

**Peabody Trout Creek Reservoir Project
Proposed Study Plan
(FERC Project No. P-14446)
(URS Project No 22242691)
Wildlife Conference Call
March 13, 2013, 10:45 a.m. – 11:25 a.m.**

Call Participants (Listed Alphabetically by First Name)

- David Merritt, URS Corporation (URS), Project Manager
- Jeffrey Dawson, URS, Senior Ecologist
- Jennifer Adams, Federal Energy Regulatory Commission (FERC), Wildlife Biologist
- Jody Glennon, URS, Environmental Planner
- Shana Murray, FERC, Project Coordinator

Materials Referenced on the Call

- Peabody Trout Creek Reservoir Project, Pre-Application Document, August 2012.
- Proposed Study Plan, Peabody Trout Creek Reservoir Project, January 18, 2013.
- Colorado Parks and Wildlife Study Requests and Comments Letter, November 27, 2012.

Call Notes

Introductions

David Merritt/URS opened the call and communicated the names of the callers on the line. Mr. Merritt then turned the call over to Shana Murray and Jennifer Adams, both with FERC, so that their questions about the Peabody Trout Creek Reservoir LLC (PTCR) Proposed Study Plan could be addressed.

Transmission Interconnection

Jennifer Adams/FERC requested additional detail about the transmission line interconnection for the proposed Peabody Trout Creek Reservoir Project (Project) be included when PTCR submits its Preliminary Licensing Proposal. Ms. Adams referenced Section 2.2.4, Transmission Interconnection, of the Pre-Application Document (PAD), which reads:

“PTCR is proposing to connect with an existing 7.2-kilovolt (kV) transmission line owned by Yampa Valley Electric Association which follows the northwest side of Routt CR 179. As shown on Figure 2-5, this would entail construction of approximately 200 feet of new transmission line crossing the county road, as well as the associated switches, disconnects, and meters. The details of the contract with Yampa Valley Electric Association as well as the interconnection will be developed during the license application process.”

Ms. Adams requested that future document submittals for the proposed Project that contain reference to the transmission line clarify the type of line, what kind of vegetation or habitat exists around and under the transmission line (if an overhead line), what the transmission line crosses, and details regarding the disturbance area.

David Merritt/URS indicated the current *conceptual* design shows the transmission interconnection to be an overhead line that would involve one new pole with a line that would connect to an existing pole. The line would traverse an existing gravel county road. Mr. Merritt indicated this information could easily be added to the Preliminary Licensing Proposal and a figure/exhibit would be included that shows this. PTCR will also detail what kind of vegetation/habitat exists under the proposed transmission line and provide additional information on the disturbance area from this interconnection.

Ms. Adams indicated that information would assist FERC in considering effects to raptors.

Action Item:

PTCR will add explanatory information regarding the transmission interconnection to future filings with the Commission that reference the transmission interconnection for the Project (and include a figure/exhibit with this information clearly labeled). PTCR already added such language to the description of the transmission line interconnection in the draft Revised Proposed Study Plan that was filed with FERC in track change format on March 15, 2013.

Endangered Species

Columbian Sharp-tailed grouse (CSTG)

Jennifer Adams/FERC confirmed that the CSTG is a state-listed species and is not federally listed. Ms. Adams reminded the call participants that FERC does not have authority over state-listed species. Ms. Adams referenced the following information contained in a November 27, 2012, letter received from Colorado Parks and Wildlife (CPW) regarding the PAD, study requests, and comments:

“Although there are no active Columbian-sharp-tailed grouse (CSTG) leks within the designated normal high water levels of the proposed reservoir, there are four active leks within close proximity; RCR 179 (.13 miles), Middle Creek (.6 miles), Jenna (0.3 miles), and Hoffman (0.7 miles). The agency recommendation for CSTG is a no surface occupancy within 0.4 miles of any Columbian sharp-tailed grouse lek to reduce the possibility of lek abandonment. The Jenna and RCR 179 leks both fall within this range, therefore the threat of lek abandonment exists. Additionally, most Columbian sharp-tailed grouse nesting activity occurs within 1.25 miles of lek sites, making the entire area potential nesting habitat for birds from all four leks. However, the majority of the area that will be flooded by the proposed reservoir is currently agricultural hay meadow, which is not quality nesting habitat. Therefore, additional impacts to nesting CSTG should be minimal.

This area is also mapped by Colorado Parks and Wildlife (CPW) as "priority habitat" for the Greater sage grouse. At this point in time and at this location, CPW is not significantly concerned with impacts to sage grouse. This section of Twentymile Park no longer hosts a healthy sage grouse population that could be impacted by the reservoir development.”

Ms. Adams expressed concern that CPW’s recommendation for CSTG is a “no surface occupancy within 0.4 mile of any CSTG lek to reduce the possibility of lek abandonment,” and that CPW cites one active lek (Jenna) 0.3 mile away [and URS notes another lek (RCR 179) 0.13 mile away that is also cited in that

letter]. Ms. Adams indicated that information conflicts with what was reported in the PAD in Section 3.6.1.2. That section of the PAD is excerpted below.

Section 3.6.1.2

*“The Columbia sharp-tailed grouse is a Colorado species of concern and BLM sensitive species and a small game species that is hunted in northwest Colorado. Most sharp-tails in Colorado are concentrated within Routt and eastern Moffat counties (CNDIS 2012). This species is commonly found in the high mountain shrub-grassland community and associated edges interspersed with serviceberry (*Amelanchier alnifolia*), chokecherry (*Prunus virginiana*), Gambel oak (*Quercus gambellii*), sagebrush, snowberry, and aspen. Shrubs and small trees, including riparian shrub, play an important role in sharp-tail ecology, especially in winter when they provide both food and cover (CPW 2011b; Hoffman 2001). The entire Project area is within the overall range of the sharp-tail, winter range, and production area (Figure 3.6-1). The upland shrublands and the edge between the shrubland and upland grasslands provide both cover and forage habitat for winter and summer brood rearing for sharp-tails. The ridges provide suitable sites for spring strutting grounds or leks, although no leks have been recorded within the Project area (Hoffman 2001).”*

Action Item:

Shana Murray/FERC and Ms. Adams requested that PTCR engage CPW and the U.S. Fish and Wildlife Service (USFWS) on a conference call with URS and FERC to clarify the CSTG leks in the area and to discuss potential mitigation.

Jeff Dawson/URS discussed CSTG with Danielle Domson of the Steamboat Springs Office of CPW on March 14, 2013. She indicated that CPW does annual lek counts and that additional surveys are not needed. The proposed Trout Creek reservoir area is not suitable nesting habitat for leks. CPW’s main concern is development within suitable habitat adjacent to the reservoir, including new housing and trails. If Project activity is located within 1.25 miles of a lek during the breeding season, CPW may recommend delay of activities to protect nesting.

At Ms. Domson’s direction, Mr. Dawson contacted Jeff Yost in the same CPW office on March 15, 2013, to obtain geographic information system (GIS) locations of the leks and lek count data, in order to evaluate proximity of the leks to proposed Project construction areas. Mr. Yost passed Mr. Dawson’s request to Karin Eichhoff of CPW, with whom he spoke on March 18, 2013, and at Ms. Eichhoff’s request, Mr. Dawson sent an email requesting this information. Ms. Eichhoff provided Mr. Dawson with a non-disclosure agreement to review and sign on March 25, 2013 and return to CPW; CPW required such an agreement to be signed and on file before it would provide the requested lek GIS data.

The information provided by CPW in its November 27, 2012, letter indicated that CPW recommends no surface occupancy within 0.4 mile of a CSTG lek to reduce the possibility of lek abandonment. Overlaying of the CPW lek GIS data on the Project area map shows that there are no leks within 0.4 mile of the proposed construction area. There are two leks, both mentioned in the CPW letter (Jenna and RCR 179) that are within 0.4 mile of the proposed reservoir but at greater distances from the construction area (i.e., greater than 1.25 miles and 0.66 mile, respectively); those leks are unlikely to be affected by construction or operation of the reservoir.

The CPW November 27, 2012, letter indicated that nesting mostly occurs within 1.25 miles of lek sites, but that the most of the reservoir area is not quality nesting habitat and impacts to nesting CSTG would be minimal. There are ten active leks located within 1.25 miles of the proposed reservoir, two of which are located within 1.25 miles of the construction area. The construction area, like the reservoir area, does not appear to be quality nesting habitat. One of the leks mentioned by CPW in its November 27, 2012 letter, RCR 179, is located 0.13 mile from the edge of the proposed reservoir but about 0.66 mile from the proposed construction area. The other three leks mentioned in the CPW letter are located more than 1.25 miles from the construction area. The second lek located within 1.25 miles of the construction area is Fish Creek, which is about 1.16 miles away.

Based on the information contained in the November 27, 2012, CPW letter and analysis of the lek location GIS data, construction and operation of the reservoir should have minimal impacts to CSTG lek activity and nesting.

The USFWS has not been contacted regarding this species because it is not federally listed.

Greater sage grouse

Jennifer Adams/FERC questioned the red entry (shown below) contained in Table 3.6-1 of the PAD. Jeff Dawson/URS indicated potential habitat for the Greater sage grouse exists in the Project area and is outside the area that would be inundated by the proposed reservoir.

**Table 3.6-1
Special Status Species Potentially Occurring in the Project Area**

Common Name	Scientific Name	Status*	Habitat	Potential Habitat in Project Area
Federally-Listed Species				
Birds				
Greater sage-grouse	<i>Centrocercus urophasianus</i>	C, SC, BLM sensitive	Foothills, plains, and mountain slopes with sagebrush, often with a mixture of sagebrush, meadows, and aspen nearby.	Yes, but outside of occupied range.

Analysis of this species was provided in Section 3.6.1 of the PAD, as excerpted below.

"In 2005, the USFWS determined that federal listing of the greater sage-grouse under the ESA was not warranted (70 Federal Register 2244 [January 12, 2005]). In December 2007, the decision was remanded by a U.S. District Court, and on March 23, 2010, the USFWS released a 12-month status finding that listing of the sage-grouse as threatened was warranted but precluded by higher priority listing actions, establishing the species as a candidate species (75 Federal Register 13910). The sage-grouse is also listed as a species of concern by the CPW (CPW 2011a). Historically, sage-grouse were widely distributed in the western U.S. in shrub steppe habitats between 4,000 and 9,000 feet in elevation. Today, they still occur in the Great Basin and Intermountain West, and in northwestern Colorado (CNDIS 2012). Sage-grouse depend on sagebrush (Artemisia spp.) year-round for food and cover and are therefore sensitive to sagebrush habitat loss and degradation (ERO 2012b). CNDIS data describe the Project area as historical habitat but do not show current occupancy in the area. Documented occupied habitat occurs two to three miles to the west of the Project area, where a portion of the Northwest Colorado Population is located, and an active lek is located three to four miles west of the proposed dam site (Northwest Colorado Greater Sage-grouse Working Group 2008). The occupied habitat west of the Project area has been identified by CPW as priority habitat; identified linkage areas to other areas of occupied habitat are located north and south of the reservoir site (CPW 2012). While the sagebrush shrublands provide potential habitat for the greater sage-grouse, the Project area is outside the overall range for this species identified by CNDIS (2012)."

Action Item:

Shana Murray/FERC and Ms. Adams requested that PTCR engage CPW and USFWS on a conference call with FERC to clarify the red entry shown above from Table 3.6-1 of the PAD. Ms. Murray and Ms. Adams would like confirmation that CPW and USFWS are not concerned about potential impacts to Greater sage grouse from the proposed Project; whether the Project area truly is outside the occupied range; and whether the Project could result in loss of habitat above the normal high water line for Great sage grouse.

The comment letter provided by CPW to FERC on November 27, 2012, includes the following statement in the first paragraph on page 2: "This area is also mapped by Colorado Parks and Wildlife (CPW) as "priority habitat" for the Greater sage grouse. At this point and at this location, CPW is not significantly concerned with impacts to sage grouse. This section of Twentymile Park no longer hosts a healthy sage grouse population that could be impacted by the reservoir development."

Based on this documentation from CPW, URS recommends no further follow-up on the Greater sage grouse for the proposed Project.

Brewer's Sparrow

Jennifer Adams/FERC referenced the Colorado Bird Breeding Atlas (COBBA) II methods for surveying noted in Section 3.14, Migratory Bird and Raptor Survey, of the PTCR Proposed Study Plan (January 18, 2013). That reference is excerpted below.

"Wildlife biologists will conduct surveys to identify breeding bird activity in all habitats in the study area. Surveys consistent with the methods of the Colorado Bird Breeding Atlas (COBBA) II will be conducted

once in early summer (June) and again in late July. Biologists will record the presence and activity of all birds observed on the COBBA II field card using the COBBA II habitat, activity, and abundance codes. A report summarizing the species observed by habitat, the highest level of breeding activity observed, and species abundance will be prepared."

Ms. Adams requested that the Proposed Study Plan be revised to detail the COBBA II methodology instead of just citing it.

Action Item:

PTCR updated Section 3.14, Migratory Bird and Raptor Survey, in the draft Revised Proposed Study Plan (March 15, 2013) to explain what the COBBA II methodology is and what it involves. The *COBBA II Field Worker's Handbook and Field Card** were also added to Exhibit B in the Revised Proposed Study Plan.

*Kingery, Hugh E. and Tony Leukering. 2007. Atlas II, The Second Colorado Breeding Bird Atlas. Field Workers' Handbook and Field Card. July.

Other Species

Jennifer Adams/FERC inquired about the red statement excerpted below from Section 3.14, Migratory Bird and Raptor Survey, of PTCR's Proposed Study Plan (January 18, 2013), indicating that it seemed out of place.

*"Based on the findings of the surveys, consultation with CPW will be initiated to discuss Project effects and any appropriate mitigation for migratory birds and other wildlife species, such as the northern leopard frog (*Rana pipiens*) and American river otter (*Lutra canadensis*)."*

Jeff Dawson/URS and Jody Glennon/URS communicated that statement would be struck in the Revised Proposed Study Plan that would be filed on March 15, 2013.

Ms. Adams requested that PTCR consult with CPW to document whether CPW has any wildlife species concerns in the Project area and whether observation or similar forms are required for documenting any species finds.

Action Item:

Shana Murray/FERC and Ms. Adams requested that PTCR engage CPW on a conference call with the Commission to discuss any wildlife species concerns in the Project area and whether observation or similar forms are required to document any species finds.

Mr. Dawson discussed the northern leopard frog and American river otter with CPW personnel. Both species were described in the PAD as having been observed in the study area during the 2012 surveys, but the November 27, 2012, letter from CPW did not address them. In Mr. Dawson's call with Danielle Domson/CPW on March 14, 2013, Mr. Dawson asked about the river otter. Ms. Domson said that CPW doesn't typically have sightings of otters in the Project area, and that no studies were needed from CPW's perspective. Ms. Domson recommended that Mr. Dawson talk to Liza Rossi at her office (Steamboat Springs, Colorado) regarding the northern leopard frog.

On March 19, 2013, Mr. Dawson spoke with Ms. Rossi regarding the northern leopard frog. Ms. Rossi asked whether breeding had been documented and said that it would be useful to know whether the Project area is used as a breeding site in order to determine mitigation. The best way to evaluate breeding for the northern leopard frog would be to document observations of eggs or tadpoles. The presence of calling adults would also help, by directing personnel to areas where eggs or tadpoles could be found. May or June would be good months to document breeding. Ms. Rossi said that she was not prepared at that time to address mitigation because CPW does not frequently deal with mitigation for this species, and that she would need to call back with that information.

Ms. Rossi sent a follow-up email on April 2, 2013, in which she recommended that surveys be conducted in spring or early summer to document calling adults, egg masses, or tadpoles, to determine if the Project area is a northern leopard frog breeding site. Ms. Rossi stated that CPW would request mitigation for loss of northern leopard frog habitat, but that it is too early in the process to lay out potential mitigation ideas, especially because it is not known whether the Project site is a breeding site.

URS coordinated with ERO Resources Corporation to include documentation regarding observations of eggs or tadpoles during its surveys, along with the presence of calling adults, to address CPW's data inquiry. The Revised Proposed Study Plan has been updated with language to this effect and will appear in PTCR's May 18, 2013 filing. CPW suggested the methodology that is cited in that study for the northern leopard frog surveys and the surveys will conform to the methodology cited in Livo (2001).

Livo, L. 2001. Procedures for Monitoring Boreal Toad (and Other Amphibian) Populations. Colorado Division of Wildlife. Denver, Colorado.