



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: Stafford Ferry Conservation Easement

Date: 11/3/2021

Explain how this Project addresses a specific Project 2188 License Article(s):

This proposed project meets Project 2188 License Article 423, specifically in "develop[ing] a vegetation and wildlife monitoring and enhancement plan that includes specific goals, objectives, and standards to enhance native plants and wildlife populations on the lands and waters associated with the project..." Montana FWP Conservation Easements (CEs) ensure protection of existing wildlife, upland, and water resources in perpetuity. Additionally, FWP CEs include a management plan that sets specific goals and objectives for maintaining and/or enhancing the wildlife/agricultural values on a property, also in perpetuity. The proposed Stafford Ferry CE will include a grazing plan designed to maintain and improve forage productivity for livestock and wildlife, maintain cover values (residual grass, shrubs) for a variety of wildlife species, and protect riparian/wetland areas by minimizing erosion. Rangeland infrastructure in the form of fences, pipelines, and water tanks may be required to implement this grazing system, and would be constructed in a manner that does not degrade any of the resource values or inhibit movements/migration of wildlife. Highly erodible soils are a characteristic of this landscape and through improved grazing, this CE will help minimize erosion and improve water quality where pastures overlap stream systems.

Provide justification for Priority 1, 2 or 3 (above) that you selected:

This project falls under both Priority 1 and Priority 2, as the proposed Stafford Ferry CE project area lies adjacent to and between the main-stem Missouri River and one of its primary tributaries, Dog Creek.

Project Sponsor (submitted by): Sonja Andersen (Montana Fish, Wildlife & Parks)

Location of Proposed Project: ~ 9 miles north of Winifred, Fergus County

Geocode (in decimal degrees ex 46.89743) Lat: 47.70318 Long: -109.43465

Total Project Cost: Pending appraisal, estimated at \$600,000

TAC Funds (Cost-Share) Requested for Project: \$50,000

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

The proposed Stafford Ferry CE will conserve and enhance 1,292 acres of primarily sagebrush grassland/mixed conifer stands in the Missouri River Breaks. An additional 4,500 leased acres (BLM, DNRC) are also associated with this property and would be included in the above-referenced grazing management plan. Wildlife species benefiting from this project include bighorn sheep, elk, mule deer, pronghorn, Merriam's wild turkey, mountain lion, bobcat, Greater sage-grouse, sharptailed grouse, and a host of non-game species, including several Species of Concern listed under License Article 421: Long-billed Curlew, Bald Eagle, Golden Eagle, Ferruginous Hawk, Short-eared Owl, and others.

The property is split into 4 parcels (connected via associated leased BLM lands), with one parcel in the main Missouri River corridor and containing almost a mile of riverfront. The entire property boundary lies within two State Wildlife Action Plan Aquatic Focal Areas, the Tier I Middle Missouri and Lower Missouri, as well as the Tier II Judith River Terrestrial Focal Area.

The project area is also adjacent to the recently-completed Whiskey Ridge CE, a similar project also completed in partnership with the PPL Wildlife TAC program in 2020.

It also facilitates improved recreational access to ~15,400 acres of DNRC and BLM lands (including the above-mentioned leased acres and the Upper Missouri River Breaks National Monument). Most notably, this property and associated breaks provide important habitat and access to the Southern Missouri River Breaks (HD 482) bighorn sheep herd which constitutes an important ecological and recreational resource to Montana. The Missouri Breaks sheep herd comprises of a portion of the state's largest metapopulation of bighorn sheep (>1,000 individuals estimated between HDs 482 and 680). The CE would include typical terms as other FWP CEs, but also prohibit domestic sheep/goats on the deeded parcels, ensuring conservation and hunting access to these lands in perpetuity.

The attached lands project proposal, submitted through the formal MFWP Lands Project Process, contains more information, maps, and photos of the project and project area.

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

FWP intends to purchase a CE on ~1,292 acres to protect the conservation values and public recreational opportunity of this land in perpetuity. FWP will combine PPL Wildlife TAC funds with its Habitat Montana program and other partners to complete the purchase.

FWP CE terms ensure that the wildlife and agricultural values will be maintained. Terms will include no subdivision or building (outside of current structures' maintenance) on the property, and no additional sodbusting or breaking up of native vegetation. The landowner may continue farming/haying existing agricultural lands. A grazing system will be designed to maintain and enhance native plant communities, protect and improve forage values for livestock and wildlife, maintain cover values for wildlife, and prevent erosion on both deeded and leased public lands. The landowner has agreed to only run horses and cattle on the property, to protect a world-class bighorn sheep population that inhabits the area from disease risks associated with domestic sheep and

goats. The CE will provide a valuable public resource for recreationists and hunters/anglers, as a public access agreement will be negotiated with the landowner, further detailed in the management plan.

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

The CE proposal is up for endorsement at the next FWP Fish & Wildlife (F&W) Commission meeting (December 2021) and immediately following will undergo an initial public scoping to identify potential issues with the project (none were identified with the Whiskey Ridge CE and the project is expected to receive broad public support thus far. Next steps will be developing the specific CE terms, management plan, and grazing plan, which will detail how the Conservation Values, FWP's Rights, and Landowner's Rights will be allocated and maintained. After an appraisal, the project sponsor will write a Draft Environmental Assessment (EA), which will again undergo a public comment process before moving to the F&W Commission for final approval, then closing. Once closed, the Deed of CE will be filed and if any rangeland infrastructure needs are identified, the Landowner and FWP will work together to implement those projects.

IV. Schedule; when the Project work will begin and end.

The formal project process began in June 2021, and is projected to close by July 2023.

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

Sonja Andersen
Area Wildlife Biologist
MT Fish, Wildlife & Parks
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VI. Project budget must include amounts for the following:

- Direct Labor – Staff time to develop CE terms, management plan, manage Commission/public process, due diligence: estimated 6 months
- Travel and Living – n/a
- Materials – n/a
- Other Direct Expenses – n/a
- Direct Overhead* – No overhead for acquisition projects
- All cost-share sources and amounts, including estimation of “in-kind” contributions – MFWP will likely submit grants for additional partnerships with the Wild Sheep Foundation, Mule Deer Foundation, Rocky Mountain Elk Foundation, Wild Turkey Foundation, and Great Falls Chapter Safari Club International, among others. The main funding sources for this project will be MFWP's Habitat Montana Program and Bighorn Sheep Auction Revenue, which will cover the balance of the project outside of additional funding sources.

***NorthWestern Energy TAC funds will not be used for agency overhead on projects that do not fund personnel. Applications for materials and equipment should not contain overhead.**

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?

A completed Deed of Conservation Easement will be filed with the Fergus County Clerk of Court and held in perpetuity by the State of Montana, Department of Fish, Wildlife & Parks, beginning on the date of closing. The

parties will also finalize a Management Plan prior to closing as a living but binding document that details how the conservation values of the land will be maintained and enhanced via prescribed grazing and other habitat improvement(s). A Baseline Report will be completed prior to closing, and FWP will monitor compliance with the CE and Management Plan annually.

- 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:

Although no land disturbing activity is anticipated, FWP, through due diligence with its MEPA/EA process prior to closing, will consult with the MT SHPO Office on cultural resource inventories. Any after-closing rangeland infrastructure projects associated with DNRC or BLM lands on this project area will be inventoried within those agencies.

- 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 9 March 2016.

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

No wetlands occur on this property. At this time, water rights will not be affected by completion of a CE on this property.

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
- Grant.Grisak@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

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