CITIZENS ADVISORY COUNCIL

Meeting Notes January 10, 2007

<u>FWP Attendance:</u> Bryce Christensen, T.O. Smith, Mike Moore, Dwayne Andrews, John Ensign, John Little, Brad Schmitz, and Ginger Omland.

<u>CAC Attendance:</u> Warren Broeder, Mary Zeiss Stange, Julie Jordan, Mark Forman, Arthur Hayes III, Chris Pileski, Todd Steadman, John Wilkinson, Greg Mohr, Rob Reukauf, and Jim Schaefer.

Absent: Larry Woolston

Guest Speakers: Brett Walker, Windy Davis, and T.O. Smith

Bryce Christensen began the meeting with introductions of CAC members, invited guest speakers, and public audience.

T.O. Smith, Energy Specialist, with MT Fish, Wildlife and Parks in Helena, was introduced as the first speaker. Bryce gave a brief overview of T. O. Smith's background and some of the tasks he has taken on for the Director's office. He was the primary author of the conservation plan, which was handed out. T. O. gave a great presentation on dealing with the impacts of energy development from an FWP perspective.

He has been to Colorado, Wyoming, and Alberta looking at wind farms, and shallow and deep well gas developments to get a better idea of how it would impact Montana. From his observations, this development is very large scale and more intensive than what he has seen before. Along with that, there is good and bad. The good is the economic development and the bad is the infrastructure and the impacts to fish and wildlife.

<u>Wind Development</u>. He said the one development with the least impact would be wind. Montana is number one in the nation for wind potential class three and above, thus, Montana has the greatest potential for wind development in the United States. They can range from 20 acres up to 10,000 acres. The key for wind development is transmission. There are a lot of proposals in place right now for new transmission lines. He covered different areas that are now being looked at. One of the major roadblocks is going through federal lands.

<u>Coal Developments</u>. He stated that Montana has approximately 120 billion tons of coal which is 28% of the nation's coal which is 8% of the world's coal. He gave an idea of what can be done with coal such as railroading to market, converting coal to diesel or natural gas or generating electricity. He displayed a picture of where Montana's coal resources are located around the state and the different types that we have.

<u>Gas and Oil Developments</u>. T.O. spoke of deep and shallow gas and coal bed methane. He gave a powerpoint presentation showing where the different resources are located in Montana. There is quite a bit of land being leased out to various companies. He had illustrations from other states of deep gas drilling processes going on now and what the land looks like when they are extracting and what the land looks like when they are through. Shallow gas drilling is not as invasive as deep gas drilling to the land.

<u>Coal Bed Methane</u>. Coal Bed Methane can have smaller drilling operations and the expense is minimal so a lot of companies that cannot get into deep gas drilling can afford to drill for Coal Bed Methane. The grass is hard to reset unless it is treated like sod when they turn the soil for their pipelines. Water retention ponds dot the landscape, which in turn brings problems with mosquitoes and West Nile virus.

With that, Bryce introduced Brett Walker. He will soon receive his PHD at the University of Montana.

Brett gave a presentation on the relationship of coal bed methane and sage grouse. Most of his research was completed in Wyoming. He believes that public input will determine what happens in this area. He related what his research has found in terms of sage grouse populations in areas where coal bed methane has been established as well as in areas devoid of CBM development. Brett went over what predicts lek status and the sage grouse winter habitats of which several sage grouse are inactive in those areas. It takes approximately 3 to 4 years for the lek to go inactive after CBM is established in the area. The management implications would include maintaining sagebrush habitat, to set aside areas for improved mitigation and establish population goals for sage grouse. Industry leadership is crucial to reduce the impacts to land and wildlife. He summarized his presentation by saying that coal bed methane has a substantial impact on the sage grouse population. Sage grouse avoid coal bed methane and natural gas fields in the winter. His suggestions to reduce impacts to wildlife included burying power lines, control of weeds, and West Nile virus from the many ponds created by CBM extraction. In reality, there is a lot of overlap between energy development and sage grouse habitat.

Jim Schaefer asked if aside from the loss of sagebrush, are the birds moving to other areas because of other predators or are they just generally declining in numbers. Does the decrease in sage grouse populations or the movement of sage grouse also increase or decrease with the population of predators?

Brett answered that is entirely possible but that without radio collars on predators, it would be hard to nail down.

Bryce introduced the next speaker on the agenda who was Windy Davis. She will receive her Master's degree this spring from MSU and has been working with prairie streams in the Powder River Basin.

Windy gave a presentation on Coal Bed Methane Effects on Fish. Her powerpoint presentation included various species of fish that she had found in her research of prairie streams with the conclusion that the eastern part of the state had more species of fish than the western part of the state. In general, prairie streams are not hospitable places for fish to live because of drought and other conditions. Fish are indicators of the streams' condition. In the process of coal bed natural gas development, there are retention ponds, which are discharged into prairie streams that have fish in them. She discussed what water quality and water quantity conditions have on fish. Windy summarized by saying that overall, the effects of CBM on fish may be rather subtle.

The group broke for dinner. Mary Zeiss Stange voiced concerns regarding the CAC meetings. Mary said that she really wanted the group to be an advisory committee and she was wondering how the councils are structured around the state and the agendas. She felt one thing that might be really useful would be to have a civilian member of the committee as co-chair with Bryce. She wondered what had happened to the document that was generated regarding the warm water stamp. She thought that it had gone with Bryce's signature and Bryce replied that it was with the committee's signature. Bryce forwarded it on consensus from the R-7 CAC Council. He assured Mary that the CAC is an advisory committee. As far as agendas, Bryce explained that the agendas were focused towards what the committee wanted. So far, most of it has been geared toward access.

Rob Reukauf commented that today's presentations were of great benefit. He said he would take it home and talk to others about it. He said he gets a lot out of the presentations and gains knowledge of what the department is doing and what everyone is encountering in this part of the state. He said all the meetings and presentations are very interesting.

Jim Schaefer said he thought of the advisory council as not just advising FWP but other people. He said with his experience in "Custer Country," the first term of members is to learn and he thinks the types of things that have been presented so far, have been really good for developing a basis and looking at all the different issues. He said it is good to know that people are out there doing research such as with Coal Bed Methane and that they will be able to discuss the issues more intelligently with people they encounter.

Greg Mohr spoke of his experience in the oil and gas fields and what the impacts have been. He would like to actively lobby the oil and gas commission to be more accountable.

Bryce asked if everyone had a chance to look over the handouts that Dwayne had given out. He said FWP staff is here to help guide the council in whatever direction they would like to go.

Dwayne said that FWP took all the issues in beginning meetings and broke those down into broad topics in the following order: Access, Montana's Hunting Heritage, Enforcement/Regulations, and Habitat issues.

Todd said the R-7 CAC is such a diverse group that it makes for very interesting meetings.

Greg Mohr said the accountability factors in the energy development scenario needs to be looked at because in the Sidney area where the wildlife herds used to be, they are not there anymore due to gas and oil development which has stripped the landscape.

T.O. Smith suggested the CAC could advise FWP on a goal for energy development. Whatever plans that are mapped out at the beginning of the development will be what will impact everyone down the road. We have a short time frame in which to develop that goal. We wanted to use that science and fit that into our mission of conserving fish and wildlife resources and recreation opportunities. The CAC could give some thoughts on what they would like Fish, Wildlife and Parks to do on the face of energy development.

Jim Schaefer said he doesn't have a whole lot of faith that FWP will carry out with CAC recommendations. Is it safe to say that our recommendations will be as important as the governor's overall economic view of where this energy develops?

Art Hayes noted that there would be no say at all if it were not based on sound science.

Mary was curious about the term landscape and said that eastern Montana has certain types of grasses that cannot be restored. You can't plant the native grasses that are lost.

Rob Reukauf compared the situation to dealing with "Best Management Practices" as they do in ranching and suggested that was what needed to be developed for the energy development.

T.O. said that he thought what Rob mentioned as the Best Management Practices has a lot of merit. If every one participating in this would cooperate by using best management practices, this could possibly be a solution to the problem. He also informed everyone of a HB 1019 that would mitigate the impacts of energy development.

Todd expressed concern that while the government is doing research, private enterprises are busy making the deal, so he hopes that not so much time is spent figuring out science that 10 years later you are sitting there saying "That's what we should have done, but...."

A lengthy discussion occurred on what would be the best approach for the CAC thoughts and ideas regarding energy development and the impact of that on the land and wildlife. T.O. Smith suggested that they could draft a letter to the FWP Commission, who is appointed by the governor, and to our Director, through Bryce. They also have the power to cc the other advisory councils in the area that might be impacted so that they know what this CAC has drafted.

Rob said that Greg had made a good point in saying that if the energy issues are not dealt with, there will be no land to access. T.O. commented that state lands are good access but that they are being leased up very fast.

The general consensus was to meet again in March so that a recommendation could be completed in March to distribute.

Chris P. said that the state of Montana has a tremendous track record in voluntary industry adopted best management practices for timber harvest operations.

T.O. said he would share the internal goal draft that has been developed with Bryce to distribute.

The advisory members would like to see the presentations given at this meeting be given at other gatherings and meetings such as the Stockgrowers, etc. Bryce said that each and every Citizen Advisory Council can make a difference by taking the message to people they know.

Greg M. suggested that the CAC members take a position that energy development is an issue that needs to be looked at from a multi-agency task force to be sure that there is responsible development that is done. Greg wanted to make a motion to get something on paper.

Rob R. suggested that they put something to the effect that it is to protect our fish and wildlife resources. Greg agreed because it will all lead back to access one way or another.

T.O. said he would get the framework together of the internal goal and get it to Bryce to send to the CAC members. Bryce said he would get that out to the committee members. T.O. also thought it would be important to have something in place when the SEIS was under its final draft.

The next meetings of the R-7 CAC will be on March 28 and June 20, 2007.

Meeting adjourned.