

OSPREY NEST STRUCTURE MANAGEMENT PLAN

SETTLEMENT AGREEMENT ARTICLE 506

Appendix D to the SA 501 Terrestrial Resource Management Plan

BAKER RIVER PROJECT FERC No. 2150-033



Puget Sound Energy

Bellevue, Washington

September 30, 2009

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1.0 Executive Summary

This Osprey Nest Structure Management Plan establishes standards and guidelines for the creation and monitoring of osprey nest structures on Baker River Project lands. It has been prepared as a means to facilitate the implementation of Settlement Agreement Article 506, "Osprey Nest Structures" (SA 506) of the Order on Offer of Settlement, Issuing New License and Dismissing Amendment Application as Moot for the Baker River Hydroelectric Project (FERC Project No. 2150). It is also designed to be consistent with License Article 20, License Article 410, and License Settlement Article 511. This plan was prepared collaboratively by the Baker River Project Terrestrial Resource Implementation Group (TRIG), which is composed of representatives of signatories to the Settlement Agreement and other interested parties.

2.0 Introduction

This Osprey Nest Structures Management Plan has been prepared for the Baker River Hydroelectric Project, FERC No. P-2150 (Baker Project) pursuant to the Order on Offer of Settlement, Issuing New License and Dismissing Amendment Application as Moot dated October 17, 2008 (the "license"). Specifically, Settlement Agreement Article 506, "Osprey Nest Structures" (SA 506) in Appendix A of the license, sets forth the applicable guidance for this plan.

This plan describes the steps Puget Sound Energy will take to meet the requirements of SA 506. It establishes the goals and objectives for osprey nest structure management and the criteria for nest structure creation, maintenance, monitoring, and reporting that will occur over the term of the license. This plan was prepared collaboratively by the Baker River Project Terrestrial Resources Implementation Group (TRIG), which includes representatives of Puget Sound Energy and the other signatories to the Settlement Agreement.

This plan includes:

- Reviews of the pertinent license articles and Settlement Agreement articles to ensure the plan meets the requirements of each.
- Statements of the purpose, goals, and objectives of the plan.
- Regulatory references and definitions to maintain consistency between the plan and other pertinent laws, regulations, and policies.
- General provisions to describe the process by which the plan has been developed and can be modified in the future.
- Plan implementation requirements describing the site-specific and project-specific criteria and actions that will be taken under the plan.
- Reporting procedures that describe the content and format for annual reports, as required by the license.

3.0 Basis for the Plan

The Osprey Nest Structures Management Plan has been prepared in response to SA 506, which is provided in its entirety below. The plan also has been designed to comply with License Article 20, License Article 410, and Settlement Agreement Article 511. Relevant portions of these three articles are also provided below.

3.1 License Settlement Article 506

Settlement Agreement Article 506, "Osprey Nest Structures," states:

Within one year following license issuance, the licensee shall provide and maintain a minimum of ten artificial osprey nest structures at Lake Shannon. The ten nest structures shall consist of up to nine of the artificial structures currently maintained by licensee, and one or more new artificial structures to be installed at the site of a former natural snag nest or artificial nest structure. The licensee shall place the structures in a manner that is designed to provide a sufficient number of suitable osprey nest sites at Lake Shannon to support an estimated seven breeding pairs.

Within two years following license issuance, the licensee, in consultation with the TRIG, shall select and modify ten existing trees near Lake Shannon to promote their eventual use as osprey nest sites. The licensee shall select ten mature trees on lands suitable for osprey nesting owned and/or controlled by the licensee. Modification of the trees may involve topping, killing, or other appropriate techniques, based on site-specific evaluations, to promote the development of tree and snag nest sites available for osprey nesting at Lake Shannon.

During the term of the license, the licensee shall monitor osprey nesting and productivity annually between April 1 and August 31 at both Lake Shannon and Baker Lake, in accordance with the TRMP required by Article 501. At two-year intervals during the term of the license, the licensee shall inspect the ten artificial nest structures at Lake Shannon and maintain the structures in conditions suitable for use by nesting osprey. By December 31 in the second year of each two-year inspection and maintenance cycle, the licensee shall submit a draft nest inspection and monitoring report to the TRIG for a 30-day review and comment period. The report shall describe inspection results, maintenance activity, and nesting activity at both natural and artificial nests on Lake Shannon and Baker Lake during the preceding two years. During each report review period, the licensee, in consultation with the TRIG, shall determine whether additional artificial nest sites or modifications to the placement and design of new structures are needed to achieve the goal of seven breeding pairs on Lake Shannon to increase nesting success to This evaluation will include consideration of results of site meet the goal. evaluation, site monitoring, and best available science. The licensee shall file final nest inspection and monitoring reports with the Commission by June 1 of the year following each two-year inspection and maintenance cycle, allowing for a minimum of thirty days review and comment by the TRIG prior to filing.

3.2 License Article 20

License Article 20 states:

The Licensee shall clear and keep clear to an adequate width lands along open conduits and shall dispose of all temporary structures, unused timber, brush, refuse, or other material unnecessary for the purposes of the project which results from the clearing of lands or from the maintenance or alteration of the project works. In addition, all trees along the periphery of project reservoirs which may die during operations of the project shall be removed. All clearing of the lands and disposal of the unnecessary material shall be done with due diligence and to the satisfaction of the authorized representative of the Commission and in accordance with appropriate Federal, State, and local statutes and regulations.

3.3 License Article 410

Item 5 of License Article 410, "Threatened, Endangered and Sensitive Species Plan," states in part:

Wherever thinning of timber or vegetation management occurs, take all feasible measures to retain the largest available snags, trees, and down woody debris in order to accelerate the development of northern spotted owl habitat.

3.4 License Settlement Article 511

Settlement Agreement Article 511, "Decaying and Legacy Wood," states in part:

Within three years following license issuance, and annually thereafter, the licensee shall manage snags, logs and residual live trees ("Decaying and Legacy Wood") located on existing or acquired Project lands for the purpose of enhancing Decaying and Legacy Wood structure to increase its value to snag and log dependant species.

4.0 Goals and Objectives

The goal of the Osprey Nest Structure Management Plan is to provide a sufficient number and distribution of nest structures at Lake Shannon to support an estimated seven breeding osprey pairs.

The objectives of the Osprey Nest Structures program are to:

- Provide and maintain a minimum of 10 artificial nest structures at Lake Shannon.
- Modify 10 existing trees at Lake Shannon to promote their eventual use as osprey nest sites.
- Conduct osprey nest structure activities in a manner consistent with other objectives and constraints pertinent to project lands.
- Annually monitor osprey nesting activity and productivity at both Lake Shannon and Baker Lake.
- Inspect the 10 artificial nest structures at Lake Shannon at two-year intervals and maintain the structures in conditions suitable for nesting by osprey.

5.0 Regulatory Reference and Definitions

The management of osprey nest structures under this plan will be in compliance with all applicable local, state, and federal laws and regulations. If conflicts exist between the objectives or management guidelines of this plan and any applicable law or regulation, the objectives and guidelines will be followed to the extent possible while still complying with the law or regulation.

5.1 Federal Authority and Reference

5.1.1 Endangered Species Act

The Federal Endangered Species Act of 1973 (ESA), as amended, prohibits the "take" of species listed as threatened or endangered. The definition of take includes activities that harm or harass individuals of a listed species. Modification of forest habitat (e.g., killing or felling of trees) occupied by a listed species can be considered take if it leads to the harm or harassment of individual animals. Forest overstory thinning and snag creation to promote the development of osprey tree and snag nest sites will need to be conducted in a manner that does not result in unpermitted take. Project lands with the potential to support listed species will be checked for such presence prior to any thinning or snag creation, and these activities will be adjusted as needed to avoid impacts if a listed species is present.

5.2 Washington State Authority and Reference

5.2.1 Washington Forest Practices Act

Management activities on non-federal forestlands in Washington may be subject to compliance with the Washington Forest Practices Act (RCW 76-09) and Forest Practices Rules (FPR). Certain forest management activities require prior approval through the Forest Practices Approval (FPA) process, and others simply require conformance to the FPR without prior approval. Forest thinning and snag creation can require prior approval under certain circumstances.

Portions of Skagit County, including Lake Shannon, are with the Finney Block Spotted Owl Special Emphasis Area (SOSEA) designated by the Washington Forest Practices Board. Under the FPR [WAC 222 -16-080 (1) (h)], "critical habitats (state)" include, "suitable spotted owl habitat within a median home range circle that is centered within the SOSEA or on adjacent federal lands," as well as, " the seventy acres of highest quality suitable spotted owl habitat surrounding a northern spotted owl site center located outside a SOSEA." In Skagit County, a spotted owl median home range circle has a radius of 1.8 miles. Timber harvesting and certain other forest practices in critical habitat (state) are considered Class IV-Special forest practices and subject to detailed environmental review under the FPR.

5.2.2 Shoreline Management Act

Activities conducted within "shorelines of the state" (non-federal lands within 200 feet of lakes of 20 acres or more and streams with an average annual flow of 20 cubic feet per second [cfs] or more) are subject to review and approval under the Washington State Shoreline Management Act and pertinent county and city Shoreline Management Master Programs. The shorelines of Lake Shannon, the Baker River, and several of the Baker River tributary streams fall under the jurisdiction of the Shoreline Management Act. However, forest management activities within shorelines of the state also come under the jurisdiction of the Forest Practices Act, and typically do not require separate approval under the Shoreline Management Act. Nevertheless, thinning and snag creation activities on project lands will need to be in compliance with the Shoreline Management Act.

6.0 Plan Implementation

6.1 Plan Area

This Osprey Nest Structure Management Plan applies to areas of potential osprey nesting along Baker Lake and Lake Shannon. Osprey nest structure creation, maintenance and monitoring will be limited to Lake Shannon. Monitoring of osprey nest activity and productivity will occur on both reservoirs.

6.2 Funding

Funding for implementation of the Osprey Nest Structure Management Plan (SA 506) will be provided by Puget Sound Energy.

6.3 Provisions for Development and Modification of the Plan

The Osprey Nest Structure Management Plan was developed by consensus of the TRIG, for approval by the FERC. The TRIG may propose modifications of the plan to the FERC according to the procedures described in TRMP section 3.2.1, "Process for TRMP Implementation and Modification."

6.4 Implementation Schedule

Artificial osprey nest structures will be placed on Lake Shannon to provide a total of 10 structures by October 1, 2009. These 10 structures, or replacements, will be inspected and maintained at two-year intervals; the first interval will be completed by October 1, 2010. Modification of 10 existing trees around Lake Shannon to promote their eventual use as osprey nest sites will be completed by October 1, 2010, if suitable trees are available for modification. Monitoring of osprey nesting and productivity at Lake Shannon and Baker Lake will begin in April 2009, and continue annually during the nesting season (April 1 through August 31) for the term of the license. The results of artificial nest structure inspection and maintenance, and of nest activity and productivity monitoring will be reported to the TRIG by December 31 of the second year of each two-year interval. The first report, which will cover inspection, maintenance and monitoring for 2009 and 2010, will be submitted to the TRIG by December 31, 2010.

6.5 Procedures, Standards and Criteria

6.5.1 Construction and Maintenance of Artificial Nest Structures

Artificial nest structures will be placed and maintained on Lake Shannon according to the following criteria.

- By October 1, 2009, Puget Sound Energy will provide and maintain a minimum of 10 artificial osprey nest structures at Lake Shannon.
- The 10 nest structures will consist of up to nine of the artificial structures in place at the time of license issuance, and one or more new artificial structures to be installed at the site of a former natural snag nest or artificial nest structure.

• Structures will be placed in a manner that is designed to provide a sufficient number of suitable osprey nest sites at Lake Shannon to support an estimated seven breeding pairs.

6.5.2 Modification of Existing Trees

Existing trees within the plan area will be modified according to the following criteria.

- 1. By October 1, 2010, 10 existing trees near Lake Shannon will be selected and modified to promote their eventual use as osprey nest sites, if suitable trees are available. The criteria for selecting trees are:
 - a. Species must be Douglas-fir, western hemlock or western redcedar.
 - b. Minimum diameter at breast height (DBH) of 24 inches.
 - c. Minimum height of 100 feet.
 - d. Dominant tree at least 40 feet taller than surrounding live forest canopy.
- 2. The 10 mature trees selected for modification will be on lands suitable for osprey nesting owned and/or controlled by Puget Sound Energy.
- 3. If suitable trees for modification are not available in the first two years, a plan and schedule for developing or acquiring suitable trees will be developed in consultation with the TRIG.
- 4. Tree modification may involve topping or killing of selected trees, removal of trees adjacent to selected trees, or other appropriate techniques based on site-specific evaluations, to promote the development of tree and snag nest sites available for osprey nesting at Lake Shannon.

6.5.3 Management of Nest Sites

Puget Sound Energy will fell no live trees or snags within 660 feet of osprey nest trees or artificial nest structures, unless felling is required for effective implementation of this plan, safe and efficient operation of the project, maintenance of public safety, compliance with local, state or federal law, compliance with the settlement agreement, and/or compliance with the license. Puget Sound Energy will only kill or modify live trees to create snags within 660 feet of osprey nest sites where doing so is consistent with this Osprey Nest Structures Management Plan and the Decaying and Legacy Wood Plan prepared according to SA 511.

6.6 Rationale

Puget Sound Energy has been successfully placing artificial nests structures and monitoring nesting osprey at Lake Shannon and Baker Lake for over 25 years. Data from this experience indicates that Lake Shannon historically supported seven active osprey nesting territories. The placement and maintenance of 10 artificial nest structures is expected to provide a sufficient number of nest sites for seven pairs of nesting ospreys, assuming the reservoir fish population can support this many nests.

The modification of existing trees will be conducted for two reasons. First, artificial nest structures require a substantial investment of time and resources to erect and maintain.

They were first used in Lake Shannon in the 1980's when snags dating from original project construction began to fall and no large trees were available to replace them. As shoreline trees approach a size suitable for osprey nesting during the term of the new license, the use of trees instead of artificial structures could reduce the overall cost of the program. Second, the modification of existing trees while artificial structures are still in place will increase the overall availability of nest structures and provide more variation in potential nest settings. Monitoring will provide information on osprey selection of wariation in productivity between the two types of structures. This information could be useful for evaluating the effectiveness of the Osprey Nest Structure Management Plan and identifying potential modifications to it.

6.7 Monitoring and Adaptive Management

The 10 artificial nest structures at Lake Shannon will be inspected at two-year intervals during the term of the license and maintained in a condition suitable for use by nesting osprey. Annual monitoring of osprey nesting and productivity between April 1 and August 31 at both Lake Shannon and Baker Lake will provide information on the effectiveness of the osprey nest structures at meeting the goal of seven nesting pairs.

During each report review period, Puget Sound Energy, in consultation with the TRIG, will determine whether additional artificial nest sites or modifications to the placement and design of new structures are needed to achieve the goal of seven breeding pairs on Lake Shannon. This evaluation will include consideration of results of site assessment, site monitoring, and best available science.

In addition, during each report review period, Puget Sound Energy will evaluate monitoring results for indications of human activity near osprey nests disrupting nesting behavior and/or reducing nest productivity. If Puget Sound Energy and the TRIG determine that human activity is reducing productivity at one or more nests, they will explore options for restricting human activity on project lands in problem areas. Any options developed to restrict human activity will be consistent with the needs of project operation and maintenance and in compliance with the license and the settlement agreement. Options to restrict human activity on Baker Lake will require the approval of the U.S. Forest Service before being implemented.

7.0 Reporting

Puget Sound Energy will prepare reports at two-year intervals that describe inspection results, maintenance activity, and nesting activity at both natural and artificial nests on Lake Shannon and Baker Lake during the preceding two years. Draft reports will be submitted to the TRIG by December 31 of the second year for 30-day review. Final reports will be filed with the FERC by June 1 of the following year. PSE will also file annual reports pursuant to implementation of the reporting under SA 501

7.1 Schedule

The first two-year period will cover the osprey breeding seasons of 2009 and 2010, and will be submitted to the TRIG in draft form by December 31, 2010. The final report will be filed with the FERC by June 1, 2011. Subsequent reports will follow at two-year

intervals through the term of the license. Reporting under SA 501 will require PSE to submit a draft report to the TRIG by March 31 following each field season, with the final annual report submitted to FERC by April 30th of the following year.

7.2 Annual Report Format

The draft report will include:

- A summary of the artificial nest structure inspection conducted during the reporting period.
- A summary of maintenance conducted on artificial nest structures.
- A summary of osprey nesting activity and productivity for the reporting period.
- A summary of issues or concerns regarding Osprey Nest Structure Management Plan implementation raised by Puget Sound Energy or other members of the TRIG during the reported year.
- Any proposed modifications or adaptive management to the Osprey Nest Structure Management Plan adopted by the TRIG.
- A schedule for management actions proposed for the next reporting period.

8.0 Review Comments and Responses

Puget Sound Energy prepared a final draft and distributed it via certified US Mail to the TRIG for a 30-day review period on August 14, 2009. Comments on the final draft were due September 14, 2009.

8.1 Distribution List

Name	Organization	Address
Brock Applegate	WA Dept of Fish & Wildlife	Post Office Box 1100 La Conner, WA 98257
Cathy Baker	The Nature Conservancy	1917 First Avenue Seattle, WA 98101
Len Barson	The Nature Conservancy	1917 First Avenue Seattle, WA 98101
Mignonne Bivin	National Park Service	7280 Ranger Station Road Marblemount, WA 98267
Bob Carey	The Nature Conservancy	410 N. 4th Street Mount Vernon, WA 98273
Chris Danilson	Sauk-Suiattle Indian Tribe	5318 Chief Brown Lane Darrington, WA 98273
Don Gay	USDA Forest Service	810 State Route 20 Sedro-Woolley, WA 98284
Patrick Goldsworthy	North Cascades Conservation Council	P.O. Box 95980 Seattle, WA 98145

Table 1. Osprey Nest Structure Management Plan reviewers.

Name	Organization	Address
Joann Gustafson	WA Dept of Natural Resources	919 North Township Sedro-Woolley, WA 98284
Mark Hunter	WA Dept of Fish & Wildlife	600 Capitol Way North Mail Stop 43143 Olympia, WA 98501
Lou Ellyn Jones	US Fish & Wildlife Service	510 Desmond Dr. SE, Suite 102 Lacey, WA 98503
Robert Kuntz	National Park Service	810 State Route 20 Sedro-Woolley, WA 98284
Chris Madsen	Northwest Indian Fisheries Commission	6730 Martin Way East Olympia, WA 98512
Laura Martin	USDA Forest Service	42404 SE North Bend Way North Bend, WA 98405
Greta Movassaghi	USDA Forest Service	810 State Route 20 Sedro-Woolley, WA 98284
Bob Nelson	Rocky Mountain Elk Foundation	45 Overmeyer Road Raymond, WA 98577
James Roberts	Sauk-Suiattle Indian Tribe	5318 Chief Brown Lane Darrington, WA 98241
Regina Rochefort	National Park Service	810 State Route 20 Sedro-Woolley, WA 98284
William Rogers	Skagit County Noxious Weed Control Board	302 South First Street Mount Vernon, WA 98233
Scott Schuyler	Upper Skagit Indian Tribe	25944 Community Plaza Sedro-Woolley, WA 98284
Jon-Paul Shannahan	Upper Skagit Indian Tribe	25944 Community Plaza Sedro-Woolley, WA 98284
Laurel Shiner	Whatcom County Noxious Weed Control Board	901 W. Smith Road Bellingham, WA 98226
Stan Walsh	Swinomish Indian Tribe	P.O. Box 368 La Conner, WA 98233
Brenda Werden	WA Dept of Natural Resources	919 North Township Sedro-Woolley, WA 98284
Todd Wilbur	Swinomish Indian Tribe	P.O. Box 368 La Conner, WA 98233

8.2 Transmittal Letter

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PSE PUGET SOUND ENERGY The Energy To Do Greet Things		
Puget Sound Energy PO. Box 97634 Bellevue, WA 98009-9734 PSE.com		
August 14, 2009		
Pro Osprey Nest S	ject No. 2150 tructure Plan	
Certified Mail Return Receipt Requested		
Lou Ellyn Jones US Fish & Wildlife Service 510 Desmond Dr. SE, Ste. 102 Lacey, WA 98503		
 Re: Baker River Project, FERC No. 2150 – Final Draft Osprey Nest Structure Plan, Settlement Agreement Article 506, Submittal for 30-Day Review		
Dear Lou Ellyn:		
On October 17, 2008, the Federal Energy Regulatory Commission (FERC) issued a new license for Pug Energy, Inc.'s (PSE's) Baker River Project, FERC No. 2150. In the license FERC directed that PSE, afte with the parties to the Settlement, file an Osprey Nest Structure Plan (ONSP).	et Sound r consultation	
In accordance with these directives PSE has conducted consultation with the Terrestrial Resource Imple Group composed of representatives from the Settlement parties to develop a preliminary draft of the ON receive initial comments and suggestions. These suggestions were incorporated into a final draft ONSP required to allow a minimum of 30 days for the parties to review and comment on the final draft ONSP p the final plan with FERC.	ISP and	•
Enclosed with this letter is the final draft ONSP. Please review this plan and send your comments and/or recommendations to me. You may submit your comments using the enclosed reply form and self-addres envelop or by email. Please respond with your reply by September 14, 2009 .	r ssed stamped	
Thank you for your efforts in supporting this process. If you have any questions, please call me at 425-4 email at Tony.Fuchs@pse.com.	62-3553 or	
Sincerely,		
antfittach		
Tony Fuchs Consulting Natural Resource Scientist P.O. Box 97034 PSE-09S Bellevue WA, 98009-9734 Or email at Tony.Fuchs@pse.com		
Enclosures: Final Draft Osprey Nest Structure Plan; reply form ° cc: TRIG members		
Osprey Nest Structure Plan Doc ID: BAK.20090813.0157.PSE.TRIG	, Page 1 of 1 8/14/2009	

Figure 1. Sample transmittal letter from PSE.

8.3 Reviewer Comments and PSE Responses

Comment	Puget Sound Energy Response
WDNR – JoAnn Gustafson, received August 27, 2009	
I have no comments (checked on comment form)	Comment noted. No revisions to plan.
NCCC – Patrick Goldsworthy, received August 27, 2009	
I have no comments (checked on comment form)	Comment noted. No revisions to plan.
NPS – Robert Kuntz, received September 11, 2009	
[Comment 1.] Under 4.0 "Goals and Objectives" and 6.5.2 "Modification of Existing Trees" add the following: If 10 trees can not be modified because this activity is not consistent with other objectives and constraints pertinent to project lands, then PSE will provide additional artificial nest structures to provide a total of 20 nest sites.	[Response 1.] The recommendation is not consistent with the Settlement Agreement, the License Order, or Section 4(e) terms and conditions. "If 10 trees can not be modified because this activity is not consistent with other objectives and constraints pertinent to project lands," then PSE will consult with the TRIG to address options for adaptive management. These alternatives may or may not include the one suggested by NPS. The erection of additional artificial osprey nest structures at Lake Shannon beyond the 10 that are existing is not necessary. SA 506 requires that PSE maintain a minimum of ten artificial osprey nest structures and modify ten existing trees, all with the objective of supporting an estimated seven breeding pairs of ospreys at Lake Shannon. Ten nest structures are enough to support seven breeding pairs. The intent of modifying live trees is to encourage the ospreys to relocate from artificial structures to natural structures, not to increase the number of nesting ospreys. Historical data suggest Lake Shannon is not capable of supporting more than seven nesting pairs of ospreys on a sustainable basis, regardless of the number of nest structures.
WDFW – Brock Applegate, received September 14, 2009	
(via e-mail) [Comment 2.] The Washington Department of Fish and Wildlife (WDFW) has reviewed the Final Draft Osprey Nest Structure Management Plan, Settlement Agreement (SA) Article 506. We offer the following comments. As a member of the Terrestrial Resources Implementation Group (TRIG), WDFW has participated in continuous consultation and collaboration with Puget Sound Energy (PSE) and other TRIG members for many years before and after the issuance of the Baker River Project License. WDFW appreciates PSE's collaborative process and willingness to work with all TRIG members and SA signatories on the implementation of their license articles.	[Response 2.] Comment noted.

Comment	Puget Sound Energy Response
[Comment 3.] Overall, WDFW approves of the current Article 506 Osprey Nest Structure Management Plan. We have listed a few specific comments at the end of the letter. In general, WDFW would like to see more specifics in the plan. Although we recognize the TRIG should not start focusing on any one particular option at this time, PSE should record and list the ideas, thoughts, and possible management actions for future consideration.	[Response 3.] PSE does not agree that the Osprey Nest Structure Management Plan lacks specificity. On the contrary, SA 506 has a defined scope (maintain and monitor osprey nest structures) and the Plan addresses that scope in sufficient detail for implementation.
[Comment 4.] WDFW has sensed hesitancy to record possible management actions, specific buffer distances for wildlife, and management recommendations from the TRIG because of the fear of becoming committed to implementing them without any alternatives or flexibility. Under 6.5 Procedures, Standards and Criteria, WDFW would like our Management Recommendations for Washington Priority Habitat and Species (Roderick and Milner 1991) for ospreys (<i>Pandion haliaetus</i>) recorded as a starting point for consideration by the TRIG.	[Response 4.] See Response 3. SA 506 requires the maintenance of artificial nest structures and the modification of trees, but it does not require the management of nest sites. The WDFW Management Guidelines provide recommendations for the management of osprey nest sites, but not for the maintenance of artificial nest structures or the modification of trees to promote their use as osprey nests. It would therefore be inconsistent with SA 506 to include the Management Guidelines in the Plan.
[Comment 5.] WDFW welcomes the opportunity to work with PSE on future projects. We value our working relationship with PSE and encourages future dialog. If you have any questions or need more information or clarification to comments from the WDFW, please feel free to call me at (360) 466-4345 x254.	[Response 5.] Comment noted.
[Comment 6.] SPECIFIC COMMENTS CONCERNING THE OSPREY NEST STRUCTURE MANAGEMENT PLAN, ARTICLE 506: 4.0 Goals and Objectives. WDFW recommends including another bullet at the end stating:	[Response 6.] Insertion of this text into Section 4.0, "Goals and Objectives," is not necessary. The proposed insertion deals with the details of monitoring and reporting, which are properly addressed in Section 6.7, "Monitoring and Adaptive Management," and Section 7.0, "Reporting." As noted in Section 7.0, "Puget Sound Energy, in consultation
"Submit a draft nest inspection and monitoring report to the TRIG. The TRIG should determine whether future plans need to include additional artificial nests or modifications to the placement and design of new structures to achieve the goal of seven breeding pairs."	with the TRIG, will determine whether additional artificial nest sites or modifications to the placement and design of new structures are needed to achieve the goal of seven breeding pairs on Lake Shannon. This evaluation will include consideration of results of site assessment, site monitoring, and best available science."
[Comment 7.] 5.2.1 Washington Forest Practices Act. PSE could have additional Critical habitat (state) for marbled murrelets (<i>Brachyramphus marmoratus</i>), Bald eagles (<i>Haliaeetus leucocephalus</i>), and Peregrine falcons (<i>Falco peregrinus</i>) on their project lands. WDFW recommends PSE follow Washington Administrative Code (WAC) 222-16-080 (a), (f), (h), and (j) for protecting Critical habitat (state). Please consult with WDFW for additional measures to avoid or minimize impacts to all special status species while conducting management activities.	[Response 7.] Comment noted. As stated in Chapter 5, "The management of osprey nest structures under this plan will be in compliance with all applicable local, state, and federal laws and regulations."

Comment	Puget Sound Energy Response
[Comment 8.] 6.7 Monitoring and Adaptive Management, third paragraph. WDFW commends PSE on evaluating monitoring results for indications of effects of human disturbance. We recommend that PSE particularly concentrate on NEW human and management action disturbances. Ospreys grow accustomed to constant and current disturbances, but may abandon nest sites when new loud noises or other human disturbances occur. Please note that nest area habitat changes during the non-breeding season may also cause ospreys to abandon sites when they return. WDFW recommends consulting with the TRIG on all NEW management actions, projects, and recreational activities near osprey nesting sites that will cause noise or habitat and possible nest site abandonment.	[Response 8.] PSE believes consultation with the TRIG on new management actions, projects and recreational activities near osprey nesting sites is beyond the scope of SA 506 and unnecessary. SA 506 requires the maintenance of osprey nest structures on Lake Shannon, but it does not require the preparation of osprey nest site management plans. The potential for human disturbance has been and will continue to be a consideration in identifying suitable locations for nest structures. Other than recreational use of Lake Shannon (primarily for fishing), there is little human activity in the vicinity of the osprey nests. Going forward, potential impacts will be detected through the monitoring described in Section 6.7. When and if such impacts are identified PSE will consult with the TRIG regarding the appropriate response. Preemptive actions in anticipation of potential impacts would be inappropriate, perhaps deleterious and contrary to the concept of adaptive management in the Settlement Agreement and contained as a recommendation in Comment 9 below.
[Comment 9.] 7.2 Annual Report Format, last bullet. Please add adaptive management to the bullet, so it reads: "Any proposed modifications or adaptive management to the Osprey Nest Structure Management Plan adopted by the	[Response 9.] Section 7.2 has been modified as suggested.
TRIG."	
[Comment 10.]Please add a bullet that reads:"A schedule and budget of the next two year's proposed management actions."	[Response 10.] A bullet has been added to Section 7.2 specifying that the draft annual report will include a schedule for proposed management actions over the next reporting period. Because the budget for SA 506 is not capped, a budget estimate is not necessary for the purposes of TRIG function.
USDA-FS – Greta Movassaghi, received September 14, 2009 (via e-mail)	
I have no comments (checked on comment form)	Comment noted. No revisions to plan.
RMEF – Bob Nelson, received September 21, 2009	
I have no comments (checked on comment form).	Comment noted. No revisions to plan.

8.4 Comment Correspondence

RECEIVED SEP 17 2008
State of Washington Department of Fish and Wildlife P.O. Box 1100, 111 Sherman St. (physical address), La Conner, Washington 98257-9612
September 14, 2009
 Puget Sound Energy Tony Fuchs, Consulting Natural Resource Scientist P.O. Box 97034 PSE-09S Bellevue, WA 98009-9734 Subject: Baker River Project, FERC No. 2150— Final Draft Osprey Nest Structure Management Plan, Settlement Agreement Article 506, Submittal for 30-Day Review
Dear Mr. Fuchs:
The Washington Department of Fish and Wildlife (WDFW) has reviewed the Final Draft Osprey Nest Structure Management Plan, Settlement Agreement (SA) Article 506. We offer the following comments. As a member of the Terrestrial Resources Implementation Group (TRIG), WDFW has participated in continuous consultation and collaboration with Puget Sound Energy (PSE) and other TRIG members for many years before and after the issuance of the Baker River Project License. WDFW appreciates PSE's collaborative process and willingness to work with all TRIG members and SA signatories on the implementation of their license articles.
Overall, WDFW approves of the current Article 506 Osprey Nest Structure Management Plan. We have listed a few specific comments at the end of the letter. In general, WDFW would like to see more specifics in the plan. Although we recognize the TRIG should not start focusing on any one particular option at this time, PSE should record and list the ideas, thoughts, and possible management actions for future consideration.
WDFW has sensed hesitancy to record possible management actions, specific buffer distances for wildlife, and management recommendations from the TRIG because of the fear of becoming committed to implementing them without any alternatives or flexibility. Under 6.5 Procedures, Standards and Criteria, WDFW would like our Management Recommendations for Washington Priority Habitat and Species (Roderick and Milner 1991) for ospreys (<i>Pandion haliaetus</i>) recorded as a starting point for consideration by the TRIG.
WDFW welcomes the opportunity to work with PSE on future projects. We value our working relationship with PSE and encourages future dialog. If you have any questions or need more

Mr. Tony Fuchs September 14, 2009 Page 2 of 3 information or clarification to comments from the WDFW, please feel free to call me at (360) 466-4345 x254. 14 Sincerely, 100 Brock Applegate Fish and Wildlife Biologist Cc: David Brock, WDFW Mill Creek Mike Davison, WDFW La Conner Bob Everitt, WDFW Mill Creek Mark Hunter, WDFW Olympia Lora Leschner, WDFW Mill Creek

Figure 2, continued.

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SPECIFIC COMMENTS CONCERNING THE OSPREY NEST STRUCTURE MANAGEMENT PLAN, ARTICLE 506:

4.0 Goals and Objectives. WDFW recommends including another bullet at the end stating:

"Submit a draft nest inspection and monitoring report to the TRIG. The TRIG should determine whether future plans need to include additional artificial nests or modifications to the placement and design of new structures to achieve the goal of seven breeding pairs."

5.2.1 Washington Forest Practices Act. PSE could have additional Critical habitat (state) for marbled murrelets (*Brachyramphus marmoratus*), Bald eagles (*Haliaeetus leucocephalus*), and Peregrine falcons (*Falco peregrinus*) on their project lands. WDFW recommends PSE follow Washington Administrative Code (WAC) 222-16-080 (a), (f), (h), and (j) for protecting Critical habitat (state). Please consult with WDFW for additional measures to avoid or minimize impacts to all special status species while conducting management activities.

6.7 Monitoring and Adaptive Management, third paragraph. WDFW commends PSE on evaluating monitoring results for indications of effects of human disturbance. We recommend that PSE particularly concentrate on **NEW** human and management action disturbances. Ospreys grow accustomed to constant and current disturbances, but may abandon nest sites when new loud noises or other human disturbances occur. Please note that nest area habitat changes during the non-breeding season may also cause ospreys to abandon sites when they return. WDFW recommends consulting with the TRIG on all **NEW** management actions, projects, and recreational activities near osprey nesting sites that will cause noise or habitat and possible nest site abandonment.

7.2 Annual Report Format, last bullet. Please add adaptive management to the bullet, so it reads:

"Any proposed modifications or adaptive management to the Osprey Nest Structure Management Plan adopted by the TRIG."

Please add a bullet that reads:

• "A schedule and budget of the next two year's proposed management actions."

Figure 2, continued.