



Connecticut River Joint Commissions
CRJC Office, 10 Water St., Lebanon, NH
Monday, April 18, 2016 2:00 – 4:00 PM
Meeting Minutes

Commissioners Present: Marion Allen, David Deen, Rick Hopkins, Jason Rasmussen, Jennifer Griffin, Steven Lembke, Dick Sanders, Jim McClammer, Kurt Staudter, Rick Walling, Elaine Levlocke, Chris Campany, Brendan Prusik, Mary Sloat, Jim Doig, Tara Bamford.

Commissioners Absent: Rebecca Brown, Ken Niemczyk, Peter Gregory, Alison Low, Samuel Swope, Chris Thayer.

Guests: John Freeman, Tom Joyce, Nancy Remsen, Reporter, 7 Days. ***Staff:*** Patricia Crocker.

Convene and Welcome

Comm. Rasmussen welcomed the members and guests and initiated introductions.

Minutes of the February Meeting

Comm. Staudter moved to accept the minutes of the meeting. Comm. Lembke seconded. Vote: The motion carried with two abstentions by Commrs. Deen and Levlocke, who had not been present at the April meeting.

Financial Report

Commissioner Levlocke moved to accept the financial report as of February 29, 2016. Vote: Unanimous

Administrative Contract renewal with UVLS with RPC

Comm. Staudter moved to renew the administrative contract with the UVLSRPC for one year. Comm. Doig seconded the motion. Vote: Unanimous

Acceptance of Annual Report

Commissioners accepted the report and recommended two changes: rounding of dollars and cents to whole numbers in the financial section and to add affiliation to list of Commissioners names.

Subcommittee Reports

Local River Subcommittees

The written report of local river subcommittees is attached. Tara Bamford noted that the access area sign inventory is still in progress. Discussion of the varying views of the local river subcommittees followed. Bamford explained that in the creation of the CRJC giving a voice to citizens along each segment of the river was intended. Unanimity of views and concerns that are locally rooted may occur but were, by design, not expected.

Planning Subcommittee

Comm. Sloat reporting: The subcommittee met on March 23, 2016 in St. Johnsbury. Boat signage was discussed as was creation of an educational program and perhaps recruiting a teacher to write up a curriculum at the grade 4 level that could be used in the schools along the river communities. Comm. Sanders presented a draft proposal (attached) -- Community outreach and public awareness of Connecticut River issues using a mobile exhibit. Funding for a larger project such as this may be available. This would be discussed in greater detail at the June meeting once Commissioners have had the opportunity to review the proposal.

Communications Subcommittee

Comm. Lembke reported that the committee looked at the current CRJC website and will make recommendations about outdated postings including specific recommendations to update some posted reports and the Commissioner Bios. He reminded commissioners of the Commissioner's page on the website that contains additional working and background documents that may be too large to mail. He also noted the needed password for access.

Development Subcommittee

Comm. Griffin asked for the Commissioners help and suggestions to develop a list of potential funding sources.

Local River Subcommittee Nominations

The following individuals appointed by their towns were accepted by the Commissions. Paul Harlow, Westminster, VT; Mary Dole of Ryegate; Alice Creagh, Hanover, NH;

Comm. Deen moved to approve all 5 river subcommittee appointments, seconded by Comm. Prusik. Vote: Unanimous.

Report on Meeting Governor Shumlin of VT

Participants of the meeting expressed their view that this was a productive meeting and they found the Governor to be very supportive of the concepts presented on mitigation funds relating to the relicensing process. Governor Shumlin's office was going to make contact with Governor Hassan in NH. This is going to happen, but is on hold until mid-May pending connection between both Governors.

Jim McClammer suggested that the Conn River Valley Resource Commission should communicate with Governor Hassan asking to set that meeting up. Comm. Campany suggested that the message be consistent and focus on the relicensing and negotiations aside from other concerns. The draft of a letter from the NH Commissioners will be circulated and will also be reviewed by Comm. Deen to be sure it has been written to reflect the consistency about relicensing only. Rick Walling needs to sign it. NH Commission members will caucus on drafting a letter. Commissioners from both states support that concept.

EPA Section 401 Certification

The States of Vermont and New Hampshire are each going to submit a 401 application on Water Quality Certifications stating that the Federal actions won't compromise the water quality of the states and FERC must accept any conditions that the states impose as a requirement in the relicensing process. Discussion of how to weigh-in on those applications followed. Comm. Deen suggested that it would be premature to jump into that process as it is not likely that the states will even consider this matter until after the relicensing application is filed in January 2017.

River Speed Enforcement / Signage

Comm. Rasmussen spoke to Captain Dunleavy of NH who was not available to address the issue at this meeting nor the regular June meeting. Comm. Agreed to adjust the meeting date to fit his schedule. Staff will set up a doodle poll for dates on Monday/Tuesdays in June beginning on the 14th.

Comm. Hopkins talked about signs that VT Fish and Wildlife prepared quoting the NH

RSA on boat speeds and has agreed to install at five access points on the Vermont side of the river. TransCanada has also agreed to install them on the VT side as well. VT state police monitor boat speed on tributaries. The VT Dept. of Fish and Wildlife can enforce life jackets and various safety aspects, but cannot enforce speed. That is the responsibility of NH since the river lies within that state's boundaries. Comm. Hopkins will bring signs to the June meeting so that NH Enforcement can see what had been created with the NH specific language, but he cannot specify where the signs will be replaced.

Deen reported that the float plane community was also going to be speaking to legislators. Map of River width to ascertain the width river the boating guide is on the website.

The Charlestown, NH boat ramp was discussed. Comm. Griffin advised that there were maintenance issues preventing rehabilitation. The ramp suffered the effects of Irene and because of its location it is constantly subject to scouring. TransCanada is considering ways the access point might be restored at a point in the future.

FERC Working Group Hearings and Studies

Comm. Jim McClammer reported and noted the draft document sent to Commissioners (attached). Study reports were released on March 1st. TransCanada presented the reports. The studies are coming out in a phased process. They were tasked with making comments on the early reports, but these are dependent upon the subsequent studies. See letter of recommendations by the working group to FERC including a mitigation and enhancement fund (attached). A mitigation fund is a different matter than revenue sharing as referenced in the letter. Comments are due on May 2 and the group would like to have Commissioner input on the final draft.

Comm. Bamford thanked the work group for their work. She stated that the Upper Valley River Subcommittee thought the mitigation and enhancement fund was looking to have it say "public and private property". Study # 1 is the baseline they are using for Study # 3. The Baseline is really just information, so it does not seem fair to withhold comments, but it should note that the conservation district studies should be the foundation for the baseline study and these were not included.

Referring to # 3 c. Rather than jump to conclusion explain what the study should say,

Comm. Deen believed it to be inadequate and didn't know whether it was best to ask for an extension or withdraw the study and reissue them together on July 15. The difficulty of making comments on an incomplete study was noted. Additional time however requested would be appropriate. These could be made as provisional comments on Study # 1 which is a historical study and are likely to have additional comments following the issue of the subsequent reports.

Comm. Prusik asked to consider whether log drives, and the duration and level of snowpack and ice out timing have changed. Comm. Griffin recommended that as many of the issues as possible be raised early on so that these may all be considered in the review. Comm. Prusik will email text to Jim McClammer for revision to the draft letter. Studies that included increased precipitation events and prolonged periods of drought, based on climate change models, were rejected by FERC as being speculative. FERC did not want TransCanada to incorporate speculative data into their models.

Comm. Prusik expressed his discomfort with climate change models noted as "preponderance" in the draft, and thought it best to state it as "expected fluctuations in stream flow due to weather events." Erosion and sedimentation are related issues. Comm. Company moved and Comm. Lembke seconded a motion to adopt the draft with changes noted and to circulate the final draft. Vote: Motion carried with one nay from Comm. Griffin.

Commission meeting recessed at 4PM for the River Resource Commission to caucus on writing a letter to Governor Hassan. The meeting was reconvened at 4:20 PM.

Purchase of Dams

Comm. Deen reported that Vermont had put together an unbiased working group that will be looking at the feasibility of public purchase of the TransCanada Dams.

Implications on Towns will be loss of tax revenue. Comm. Company noted that Windham Regional Commission stated its position in a letter to the legislators that the towns should have the right to comment and weigh in on this proposition. He has also reached out to the other Vermont Regional Planning Commissions. SWCRPC has also just sent a survey out to their member towns. TRORC has sent a similar survey to their towns.

Comm. Deen stated that if you ignore the acrimony and lawsuits between the owner and the towns. The current operator is still making money while paying those local taxes. A public private partnership would not likely change the balance sheet in that regard. It is not likely there will be any lessening of the value if some public private partnership does purchase the dams. Payments would continue on the property in various municipalities, but these might take the form of PILOT (Payments in Lieu of Taxes) at the same level.

Comm. Staudter suggested they look at it from the prism of the energy industry changing at warp speed. What we have along rivers are beautiful historic dams and the river is a public resource. It is likely to continue to generate power at least for the foreseeable future. He expressed concern that investment bankers and venture capitalists could buy and flip the public assets and keep flipping these and leave the asset in diminished condition. Right now the properties are being well stewarded by TransCanada and a public investment in the dams would be a way to continue to assure that this will continue.

The differences between the two state's philosophies were noted as possible reasons why NH has not expressed an interest in purchasing the dams.

It won't be known until a prospectus is issued how the sale will be structured. The license will go along with a new owner. Some but not all Sections of the lands are under conservation easements.

Comm. Staudter reported on the Committee Hearings he had attended at the Vermont State House. He also took the opportunity to make appointments with Speaker Shap Smith and Senate President John Campbell. He noted in all conversations that the CRJC had not taken a position beyond that the issue was worthy of study.

Comm. Staudter agreed that towns should be involved in the deliberative process and that State assure the same level of compensation that currently exists based on the value of the assets. Comm. Deen noted that the CRWC is in it for the environmental footprint. This may affect the value of the plants going forward. He also noted that unlike New Hampshire, Vermont did not deregulate electric utilities and continues to have a stake in keeping the value high to help support its statewide education fund. VT does not have to purchase from Merchants and the power producers are still

vertically integrated. Some of the cheapest power in the country is produced by the New York Power Authority (NYPA). <http://www.nypa.gov/> .

Comm. McClammer noted that NH has some of the highest power costs in the country. He hoped that there might be a cooperative effort to form a joint power authority. This was noted in FERC work group minutes (attached). He noted that bringing rates down for NH could be a stimulus for economic development in towns along the corridor.

Comm. Bamford suggested that the FERC work group follow the charge of their committee and should not be making motions relative to the matter of purchasing the dams. It should remain focused on briefing the Commission on the relicensing studies and recommending actions upon comments.

Comm. Bamford moved that CRJC state for the record that the towns on both sides of the river be part of the deliberations on purchasing the dams. Comm. Campany seconded the motion. Vote: Unanimous

EPA Section 401 Water Quality Assessments by States

This activity will be put on hold because the process doesn't get underway until after January 2017. During the TransCanada Study meetings Comm. McClammer chatted with NY and VT officials who state that water quality is one of the factors in the relicensing process.

Comm. Deen explained that the difference now is that they had a settlement agreement and the 401 was written into the settlement agreement. Comm. McClammer stated that it might be useful to coordinate a meeting between the water quality experts of each state to explore the current thinking on potential conditions in draft water quality certifications that each state may impose, and a CRJC meeting might help focus the states on this process and inform stakeholders of water quality standards. Gregg Comstock (NHDES) and others hosted a meeting three years ago in the upper valley to introduce stakeholders to the 401 process.

Comm. Deen explained that the clock doesn't start ticking until January 2017 and the 401 is not going to be considered until the license is reissued. He also stated that the mitigation and enhancement fund is not liked by either group and strongly suggests the CRJC plan for a later meeting as he understands that there won't be anything to

talk about until the FERC licenses are issued. The timing is such that CRJC can discuss this at the next meeting. Staff was asked to set up folders for the 401 and FERC activities on the Commissioners page with background information.

Staff will conduct a June meeting doodle poll to establish a date. Among the items on the agenda will be the budget, commission caucuses and election of officers.

Comm. Griffin also wanted the FERC Work Group minutes to clarify that FERC has a dam safety group that is ongoing and not part of the licensing process.

Comm. McClammer noted the good news and bad news about the reconstruction of Route 12 A between Charlestown and Walpole. The new preferred alternative will include rip-rap that will have about five acres of impact to the Connecticut River and its banks. As compensatory mitigation for the impact, the NH DOT is expected to deposit about \$2.5 million into the New Hampshire Aquatic Resource Mitigation (ARM) fund. The money will be available for a wide range of environmental projects on the New Hampshire side of the lower Connecticut River from the Mascoma River in Lebanon to the Massachusetts border.

Comm. Prusik moved to adjourn at 5:15 PM. Comm. Campany seconded.

Minutes adopted on June 14, 2016.