site or the project site,  
13 as we're planning to use it, Mark, are the -- is defined in the  
14 license application as the immediate project boundary, the license  
15 application project boundary.

16 MR. LATTA: So you're talking outside the  
17 construction area?

18 MR. SUTTLE: Yes. Yes, just the other thing  
19 is, Figure 1 on this was inadvertantly left out, and there's copies  
20 of that over on the table, and it shows an approximate project  
21 boundary that we're talking about. It's the same -- it's somewhat  
22 conceptual at this scale, but it's the same boundary that's shown  
23 in the -- I believe Exhibit G of the license application.

24 MR. KUWADA: So it's in the license applica-  
25 tion? Okay, the next question I have is on Page 5 of the Executive

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1 Summary again, Number 2, says, "Provide data from fish and wild-  
2 life monitoring investigations to regulatory agencies". We're  
3 wondering what type of data this would be, when it would be pro-  
4 vided, and how often, what the scheduling is, you know. We would  
5 suggest a monitoring program that would perhaps define angler  
6 use and angler effort and the harvests that were being taken.  
7 I understand that regulations and mitigation within the APA pro-  
8 cess here hasn't gone down too well in the past, but if the  
9 state's to implement certain regulations to compensate for the  
10 increased harvest in the area, we're going to be needing this  
11 type of information, the effort, the harvest, things of that  
12 nature.

13 MR. THRALL: We're in the process right now  
14 of putting together on the aquatic side, for example, this moni-  
15 toring plan. That's the sort of thing that would need to have  
16 the coordination between what's being said here, and I think,  
17 Rick, you've talked to the people putting together the monitoring  
18 plan, because --

19 MR. SUTTLE: -- Right.

20 MR. ARMINSKI: Mark, for that kind of data,  
21 you know, creek census, whatever, would it be appropriate to fund  
22 the ADF&G with an RSA to expand its sport fisheries program to  
23 include this sort of thing?

24 MR. KUWADA: I think would be -- Yeah, I  
25 think it would --

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1 MR. ARMINSKI: Rather than doing it ourselves  
2 Then you could just integrate that information in your regular  
3 programs.

4 MR. KUWADA: Okay, another point I had on  
5 Page 5, I guess I guess I skipped it, was right before the mitiga-  
6 tion measures. It says "Stock sport fish species in lakes within  
7 walking distance of construction camps". I think borrow pits  
8 was also something that we agreed on.

9 MR. SUTTLE: Yes, that's -- that's true.  
10 That was brought up --

11 MR. KUWADA: -- Go ahead.

12 MR. SUTTLE: That was brought up in one of  
13 the other issue papers, the borrow sites and area lakes. It needs  
14 a little more exploring into to get the actual feasibility of  
15 that. I have talked to Larry about that.

16 MR. KUWADA: And the last question I had  
17 on that Executive Summary, anyway, was just that you have all  
18 these measures that could be used to mitigate these impacts  
19 listed on Page 4, and then they're not endorsed by the Power  
20 Authority on Page 5. I was wondering, is that going to come after  
21 the settlement process? Why -- you have these seemingly great  
22 measures listed and they're not endorsed.

23 MR. SUTTLE: Okay. I think the -- Yes, the  
24 way it's set up, the ones that were just means that could be used  
25 to mitigate these impacts was on 4 there. It's tied into the

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1 same sort of situation. In fact, the first one under that is  
2 that transportation plan. And it's -- these measures, or a number  
3 of them, because they're just in early stages of needing a little  
4 more detail, or policy reasons, they haven't been made yet. We  
5 didn't put them in the endorsed mitigation packages in here, but  
6 it's important enough to discuss.

7 MR. KUWADA: I didn't know if the Board had  
8 to approve all these or not. All right, Page 4, under Anticipated  
9 Recreational Activities of Construction Workers, I think staging  
10 is going to modify that, isn't it?

11 MS. BERGMANN: Somewhat.

12 MR. SUTTLE: Somewhat. It'll extend that  
13 whole period out for sure.

14 MR. KUWADA: Will the amount of people be  
15 modified at all in terms of peak -- during peak construction?

16 MR. SUTTLE: I think it'll be reduced some-  
17 what at --

18 MS. BERGMANN: -- Right, and that's something  
19 that we'll have to change when we do the license amendment, this  
20 analysis will be redone using the new numbers.

21 MR. MARCHEGIANI: Less people for a longer  
22 time.

23 MR. KUWADA: And I think that's it for me.  
24 Got anything, Don?

25 MR. MCKAY: No, I think you got it all.

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1 MR. WILSON: Hank had three comments on this  
2 particular paper. The first one, in addition to pointing out  
3 that Figure 1 was lacking in his review copy, he went on to say  
4 the Fish & Wildlife Service still opposes the construction of  
5 an access road between the Denali Highway and the Watana Dam site.  
6 As reasons are the avoidable disruption to habitat, displacement  
7 of ungulates, canids (ph) and furbearers, and the secondary  
8 impacts to fishery populations and habitat. On Page 5 on the  
9 third paragraph his comment is a question here. What is the status  
10 of the worker transportation plan? And he says we have heard  
11 it mentioned over the course of these settlement issue hearings  
12 but do not know what it contains. The Fish & Wildlife Service  
13 supports a transportation plan that will limit the private vehicles  
14 on site and the northern access road to get them there. On Page  
15 9, I think this is almost a repeat of the comment that was just  
16 made, he mentions the eight measures being listed that could be  
17 used to mitigate described impacts. Fish & Wildlife Service  
18 recommends that they all be incorporated and endorsed by the  
19 Power Authority in addition to the four measures listed on Pages  
20 10 and 11. That was Hank's comments.

21 MR. ARMINSKI: Leroy?

22 MR. LATTA: Just for the record, I think  
23 our position on that road is that it's public -- public funds,  
24 it should be open except during construction. Just want to put  
25 that in the record.

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1 MR. ARMINSKI: Any other comments? Okay,  
2 well, let's close the meeting. We'll see you on Monday afternoon  
3 for the discussion.

4 MR. KUWADA: Tom, is this the last settlement  
5 meeting for a while then?

6 MR. ARMINSKI: Yes, this will be the last  
7 settlement meeting for a while. We'll keep you up to speed as  
8 to the proposed schedule when we get it developed.

9 (OFF RECORD)

10 END OF PROCEEDINGS

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I, Teresa E. Mielke, Notary Public in and for the State of Alaska, residing at Anchorage, Alaska, and Electronic Reporter for Gemini Reporting Services, do hereby certify:

That this transcript as heretofore annexed is a true and correct transcription of said proceedings taken by me electronically and thereafter transcribed by me.

IN WITNESS WHEREOF, I have hereunto set my hand and af-  
fixed my seal this 11th day of June, 1985.

  
Notary Public in and for Alaska  
My commission expires 5/6/87

SEAL

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**277-8691**



# MEMORANDUM

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL AND GAS

TO: Leroy Latta *Leroy*  
Project Engineer

## State of Alaska

DATE: June 10, 1985

FILE NO:

TELEPHONE NO: 276-2244

FROM: Kay Brown *Bill for Kay*  
Director

SUBJECT: DO&G COMMENTS  
APA SUSITNA  
HYDRO PROJECT--  
POSITION PAPER--  
WILDLIFE ISSUE  
W-17/18

The Division of Oil and Gas has reviewed the above-referenced document. In response to your May 31, 1985 request for comments, we wish to reiterate our comments stated in Jim Easons February 15, 1985 memo to Tom Hawkins. That memo commented as follows:

The concepts and rationale described in the subject draft are surprisingly similar to "habitat replacement" programs recently adopted nationwide by the U.S. Fish and Wildlife Service (USF&WS). In that agency's comments on some recent North Slope permits the foundation was laid for future requests for dedicated and reserved replacement lands as a quid pro quo for its approval of the use of state lands for development. In discussing future petroleum development on the North Slope, some staff representatives of USF&WS and ADF&G have expressed the opinion that it may be necessary for industry permittees to purchase certain habitat lands on the North Slope and dedicate them to a pool of reserved lands in exchange for permit approval for certain projects.

Against this background, you can appreciate my concern over the proposal to implement a habitat replacement/enhancement program for the Susitna Hydroelectric Project. If such a program may be viewed as precedential for future development programs on state lands in general, I do not think the department should agree to its joint support without a very careful review of its need and a thorough evaluation of its likely impacts on future development.

First, I want to assure you that my opposition in this instance is not founded in any philosophical disagreement with the premise that habitat replacement and enhancement are effective management tools and that both may be necessary in certain instances. For example, there is no doubt in my mind that a developer requesting permission to drain a coastal marsh along the Turnagain Highway is going to impact a scarce and valuable habitat, and should be required to provide alternative replacement habitat, if the permit is to be approved at all. However, I also believe that there are many instances, such as the one in question, where ample alternative habitat exists naturally, and the active manipulation of existing alternative habitat would be ill-advised because it is both unnecessary and it would entail inordinate social and economic costs.

Common sense suggests that the area in question, the Susitna Basin, is sufficiently large to accommodate any moose, caribou or other species that may be displaced by the construction of the Susitna Hydroelectric project. Moreover, the hundreds of thousands of acres delimited by the proposed Nelchina and Kroto-Deshka Public Use Areas and the recently established Matanuska Moose Range presumably should provide ample alternative habitat for

any species displaced by the construction of Susitna. However, the effectiveness of these huge areas in compensating for habitat loss or degradation is apparently discounted by ADF&G staff, as indicated by their comments in this proposal that in selecting potential mitigation lands "...these lands are to be excluded from consideration." This position is analogous to saying "I'll eat my pie and pick the plums from yours."

Rather than acknowledging the obvious--that several million acres of uninhabited wilderness lands surrounding the proposed project area are likely to absorb and provide suitable habitat for any displaced species--ADF&G advocates the establishment of an elaborate system of on-the-ground field checks to determine habitat suitability, long-term monitoring of species movements and, for a final hedge, the establishment of a pool of "additional replacement or enhancement lands" just in case the long-term monitoring program confirms that "mitigation success" is low.

Having "created" a habitat crisis where it has not been established that one would exist, the mitigation proposal next addresses how replacement lands are to be established, and discussed funding sources for monitoring efforts and for addressing as yet unknown impacts which may be recognized in the future. The document then references a wildlife trust fund and continued operating funds as possible sources of funding to finance future mitigation. (Tom, it was about at this point in reading the proposal that I was finally overcome with incredulity).

I may have missed something, but the proposal appears to be a gross misapplication of theoretically proper habitat management techniques without ever having questioned whether the real world situation demands them. To place this mitigation plan in proper perspective, imagine someone standing five miles in any direction from the proposed reservoir arguing that there are insufficient "mitigative" land in the vicinity. I doubt that anyone who has ever stood on the ground in the area could make a very convincing argument for the need to select additional reserved lands. It is this lack of perspective which is missing from the discussion of whether, when and to what extent replacement and enhancement techniques should be applied. Again, to draw on analogy, it is like applying a body cast when a splint would suffice.

There will be occasions, depending upon the relative scarcity of the habitat and the scope of the development, where habitat replacement or enhancement programs will be mandatory. However, to maintain the credibility and effectiveness of such programs and to assure that there are funds available to accomplish them when they are really required, they should not be applied indiscriminately. Similarly, where there is clearly no need or where the costs exceed the public benefit, the department should not agree to the routine application of these procedures. The precedent established by requiring mitigative offsets where none are appropriate will delay and impede development on state lands and add dramatically to the cost of operating state government. In light of the current decline in state revenues, particularly the operating budget, I seriously question whether the state can afford either of these consequences.

Should you have any questions regarding our comments, please contact me.

# MEMORANDUM

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL AND GAS

## State of Alaska

TO: Leroy Latta *lww*  
APA Project Engineer

DATE: June 7, 1985

FILE NO:

TELEPHONE NO: 276-2653

FROM: Kay Brown *Bill Van Dyke for Kay*  
Director

SUBJECT: DO&G REVIEW COMMENTS  
APA SUSITNA HYDRO  
PROJECT--POSITION  
PAPER-RECREATION  
ISSUE R-6

The Division of Oil and Gas has reviewed the above-referenced document. Listed below are our comments.

It is proposed to "Prohibit privately owned snowmobiles or all-terrain vehicles on-site" (p. iv) The division believes that this measure is workable only in more remote areas. Restricting project workers from areas that any other resident or even non-residents are free and able to enter would be tantamount to setting up two classes of residents, a doubtful legal concept. We do not see any problems with this restriction in areas with no leady public access. The state could exercise its right as landholder to restrict snowmobile and ATV activities on state lands, but we feel it would be necessary to restrict all persons from entering those lands.

It is proposed to "Stock sport fish species in lakes within walking distance of construction camps to reduce fishing pressure on the existing fishery resource" (p. v). This measure should be applicable only to water bodies where the project alone is responsible for the impact and where only project employees will be able to fish. Contractors should not be expected to provide fishing opportunities for the general public.

It is proposed to "Provide indoor and outdoor recreational facilities for use by project personel and dependents (APA 1983c p. E-7-96)". There is no guarantee that the types of recreation provided by a contractor would effectively supplement or compete with recreation types being discouraged. We believe that employees who want to go fishing or moose hunting, for instance, might not be satisfied with billiards or basketball.

The Department of Fish and Game has the authority to restrict hunting and/or fishing at or near the construction site. This authority can be exercized to protect fish and game. If the contractor wants to provide recreation for employees to make up for the closure of an area, then that choice is the contractors. The state should not be dictating what amenities an employer must provide regardless of the hunting and fishing opportunities available.

Landholders, whether private, government, or Native have the legal authority to restrict entry onto their lands. Stress to or over use of state lands could be alleviated by restricting authority to enter; DNR/Division of Land and Water Management would be responsible for this action. Other nearby landholders could be contacted in an effort to expand the restricted area and restrain the anticipated stress on lands surrounding state lands.

It also is proposed to "Inform workers of Native landowner trespass concerns...Native concerns will be part of the contract documents.". Employer/employee awareness should include awareness of the trespass concerns of all landholders in that private properties other than native also exist.

Should you have any questions regarding our response, please contact me.

JW/HB:4261Z

To: Mike Granata: May 6/10/85-

From: Mike Lee  
Parker Re Su Hydro  
Rec.

Su Hydro Rec paper looks good. I suggest adding "cheap" quick transportation to anchorage & lot of people would choose City Recreation to Country. We generally support Fish & Game comments as much of this issue is in their area of expertise.

The Indoor Rec opportunities should be stressed as weather is often bad in the area.

## DW of Forestry

Generally resist identification of State forest as primary habitat mitigation lands.

Do not oppose mitigation - can participate in mitigation activities/treatments on State forests if we have the authority to decide where, when, how, etc. Can participate on forested state lands as tech. advisor to DWM.

per Dan Ketchum

Units  
Recommended for  
legislative designation  
for following uses  
Criteria to DNR  
12-11-84 for position  
on these designations  
la long term multiple use timber habitat  
b riparian protection, public recreation  
3b Resource Management (high)  
7a timber  
public recreation and habitat  
3b Resource Management (high)  
commercial timber  
winter moose range  
6a late recreation river  
6b riparian timber and habitat  
8a habitat  
3c habitat and public recreation

1a Native owned and selected

CANDIDATE LAND AREA	SUSITNA AREA PLAN REFERENCE <sup>2</sup>	APPROXIMATE TOWNSHIP AND RANGE <sup>2</sup>	OWNERSHIP	PROPOSED PRIMARY LAND USES <sup>2</sup>	UNRESOLVED LAND USE ISSUES <sup>2</sup>	PROPOSED SPECIAL DESIGNATIONS <sup>2</sup>	MOOSE HABITAT
D1 PETERS CREEK - KROTO CREEK - GATE CREEK SOUTH	PETERSVILLE ROAD 1a <sup>1</sup> , 1b, 3c, 4a	T24N, <del>R7W</del> T24N, <del>R8W</del> T23N, <del>R7W</del> T23N, <del>R8W</del> T26N, <del>R7W</del> T26N, <del>R8W</del> SM	STATE	FORESTRY, WILDLIFE HABITAT, PUBLIC RECREATION, WATER RESOURCES Settlement 3c	YES (3c) <sup>2</sup>	YES (1a) <sup>3</sup> , 1b <sup>4</sup> , 4a <sup>5</sup>	NIX NICH LOW
D2 LAKE CREEK - YENTNA RIVER	SUSITNA LOWLANDS 5a, 5b, 7a, 7b also 5f	T20N, R8W T22N, R9W T21N, R8W T22N, R10W T21N, R9W T23N, R9W T21N, R10W T23N, R10W SM	STATE <sup>1</sup>	WILDLIFE HABITAT, 12 RESOURCE MANAGEMENT, FORESTRY, PUBLIC RECREATION, WATER RESOURCES	NO	YES (7a, 12, 7b, 14)	MED
D3 KANILTEA RIVER - DESHKA FLATS	SUSITNA LOWLANDS 8c, 11a, 12a 11b	T21N, R7W <sup>17</sup> T22N, R8W T21N, R8W T22N, R9W T21N, R9W T22N, R7W <sup>17</sup> SM	STATE	RESOURCE MANAGEMENT, 12 FORESTRY, WILDLIFE HABITAT, SETTLEMENT 18	YES (11a, 12a) <sup>19</sup>	NO (BUT SEE NOTE 19)	MED
D4 ALEXANDER CREEK - TRAIL RIDGE - KROTO SLOUGH	SUSITNA LOWLANDS 6a, 6a, 13a, 13c	T17N, R6W T17N, R7W T18N, R6W T18N, R7W T18N, R8W SM	STATE	PUBLIC RECREATION, WILDLIFE HABITAT, WATER RESOURCES, FORESTRY, COAL	NO	YES (6a, 14, 13a, 22)	MED & NICH
U1 PATRIE CREEK - STEPHAN LAKE	TALKEETNA MOUNTAINS 1a, 2a, 3c	T29N, <del>R2W</del> , <del>R2E</del> , <del>R3E</del> T30N, <del>R2W</del> , <del>R2E</del> , <del>R3E</del> R3E, R2E SM	NATIVE, STATE- SELECTED	PRIVATE LANDS WILDLIFE HABITAT, PUBLIC RECREATION, MINERALS	NO	YES <sup>26</sup>	NICH
U2 DEVIL MOUNTAIN	TALKEETNA MOUNTAINS 1c	T31N, <del>R3E</del> T32N, <del>R3E</del> SM	NATIVE, STATE- SELECTED	WILDLIFE HABITAT, PUBLIC RECREATION, MINERALS (multiple use)	NO	NO	NICH
U3 CLARK CREEK - TSUSENA CREEK	TALKEETNA MOUNTAINS 1c	T32N, <del>R4E</del> , <del>R5E</del> , <del>R6E</del> , <del>R7E</del> , <del>R8E</del> , <del>R9E</del> T33N, <del>R4E</del> , <del>R5E</del> , <del>R6E</del> , <del>R7E</del> , <del>R8E</del> , <del>R9E</del> T22S, R5W, R6W, FM SM	STATE, STATE- SELECTED	WILDLIFE HABITAT, PUBLIC RECREATION, MINERALS	NO	NO	NICH
U4 BUTTE LAKE	TALKEETNA MOUNTAINS 1c	T19S, R1W, R2W, R3W T20S, R6W, R2W, R3W T21S, R5W, R2W, R3W FM	FEDERAL	WILDLIFE HABITAT, PUBLIC RECREATION, MINERALS	NO	NO	MOO
U5 RUSTY HILL - VALDEZ CREEK	TALKEETNA MOUNTAINS 1c	T19S, R2E, R3E T20S, R2E FM	FEDERAL	WILDLIFE HABITAT, PUBLIC RECREATION, MINERALS	NO	NO	MOO

• = Coding changed in April '85 revision of Susitna Plan  
 ○ circled uses are land designations which DNR has addressed in  
 12-11-84 memo on "Candidate lands for Terrestrial Mitigation"

CANDIDATE LAND AREA	SUSITNA AREA PLAN REFERENCE	APPROXIMATE TOWNSHIP AND RANGE	OWNERSHIP	PROPOSED PRIMARY LAND USES	UNRESOLVED LAND USE ISSUES	PROPOSED SPECIAL
U6 UPPER COAL CREEK	TALKEETNA MOUNTAINS 1c	T30N, R12E, R13E, R14E T31N, R12E, R13E, R14E T32N, R12E, R13E, R14E T33N, R12E, R13E, R14E SM	FEDERAL STATE- SELECTED	WILDLIFE HABITAT, PUBLIC RECREATION, MINERALS	NO	NO
U7 LOWER COAL CREEK	TALKEETNA MOUNTAINS 1b, 1c	T30N, R11E, R12E, R13E, R14E T31N, R11E, R12E, R13E, R14E T32N, R11E, R12E, R13E, R14E T33N, R11E, R12E, R13E, R14E SM	NATIVE, FEDERAL, STATE- SELECTED	WILDLIFE HABITAT, PUBLIC RECREATION, MINERALS	NO	NO
U8 CLEARWATER CREEK	TALKEETNA MOUNTAINS 1b, 1c	T30N, R10W, R11W, R12W, R13W, R14W T31N, R10W, R11W, R12W, R13W, R14W T32N, R10W, R11W, R12W, R13W, R14W T33N, R10W, R11W, R12W, R13W, R14W SM	NATIVE, FEDERAL	WILDLIFE HABITAT, PUBLIC RECREATION, MINERALS	NO	NO
U9 KOSINA CREEK - OSHETNA RIVER	TALKEETNA MOUNTAINS 2b legislative designations CRM	T22N-T31N, R8E-W8E SM	STATE, STATE- SELECTED	WILDLIFE HABITAT, PUBLIC RECREATION,	NO	YES
U10 ALPHABET HILLS	TALKEETNA MOUNTAINS 1c40	T10N, R2W-R10W T11N, R2W-R10W T12N, R2W-R10W CRM	FEDERAL, STATE- SELECTED	WILDLIFE HABITAT, PUBLIC RECREATION, MINERALS (multiple use)	NO	NO
U11 LAKE LOUISE - TYONE RIVER	LAKE LOUISE 1b, 1d, 4a, 53a 1b legislative designations Swans	T8N, R6W T7N, R6W T8N, R6W T7N, R6W T8N, R6W T8N, R6W T9N, R6W T8N, R6W T9N, R6W T9N, R6W T10N, R6W T10N, R6W T10N, R6W T11N, R6W T11N, R6W CRM	STATE	WILDLIFE HABITAT Public Recreation Forestry	NO	YES
U12 OLD MAN LAKE	LAKE LOUISE 4a = 3a	T9N, R5W T10N, R7W T9N, R6W T10N, R8W T9N, R7W T10N, R9W T9N, R8W T11N, R7W T9N, R9W T11N, R8W T11N, R9W CRM	FEDERAL	WILDLIFE HABITAT	NO	YES



# Exhibit

SUSITNA HYDRO-E  
ATTRIBUTES OF CANDIDATE LANDS  
PRELIMINARY— 0

CANDIDATE LAND AREA	SUSITNA AREA PLAN REFERENCE	APPROXIMATE TOWNSHIP AND RANGE	OWNERSHIP	PROPOSED PRIMARY LAND USES	UNRESOLVED LAND USE ISSUES	PROPOSED SPECIAL DESIGNATION	MOOSE HABITAT QUALITY	HABITAT
U13 <u>NELCHINA RIVER</u>	Glenn Highway NONE <sup>40</sup> = 11a (11b) 11d (11c)	T20N, R12E SM T21N, R12E T1N, R7W-R10W CRM T2N, R7W-R10W CRM	NATIVE, STATE	TO BE DETERMINED <sup>27, 40</sup> Public Recreation Wildlife Habitat <del>Settlement</del> <del>Private</del>	TO BE DETER- MINED <sup>40</sup>	TO BE DETER- MINED <sup>40</sup>	LOW	T D H
U14 <u>CROSSWINDS</u>	LAKE LOUISE 4a <sup>40</sup> = 3a <sup>40</sup>	T1N-T10N, R5W-BW, 3a <sup>40</sup> -T10N 3a <sup>40</sup> -BW CRM	PRIVATE, NATIVE, STATE, FEDERAL	WILDLIFE HABITAT; TO BE DETERMINED <sup>27, 40</sup>	TO BE DETER- MINED <sup>40</sup>	TO BE DETER- MINED <sup>40</sup>	LOW	T D H
U15 <u>GULKANA RIVER</u>	NONE <sup>41</sup>	T6N-T12N R1W-R3E  CRM	PRIVATE, NATIVE, STATE, FEDERAL	TO BE DETERMINED <sup>27, 40</sup>	TO BE DETER- MINED <sup>41</sup>	TO BE DETER- MINED <sup>41</sup>	MODERATE TO LOW	T D H
U16 <u>TAZLINA, ST. ANNE &amp; HUDSON LAKES</u>	NONE <sup>41</sup>	T2S-T4N R1E-R7W  CRM	NATIVE, STATE	TO BE DETERMINED <sup>27, 40</sup>	TO BE DETER- MINED <sup>41</sup>	TO BE DETER- MINED <sup>41</sup>	LOW	T D H

1c, 11d. - Native and State  
Selected

# MEMORANDUM

# State of Alaska

DEPARTMENT OF NATURAL RESOURCES - DIVISION OF AGRICULTURE

TO: Leroy Latta, <sup>Leroy</sup> APA Project Manager  
Southcentral Region  
Division of Land & Water Management

DATE: June 6, 1985

FILE NO:

TELEPHONE NO:

FROM: <sup>Bill Heim</sup>  
Bill Heim  
Director

SUBJECT: APA Position Paper  
W 17/18, Wildlife  
Habitat Mitigation



In response to APA position paper W-17/18, this memo will explain:

1. Division of Agriculture's overall opposition to wildlife habitat replacement lands, and
2. Division of Agriculture's opposition to habitat enhancement on lands classified resource management. (The discussion assumes, as indicated in the position paper, that no agricultural or settlement classified lands are proposed for habitat enhancement.)

## REPLACEMENT LANDS

Habitat replacement lands are a way to effectuate the acquisition process when use of National Wildlife Refuge lands for major project features must be negotiated with the feds. They should not be a requirement for all public construction projects or other land development. Loss of wildlife habitat is a consideration which should be weighed against other factors when determining if the dedication of lands in a project to a specific use is consistent with the overall public interest.

Through the planning process, DNR is establishing a base of developable lands (classified as agricultural, settlement, and potentially, resource management). If actual development of a portion of this land base required that like acreages of this same land base be committed for habitat replacement, it defeats the purpose of the planning process by upsetting the finely tuned balance between competing interests.

One step further, when discussing Su-Hydro, it would be incongruous to require committal of any public lands for habitat replacement. The private lands involved in the project could otherwise be used for any number of different development projects by the landowner in which the net effect would be loss of wildlife habitat, and in which no such requirements for habitat replacement would be imposed.

## ENHANCEMENT LANDS

The Division of Agriculture has no opposition to habitat enhancement on lands classified in a retention category. However, we do oppose the use of lands classified resource management for habitat enhancement purposes.

Heim to Latta  
June 6, 1985  
Page 2

Because of their value from a variety of standpoints, the allocation of these resource management lands should be based on future need and the success of other previously allocated lands. Just as agriculture must work with the existing classified agricultural land base before moving into the resource management areas, so too should habitat enhancement take place on existing land classified wildlife habitat before moving into the resource management areas.

By expending the time and money necessary for habitat enhancement in resource management areas, it would be difficult to justify using those areas for agricultural or other development if needed in the future. This is especially true if right next to the resource management area is a classified wildlife habitat area which could have been used for the habitat enhancement. Use of resource management lands for habitat enhancement is effectually a way to prematurely remove resource management lands from future potential reclassification into a disposal category.

cc: Carol Wilson  
Randy Cowart  
Ned Farquhar

# MEMORANDUM

## State of Alaska

DEPT. OF NATURAL RESOURCES, DIV. OF LAND & WATER MGMT., SOUTHCENTRAL REGION

TO: Jon S. Ferguson  
Project Manager, Power Authority

DATE: December 11, 1984

THRU: Margaret J. Hayes *myja*  
Regional Manager

FILE NO: Su-Hydro

FROM: Leroy K. Latta, Jr. *LKL*  
APA Project Manager

TELEPHONE NO: 786-2256

SUBJECT: Candidate Lands For  
Terrestrial Mitigation

We have reviewed the pool of candidate lands proposed by your agency for mitigation of terrestrial habitat loss due to planned construction and operation of the Susitna Hydroelectric Project. The following comments present DNR's response to these proposals. They are based on the parcel listing provided and also discussions at the Nov. 26 interagency meeting.

### 1) MITIGATION METHOD

DNR has repeatedly stressed that mitigation should be accomplished primarily by enhancing land already designated wildlife habitat. Compensation through the reclassification of settlement lands to wildlife habitat is unacceptable. Compensation utilizing non-State lands may be a possibility, for example purchasing Anchorage wetlands or utilizing borough lands.

DNR has no reason to favor a wildlife trust fund as a mitigation measure.

### 2) MITIGATION OBJECTIVES

The Susitna Hydroelectric Project could permanently flood or alter 49,000 acres of wildlife habitat. A major portion is located on non-State lands. The mitigation model developed should primarily address wildlife loss not acreage lost, since many other management factors (such as settlement density, hunting pressure or herd migration) may affect productivity.

### 3) MULTIPLE USE MANAGEMENT

DNR is opposed to mitigation lands being permanently managed as single use habitat areas. Mitigation plans, in almost all cases, should be designed to meet State multiple use management policies. (For example, we support the idea of using APA mitigation funds to improve access to areas so that timber can be harvested for commercial or personal use. This will simultaneously increase the growth of moose browse). We are not in favor of a long term or permanent change in vegetation from forest trees to brush. We're also opposed to areas of productive forest land being managed exclusively for browse production. If forest land is approved for mitigation use, the Division of Forestry will insist that APA include a harvest cycle that will provide for both production of timber and browse. The details of a mitigation land management plan will obviously need to be worked out after individual sites have been identified. If for some reason single use habitat designations are absolutely necessary, these should be limited to areas that, due to their remoteness, are not likely to receive much public use or are areas of incontrovertible public use, like Potter Marsh State Game Refuge. Area plan decisions on mineral development should be followed.

4) CANDIDATE LAND SELECTION

The department has prepared several area plans which provide detailed land use and policy information useful for the design of terrestrial habitat mitigation plans: The Willow Sub-Basin Plan, The Bristol Bay Plan, The Susitna Area Plan and The Tanana Basin Area Plan. These plans identify wildlife habitat lands as well as specific development criteria necessary for resource protection, such as stream corridor development setbacks.

The plans are a result of several years of complex interdepartmental planning which weighed each resource value and assigned the appropriate classification necessary for prime resource value protection. The Power Authority can rely on these plans for identification of specific candidate mitigation lands. The Susitna Area Plan for example, contains 7,400,000 acres of lands with combined fish and game habitat, water resources, forestry and public recreation classifications; the plan also includes 3,338,000 acres of lands proposed for some form of special legislative designation generally compatible with wildlife. (Long term single use mitigation activities on forested land are generally opposed by the Division of Forestry.)

Raw resource data (such as vegetation type and percent slope) used to develop these plans is available through our Geoprocessing computer system. Data can be provided to APA in a number of varying formats, such as grid or polygon. The wildlife element used in generating each plan is also available from ADF&G in bound study format.

Reclassification of lands should only be considered when all existing, compatible state lands have been utilized. The proximity of mitigation land to the project is clearly advisable. However mitigation on other state lands classified for wildlife habitat distant from the project should not be ignored; areas within the Willow Sub-Basin Plan or Tanana Basin Plan (portions of which are quite near the project) may also benefit from project development.

5) CRITERIA FOR SELECTION OF STATE LAND FOR MITIGATION

We understand APA is working under severe time constraints. Therefore to expedite DNR's review and approval of the mitigation plan, APA should utilize the following criteria for candidate mitigation lands selection:

- A. Land must be included in an area plan which has been through the public review draft phase, such as Tanana Basin Area Plan or Susitna Area Plan, not the Copper River Basin Area.

- B. The primary land use designation must be wildlife habitat with optional co-primary uses of 1) public recreation (provided it is not intended for intensive use or development) and 2) water resources (provided there is no water quality degradation).
- C. Neither the primary or the secondary land use designation can be: 1) settlement, 2) agriculture 3) reserved use or 4) resource management (high value).
- D. Consideration will be given on a case by case basis for land classified forestry or transportation, as well as land proposed for legislative or administrative designation. If mitigation lands are to be used for single purposes then the Division of Forestry is generally opposed to the use of forested acres of any classification for long term mitigation activities.

6) ANSWERS TO THE "QUESTIONS ON COMPENSATION LANDS"

- 1) "Should compensation lands be as close as possible to the project area, or might other locational criteria be more important?"

Proximity is an important consideration, however, regions other than the Susitna Area benefit from the project. If the Power Authority requires additional acreage for enhancement both the Willow Sub-Basin and the Tanana Basin are prime candidates for the selection of mitigation lands. If compensation lands are required, there may be areas more feasible for use located some distance from the project.

- 2) "Should compensation land selection focus more on areas upstream of the Devil Canyon and Watana dam sites than on the downstream floodplain? Vice-versa? Equal emphasis?"

Candidate land selection should focus on agency management criteria rather than the location of the land in relationship to the dam sites.

- 3) "Should habitat compensation place a higher priority on moose, because of their economic and recreational value, than on other wildlife species that are less important for hunting?"

This is more an ADF&G management decision; however we need to agree on what we are mitigating for, (specifically the species and the amount of habitat capacity lost) prior to plan development and site selection. Generally we agree with placing a higher priority on compensation for the loss of moose.

4)"In providing compensatory habitat for moose, should accessibility of the lands to hunters be emphasized or avoided? (Remember: Habitat compensation will be most effective if winter range is chosen. Winter range will not necessarily be near lands which moose frequent during hunting season)."

If we are mitigating by enhancing winter moose range then access is not as important. If we are enhancing summer range then accessibility becomes more critical. Hunter accessibility to the moose produced by habitat improvement should be emphasized.

5)"If access is desirable, will access by aircraft or boat be sufficient, or should access by ground vehicles (including ORV's and ATV's) be emphasized?"

All forms of access should be considered.

6)"Should compensation lands be near roads, even if this might produce a greater probability of vehicle-moose collisions?"

Given the number of roads in this state, this does not seem to be a major issue. However, it is a consideration since road kills would counter the intent of mitigation.

7)"Should habitat compensation be achieved by protecting lands that would otherwise be settled or developed, or by increasing browse production on lands already designated for wildlife habitat management?"

No, habitat mitigation (on State lands) should be achieved by increasing browse production on lands already classified for wildlife habitat management. Both co-primary classifications and development criteria provided in the area plans must also be considered.

8)"What measures are preferred for increasing browse vegetation (mostly immature willow and paper birch) on compensation lands:

- Prescribed burning?
- Logging?
- Chaining?
- Crushing?"

The Department is currently reviewing APA's Final Report, Document No. 2046, "Habitat Management Methods to Increase Moose Browse Production in Alaska. A Review, Synthesis, and Annotated Bibliography of Available Information", received November 19, 1984. A review of that document will follow under separate cover.

The Division of Forestry is very concerned that marketable timber not be wasted and that forested land not become single use mitigation lands. At this time crushing appears to be APA's preferred method for enhancement. However, if APA would assist with access road construction, logging (timber harvest) then may become an economically suitable alternative. Selection of an enhancement technique on forested lands will require Division of Forestry approval and involvement in the development of procedures and specifications. Burning is a potential technique on almost all sites. The Division of Forestry again must be involved in every aspect of the prescribed burning technique from site selection to a "yes" or "no" for the burn.

9)" Any of the above procedures is likely to produce some negative impacts on water quality, even with appropriate mitigative measures in effect. Are the probable water quality impacts outweighed by the benefits of habitat compensation for moose and other wildlife species?"

No, DEC water quality standards must be followed. Methods which do not adversely affect water quality are of the most value.

10)"Should compensation land selection focus on a few large areas or on more numerous smaller areas?"

We are awaiting a decision on the methods used, species affected, and their location prior to final decision on this question. The enhancement project could be spread over 10 to 20 smaller areas rather than 1 or 2 large areas. The enhancement areas could range in size from a minimum of 1,000 acres to a maximum of 5,000 acres for each parcel. Again, additional information is necessary prior to a final decision.

cc. Tom Hawkins, Land and Water Management  
Neil Johannsen, Parks and Outdoor Recreation  
John Sturgeon, Forestry  
Bill Heim, Agriculture  
Pedro Denton, Mining  
Ned Farquhar, Commissioner's Office  
Dan Ketchum, SCRO, Forestry  
Carl Yanagawa, ADF&G  
Jack Heesch, OMB/DGC  
Bill Gissel, Mat-Su Borough