



PLAN NOW TO ATTEND

NHA 2010 Annual Conference

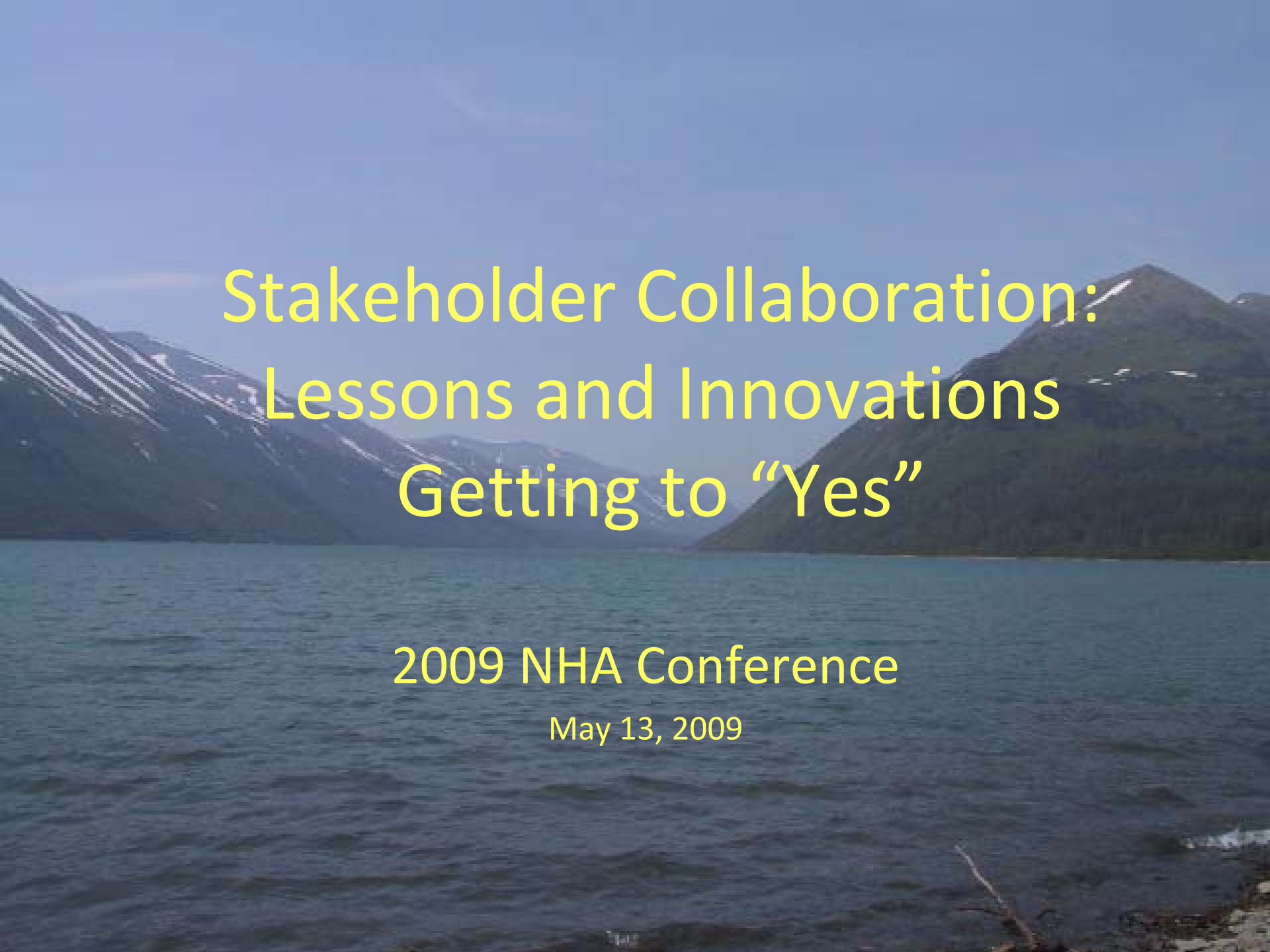
April 26-28, 2010

Capital Hilton Hotel

Washington, DC

www.hydro.org





Stakeholder Collaboration: Lessons and Innovations Getting to “Yes”

2009 NHA Conference

May 13, 2009

Basic Content and Format

- Five major themes related to achieving and maintaining successful settlements
- Approximately 15 minutes per theme
- Theme leader plus panelist comments
- Audience questions/comments
- Take home “lessons learned”
- Cool NHA giveaways

Themes

- Settlement vs Basic Regulatory Process
- System Modeling in Support of Settlement
- Pros/Cons of Different Processes
- Making Time for Settlement in an ILP
- Managing Internal Perspectives on Cost of Settlement

Panelists

- Tom Sullivan, Gomez and Sullivan
- Brian McCrodden, Hydrologics
- Frank Simms, AEP
- John Esler, Portland General Electric
- Steve Padula, Long View Associates



Settlement vs Basic Regulatory Process

Tom Sullivan, Gomez and Sullivan



System Modeling in Support of Settlement

Brian McCrodden, Hydrologics




Pros/Cons of Different Processes

Frank Simms, AEP



Making Time for Settlement in an ILP

Steve Padula, Long View Associates



Managing Internal Perspectives on Cost of Settlement

John Esler, Portland General Electric

Lessons Learned

- Identify reaching settlement as a licensing goal as early as possible so that decisions and behaviors are consistent with this objective
- Talk with stakeholders prior to selecting your licensing process to see if your selection would be an opportunity or impediment to reaching your goals

Lessons Learned

- Talk with stakeholders between meetings and submittals to diffuse poison pen letters and establish an atmosphere that avoids surprises
- Work with FERC staff and stakeholders to leave placeholders for level of effort on studies dependent on progress of settlement
- Use the efficiency in schedule contemplated by the ILP to your benefit to expedite your goals

Lessons Learned

- Think beyond study and information requests from others and consider what information would be valuable to have to support settlement (e.g., off-site mitigation)
- Be realistic about the time it takes to develop and achieve a comfort level with sophisticated operations and habitat modeling tools

Lessons Learned

- Don't expect too much from your paper work products; more information isn't always helpful; think quality over quantity
- Invest time in talking to people about the "issues list" and "study list" in the PAD; don't assume you know (or they know) what they really want

Lessons Learned

- Get in the habit of doing your homework, building defensible arguments and holding your ground; study planning is a great opportunity to practice your negotiations skills
- Studies and/or models rarely provide answers; at most they provide the data and information on which answers can be developed
- Consider having an “integration” step

Lessons Learned

- Draft License Application vs Preliminary Licensing Proposal; ask yourself what you want people to focus on
- Even if settlement seems unlikely at the start, remain vigilant for signs later in time that settlement might be a viable path to an acceptable outcome

Lessons Learned

- In all cases, the success of any license process is dependent on the relationships that are established prior to, during, and after the process
- For any process, start early
- FERC involvement is extremely beneficial no matter the process selected

Lessons Learned

- The more structure that can be applied under any process, the better the process will likely proceed
- Once the process is selected, develop and follow a schedule that allows for: (1) more than one year of studies; (2) development of settlements; and (3) development and completion of management plans

Lessons Learned

- Good settlements contribute to:
 - Better resource protection
 - Lower mitigation costs
 - Constructive collaboration on license implementation
 - Reduced regulatory challenges and forced license re-openers
- But, they require timely and clear communication to senior management on the costs of settlement to preserve the “Yes” in their minds

Lessons Learned

- Documentation of the license conditions that were avoided as a result of the settlement agreement will help:
 - Justify the scope creep that can occur when the design is done collaboratively during license implementation
 - Demonstrate that the new license is a good deal, in spite of the costs of implementation
 - Provide interesting data for a case study should you be required to change careers



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