

# Report to the Legislature

Annual Water Power License Fee Stakeholder Meeting  
October 23, 2018

Chad Brown

WQ Management Unit Supervisor  
Water Quality Program



# Water Power License Fee Reporting Requirements

## RCW 90.16.050

[ [2016 c 75 § 1](#); [2007 c 286 § 1](#); [1929 c 105 § 1](#); RRS § 11575-1.]

**Use of water for power development—Annual license fee—Progress report—Exceptions to the fee schedule—Ensuring accountability in the programs**

### RCW 90.16.050 (1)(c)

To justify the appropriate use of fees collected under (b) of this subsection, the department of ecology shall submit a progress report to the appropriate committees of the legislature prior to December 31, 2009, and biennially thereafter.

2007-2009 Biennium Report - <https://fortress.wa.gov/ecy/publications/summarypages/0910095.html>

2009-2011 Biennium Report - <https://fortress.wa.gov/ecy/publications/SummaryPages/1210048.html>

2011-2013 Biennium Report - <https://fortress.wa.gov/ecy/publications/SummaryPages/1410048.html>

2013-2015 Biennium Report - <https://fortress.wa.gov/ecy/publications/SummaryPages/1610007.html>

**2015-2017 Biennium Report** - <https://fortress.wa.gov/ecy/publications/SummaryPages/1810033.html>

New



# Water Power License Fee Reporting Requirements

## New Requirements for This Biennium

Substitute House Bill 1130 (Chapter 75, Laws of 2016) amended RCW 90.16.050 to include additional reporting requirements.

New actions and supplemental reporting requirement, beginning in FY2017 focused on:

- **Fee expenditures**
- **Accountability**

## Significant workload:

- ✓ **Interpret the new requirements**
- ✓ **Get tracking programs in place for fee expenditure reporting**
- ✓ **Report reviewed by the Governor's Office & Office of Financial Management**



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New actions and supplemental reporting requirement, beginning in FY2017 focused on:

- **Fee expenditures**
- *Accountability*

### **Fee expenditures:**

- Report other funds used to support state agency programs.
- Report on funds expended on licensing work associated with each hydropower project, including program costs and staff time.
- Identify work that is in direct support of hydropower licensing, relicensing, and license implementation.
- To avoid duplicative work, provide sufficient information to ensure other state or federal agencies or tribes aren't already performing activities.
- Estimate the total workload, program costs, and staff time for work associated with the licensing and/or license implementation activities for each hydropower project in the next biennium.



# Water Power License Fee Reporting Requirements

## Improvement on reporting of **fee expenditures**:

- Report other funds used to support state agency programs.

Fiscal Year	Full time equivalent (FTEs)	Funding Source	Ecology Water Quality & Program A	Ecology Water Resources	WDFW Habitat Management	Totals	
2017	8.77	Water power License Fees	\$ 315,194	\$ 10,313	\$ 266,226	<b>591,733*</b>	
		<i>Other funding sources</i>					
		General Fund - State	-	-	\$ 385,395	\$ 385,395	
		Other State Funds	\$ 18,344	-		18,344	
		Federal (Ecology)	22,811	-	-	22,811	
		Federal (WDFW)	-	-	102,852	102,852	
		Other **	7,143	-	21,500	28,643	
<b>Total funding from other sources</b>					<b>\$ 558,045</b>		
<b>Total expenditures on hydropower project work - FY2017</b>						<b>\$ 1,149,778</b>	



# Water Power License Fee Reporting Requirements

## Improvement on reporting of **fee expenditures**:

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### State agency workload by project – Fiscal Year 2017

Operator	FERC Project No.	Project Name(s)	Phase of licensing process	ECOLOGY		WDFW		State Program Total Costs
				Staff time (hrs)	Program Costs	Staff time (hrs)	Program Costs	
AVISTA CORPORATION	P-2545	SPOKANE RIVER (4 projects) Long Lake Monroe Street Nine Mile Upper Falls	Implementation	142	\$12,662	138	\$8,970	\$21,632
BLACK CANYON HYDRO	P-14110	BLACK CANYON HYDROELECTIC	Pre-licensing	24	\$2,140	50	\$3,250	\$5,390
BLACK CREEK HYDRO INC.	P-6221	BLACK CREEK	Implementation	0	\$0	0	\$0	\$0
CENTRALIA CITY OF	P-10703	YELM HYDRO PLANT	Implementation	44	\$3,923	5.5	\$358	\$4,281
COLUMBIA BASIN HYDROPOWER	P-14329	BANKS LAKE PUMPED STORAGE	Pre-licensing	51	\$4,548	169.5	\$11,018	\$15,566



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# Water Power License Fee Reporting Requirements

Improvement on reporting of **fee expenditures**:

Further detail collected by Ecology and WDFW...

- |  |   |
|--|---|
| 1. 401 certification development               | 11. Public disclosure request- general hydropower     |
| 2. Administrative duties                       | 12. Public disclosure request- hydro project specific |
| 3. Annual legislative report                   | 13. Public, tribal, stakeholder involvement           |
| 4. Document review/approval                    | 14. State agency coordination                         |
| 5. Formal settlement negotiations              | 15. Study plan development- licensing                 |
| 6. General meetings with hydropower operations | 16. Technical/engineering review                      |
| 7. General research                            | 17. Training- general                                 |
| 8. Project specific research                   | 18. Workshops and conferences                         |
| 9. Legal consultation                          | 19. Leave time  |
| 10. Project site visits                        |   |



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- To avoid duplicative work, provide sufficient information to ensure other state or federal agencies or tribes aren't already performing activities.
- Estimate the total workload, program costs, and staff time for work associated with the licensing and/or license implementation activities for each hydropower project in the next biennium.

**Narrative estimates**

## 2018 ANNUAL HYDROPOWER PROJECT WORK PLANS

### Washington Department of Fish & Wildlife

#### NARRATIVE DESCRIPTION OF EXPECTED WORKLOAD:

As in previous years WDFW anticipate attending the monthly Rocky Reach Fish Forum Meetings in order to communicate and address, Agency Policy Issues, Program Coordination, and annual report review.

#### COMPLIANCE & LICENSE IMPLEMENTATION:

Meetings, Agency Policy Issues, Program Coordination, Cause No. Annual Report Review.

#### REVIEW, COMMENT, APPROVALS:

All Rocky Reach Fish Forum and Habitat Conservation Plan annual reports, Recreation Management Plan Reports, Rocky Reach Wildlife Management Plan.

#### ACTIVITIES:

Continue to implement the Pacific Lamprey No Net Impact Fund.

### Washington Department of Ecology

#### NARRATIVE DESCRIPTION OF EXPECTED WORKLOAD:

Implementation of 402 Certification - As needed amendment and variance for monitoring and reporting requirements to accommodate changes to the project and upcoming construction activities.

#### COMPLIANCE & LICENSE IMPLEMENTATION:

License Implementation

#### REVIEW, COMMENT, APPROVALS:

- Aquatic Invasive Species (AIS) Report
- Annual Water Quality Monitoring Report
- Operations Plan
- Gas Abatement Plan
- Total Dissolved Gas Annual Report
- Water Quality Projection Plan (as needed)

#### ACTIVITIES:

Technical assistance as needed



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- *Fee expenditures*
- **Accountability**

### **Accountability:**

- Host an annual meeting with interested parties to solicit information on the annual work plans and discuss the results of the survey.
- Work collaboratively with hydropower projects to produce annual work plans that include anticipated work activities for each project in the next year.
- Assign one employee each from Ecology and WDFW to each licensed hydropower project.
- Circulate an annual survey to solicit feedback on the responsiveness of department staff, clarity of staff roles and responsibilities, and other topics related to the professionalism and expertise of department staff.



# Water Power License Fee Reporting Requirements

## Improvement on **Accountability**:

- Host an annual meeting with interested parties to solicit information on the annual work plans and discuss the results of the survey.

### Annual Water Power License Fee Stakeholder Meeting

**October 23, 2018 ~ 9:45 a.m. to 2:15 p.m.**

**Red Lion Inn Hotel - Seattle Airport**

18220 International Blvd, Seattle, WA 98188 (directions on last page)

The Department of Ecology (Ecology) and the Department of Fish and Wildlife (WDFW) are hosting this annual meeting with hydropower operators and interested stakeholders scheduled for Tuesday, October 23, 2018, from 9:45 am to 2:15 pm and will be held at the Red Lion Inn.

- **Coffee/Tea service, fruit, bagels, and muffins will be provided; lunch is available for purchase on-site.**
- **Parking at the Red Lion Inn is complimentary**
- **Shuttle to/from the airport is complimentary** – instructions are on the last page.

### Agenda

9:45 AM	<b>Meeting Set-up - Meet &amp; Greet</b> Take a few minutes to get a cup of coffee or tea, and get comfortable.
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## 2018 ANNUAL HYDROPOWER PROJECT WORK PLANS

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As in previous years WDFW anticipate attending the monthly Rocky Reach Fish Forum Meetings in order to communicate and address, Agency Policy Issues, Program Coordination, and annual report review.

#### COMPLIANCE & LICENSE IMPLEMENTATION:

Meetings, Agency Policy Issues, Program Coordination, Caucus, Annual Report Review.



# Water Power License Fee Reporting Requirements

## Improvement on **Accountability**:

- Assign one employee each from Ecology and WDFW to each licensed hydropower project.

### Appendix E. FERC Licensing and Implementation Leads

Project Name	Owner	FERC No.	Ecology Project Lead	WDFW Project Lead
Alder (Nisqually)	Tacoma, City of	P-1862	Carol Serdar	Peggy Miller
Baker	Puget Sound Energy	P-2150	Monika Kannadaguli	Brock Applegate
Banks Lake Pumped Storage	Brookfield Renewable Resources	P-13296	Patrick McGuire	Patrick Verhey
Banks Lake Pumped Storage	Grand Coulee Hydroelectric Authority	P-13681	Patrick McGuire	Patrick Verhey
Barclay Creek	Free Flow Power	P-13864	Monika Kannadaguli	Brock Applegate
Battery Pearl Hill Pump Storage Project	Shell Energy Northwest	P-14795	Breean Zimmerman	Patrick Verhey
Big Sheep Creek	Sheep Creek Hydro, Inc.	P-5118	Patrick McGuire	Jeff Lawlor
Black Canyon	Black Canyon Hydro, LLC	P-14110	Monika Kannadaguli	Brock Applegate
Black Creek	Black Creek Hydro, Inc.	P-6221	Monika Kannadaguli	Brock Applegate
Boundary	Seattle, City of	P-2144	Patrick McGuire	Jeff Lawlor
Box Canyon	Public Utility District No. 1 of Pend Oreille Co.	P-2042	Patrick McGuire	Jeff Lawlor



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## Improvement on **Accountability**:

- Circulate an annual survey to solicit feedback on the responsiveness of department staff, clarity of staff roles and responsibilities, and other topics related to the professionalism and expertise of department staff.



### 2018 Customer Service Survey - WA State Water Power License Program

This 4-part survey is intended to meet WA State reporting requirements for Water Power License Fees

#### **WELCOME!**

**This annual survey is a requirement of the Revised Code of Washington 90.16.050 as amended by House Bill 1130 in 2016.**

We will ask you questions about the following state agency staff goals during the last year:





DEPARTMENT OF  
**ECOLOGY**  
State of Washington



Alder Dam on the Nisqually River

## **Report to the Legislature on Water Power License Fees**

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Expenditures, Recommendations,  
Accountability, and Recognition

June 2018

Publication no. 18-10-033

Questions?  
Comments?