Cost-Share Proposal Form for NorthWestern Energy (NWE) Project 2188 TAC Funds

Project 2188 (Madison-Missouri River) License Protection, Mitigation and Enhancement (PM&E) projects are required to offset impacts to river resources from the continued operation of one or more of NWE's nine hydro developments (Hebgen, Madison, Hauser, Holter, Black Eagle, Rainbow, Cochrane, Ryan and Morony Dams). PM&E projects need to be prioritized toward in-river or on-the-ground measures that directly benefit fisheries and/or wildlife populations and their habitats:

Priority 1: 2188 License projects which meet License Article requirements and PM&E for fisheries or wildlife populations or their habitats within the main stem Madison River (Hebgen Reservoir to Three Forks) or Missouri River (Hauser Reservoir to Fort Peck Reservoir)

Priority 2: 2188 License projects which meet License Article requirements and PM&E for fisheries or wildlife populations or their habitats in primary tributaries or on adjacent lands and, in doing so, provide PM&E for Madison River (Hebgen Reservoir to Three Forks) or Missouri River (Hauser Reservoir to Fort Peck Reservoir) resources.

Priority 3: 2188 License PM&E projects which meet License Article requirements by providing scientific or other tangible PM&E benefits to Madison-Missouri River fisheries or wildlife populations or their habitats. These projects must be located in the greater Missouri River drainage upstream from Fort Peck Reservoir, but not necessarily located on the main stem Madison River or Missouri River or their adjacent lands or primary tributaries.

All TAC project proposals must include the following information:

Project Title: 2027 Annual Monitoring Project

Date: October 1, 2026

Explain how this Project addresses a specific Project 2188 License Article(s): This is a Priority 1 project because it meets License Article requirements and PM&E for fisheries populations or their habitats within the Missouri River system from Hauser Reservoir to Fort Peck Reservoir as required by FERC license 2188.

Provide justification for Priority 1, 2 or 3 (above) that you selected: PM&E is required by the FERC license. The 9-year agreement ensures consistent and reliable monitoring to fulfill FERC license requirements.

Project Sponsor (submitted by): Jason Mullen, Montana Fish, Wildlife & Parks

Location of Proposed Project: Missouri River from Hauser Reservoir to Fort Peck Reservoir.

Total Project Cost: Estimated $727,375 per year.

TAC Funds Requested for Project: $313,524 in 2027.

I. Introduction; brief statement of project to be completed with pertinent background information.

Throughout most of the 2188 project area in the mainstem Missouri River drainage, the FERC license requires annual fish population monitoring, evaluation, and development of measures to reduce hydroelectric project impacts on fisheries and aquatic habitats (see list of conditions above). Fisheries monitoring is critical to: 1) determine the influence of hydroelectric projects operations on river and reservoir fish populations; 2) to evaluate the need and type of protection, mitigation, and enhancement projects; and 3) to evaluate the success of protection, mitigation, and enhancement activities. Montana Fish, Wildlife & Parks (FWP) has conducted periodic monitoring in many areas of the drainage, but due to changing priorities and fiscal conditions there is no long-term guarantee that current monitoring activities will continue. The intent of this proposal is to forge a long-term cooperative agreement that ensures NorthWestern Energy (NWE) is able to meet FERC-mandated fisheries monitoring and evaluation requirements as well as to facilitate FWP participation in the development and implementation of mitigation and enhancement measures in a cost-effective manner.

Montana FWP and NWE entered into a long-term monitoring agreement intended to enable NWE to meet the requirements of FERC license 2188 and to provide valuable information necessary for the effective management of the states' fisheries resources. The contract spans January 1, 2018 through December 30, 2026. The current monitoring agreement is being updated and expected to be in place by January 1, 2027 through 2040.

II. Objectives; explicit statement(s) of what is intended to be accomplished.

Monitoring, reporting and recommendations as identified in the 2018-2026 agreement and updated draft agreement.

III. Methods; description of how Project objectives will be accomplished.

Work will be performed using standard methods currently employed by FWP in similar surveys. Methods are subject to change pending discussion and approval by the Technical Advisory Committee.

IV. Schedule; when the Project work will begin and end. Work will be conducted from January 1, 2027 through December 31, 2027.

Seasonal schedule of activities is provided for each item in Section II. Several elements in the monitoring plan will require assistance from existing NWE Hydro Compliance personnel. Specific areas requiring assistance include Hauser & Holter tailwater electrofishing, Cascade section electrofishing, Great Falls reservoirs monitoring, and monitoring of Missouri River downstream from Morony Dam. Deviations from seasonal and annual schedules may occur if approved by Technical Advisory Committee.

V. Personnel; who will do the work? Identify Project leader or principal investigator.

Project Leader: Jason Mullen, Region 4 Fisheries Manager, FWP

Project Biologists: Nathan Jaksha, Helena, FWP
Adam Geik, Great Falls, FWP
Luke Holmquist, Lewistown, FWP (LH)

Project Technicians: Chris Hurley, Helena, FWP (CH)
Ron Schofield, Helena, FWP (RS)
Ashton Mohar, Helena, FWP (AM)
Vacant Position, Great Falls, FWP (Vacant)
Michael Schilz, Lewistown, FWP (MS)
Eli Vradenburg, Lewistown, FWP (EV)
Other full-time, temporary, and seasonal technicians

Project Administration Contact: Olivia Hollis, Helena, FWP (olivia.hollis@mt.gov; 406-444-3791)

VI. Project budget must include amounts for the following:

Direct Labor = $244,570
Travel and Living = $35,543
Materials - NA
Other Direct Expenses - trammel net cleaning paid directly to vendor = $3,500
Direct Overhead = $29,911
All contribution amounts

A. NorthWestern Energy estimated personnel and operations contribution:

The budget from last year has been modified and updated with new salary levels, operations, and overhead as shown below. Salaries have been adjusted to actual cost levels for specific personnel, as provided by the FWP Fisheries Budget Analyst on September 1, 2026. The State overhead rate is 12.23% for state FY27.

Operations amounts are based on the amounts negotiated in the fish monitoring agreement for 2018 through 2026 between NWE and FWP. This amount increases by 2.0% each year. In January 2016 the federal Patient Protection and Affordable Care Act mandates all Montana state employees receive health care insurance benefits. The current proposal reflects benefit rates as mandated by the Act. The proposed 2027 budget is as follows:

2027 Monitoring Budget

	Item	FTE	Hours	Pay rate including benefits	Amount	
Hauser and Holter Reservoirs and Tail waters (34006/3400600)						
93474-CH	F&W Tech	0.29	606	$38.16		$23,125
93472-RS	Creel Survey Tech	0.35	731	$34.54		$25,249
93473-AM	F&W Tech	0.2	418	$32.97		$13,781
93472-RS	F&W Tech (012-07)	0.3	626	$34.54		$21,622
	Operations ($12,798 + 2%)				$13,054	
	Subtotal				$13,054	$83,777
	Overhead (12.23%)					$10,246
	Subtotal	1.14	2,381		$13,054	$94,023
	Total					**$107,077**
Missouri River Below Holter Dam (34007/3400700)						
93474-Vacant	F&W Tech	0.3	626	$36.51		$22,855
	Operations ($5,120 + 2%)				$5,222	
93474-Vacant	NWE Fieldwork Tech	0.05	104	$36.51		$3,797
	Subtotal				$5,222	$26,652
	Overhead (12.23%)					$3,260
	Subtotal	0.35	730		$5,222	$29,912
	Total					**$35,134**
Great Falls Reservoirs and Tailwaters (34008/3400800)						
37340-LH	F&W Biologist	0.5	1044	$47.72		$49,820
37341-MS	F&W Tech	0.5	1044	$40.62		$42,407
93474-EV	F&W Tech	0.4	835	$36.51		$30,486
93474-EV	NWE Fieldwork Tech	0.05	104	$36.51		$3,797
	Operations ($16,928 + 2%)				$17,267	
93474-EV	F&W Tech Trammel Net Repair	0.1	209	$36.51		$7,631
	Trammel Net Cleaning				$3,500	
	Subtotal				$20,767	$134,140
	Overhead (12.23%)					$16,405
	Subtotal	1.55	3,236		$20,767	$150,546
	Total					**$171,313**
	Grand Total	3.04	6,365			**$313,524**

B. Montana FWP contribution:

Montana FWP will be contributing personnel time, equipment, operations, and other assets to this project amounting to approximately 57% of the total project cost. This includes personnel and assets in the Helena, Great Falls, and Lewistown offices.

In addition, FWP will continue habitat protection and enhancement activities throughout the system and will monitor other biological parameters in the system, such as the status of fish diseases, aquatic invasive species and westslope cutthroat trout. FWP fisheries improvements will be funded primarily through the Future Fisheries Program, and other grants or donations, which are likely cost-share for 2188 fisheries PM&E projects. FWP specialists in water rights and allocation, habitat protection and enhancement, engineering, and land acquisition/easement will be available on a case-by-case basis for specific projects. FWP fisheries staff in northcentral Montana will participate in the 2188 Technical Advisory Committee and will be key personnel for identification and implementation of PM&E projects, including fisheries research, habitat protection, and enhancement projects. FWP also conducts a statewide biennial fishing pressure survey, which provides useful fishing pressure information for the Missouri River and reservoirs. The exact value of these additional contributing resources cannot presently be valued but is substantial and will vary year-to-year.

VII. Deliverables; describe work product (reports, habitat restoration, etc.) which will result from this Project. How will "success" for this project be monitored or demonstrated?

The main products of this project will be: 1) annual reports based on sound scientific procedures which describe the current trends of key fish populations and fish species of special concern in the Missouri River and reservoirs, and 2) effective fisheries and aquatic habitat PM&E projects in northcentral Montana. Reports will satisfy FERC requirements for annual monitoring of fish populations for the purposes listed in 2188 license. The information generated by this project will be critical for determining the effects of project operations on fisheries resources and will also be the primary method for determining the effectiveness of fisheries PM&E measures.

VIII. Cultural Resources. Cultural Resource Management (CRM) requirements for any activity related to this Project must be completed and documented to NWE as a condition of any TAC grant. TAC funds may not be used for any land-disturbing activity, or the modification, renovation, or removal of any buildings or structures until the CRM consultation process has been completed. Agency applicants must submit a copy of the proposed project to a designated Cultural Resource Specialist for their agency. Private parties or non-governmental organizations are encouraged to submit a copy of their proposed project to a CRM consultant they may have employed. Private parties and non-governmental organizations may also contact the NWE representative for further information or assistance. Applications submitted without this section completed, will be held by the TAC, without any action, until the information has been submitted.

Summarize here how you will complete requirements for Cultural Resource Management:

There are no ground breaking activities associated with fisheries monitoring.

IX. Water Rights. For projects that involve development, restoration or enhancement of wetlands, please describe how the project will comply with the Montana DNRC's "Guidance for Landowners and Practitioners Engaged in Stream and Wetland Restoration Activities", issued by the Water Resources Division on March 9, 2016.

Summarize here how you will comply with Montana water rights laws, policies and guidelines:

There are no water rights associated with fisheries monitoring.

All TAC Project proposals should be 7 pages or less and emailed (as a WORD file) to each of:

- Andrew.Welch@NorthWestern.com
- Jon.Hanson@Northwestern.com

Further questions about TAC proposals or Project 2188 license requirements or related issues may be addressed to:

Andy Welch
Manager, Hydro License Compliance
Andrew.Welch@NorthWestern.com
O 406-444-8115
C 406-565-7549