



**WESTERN MONTANA ELECTRIC
GENERATING & TRANSMISSION COOPERATIVE, INC.**

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January 31, 2003

BY FACSIMILE

Mr. Mark Walker
Public Affairs
Northwest Power
Planning Council
851 S.W. Sixth Ave., Suite 1100
Portland, Oregon 97204

RE: Draft Mainstem Amendments

Dear Mr. Walker:

On behalf of the Western Montana Electric Generating and Transmission Cooperative and the over 100,000 consumers served by its members in Western Montana, I offer these comments on the Power Planning Council's Draft Mainstem Amendment process. The members of Western Montana G&T purchase the vast majority of their power from Bonneville, -so our consumers are - directly affected by Bonneville's fish and wildlife costs.

The current state of the economy in Western Montana is very poor. Lumber mills and other basic industries have been reducing production and shutting down, putting many of our consumers out of work- These family-wage jobs are being replaced to some degree by service-industry jobs, but these new jobs do not provide the same level of support for families. In Libby, Stimson Lumber recently announced the closure of its mill, idling 300 employees and further adding to the misery of an already hard-hit area. The American Timber mill closed not long ago outside Eureka and the farm economy that supports much of *rural* Montana is in bad shape. Regionally, Bonneville recently noted that *Energy* Information Administration data *now* show our industrial electricity rates in the middle of the nationwide range, thus **effectively** eliminating our historical power cost competitive advantage. While electricity prices are not the only reason these basic industries are having trouble, every production input affects are industry's competitiveness.

Additionally, recreation is an important part of our local economy. Around here, Lake Koochanusa behind Libby Dam, Hungry Horse reservoir and Flathead Lake are all destinations for many people because-of their fishing and recreation

opportunities. Programs aimed at preserving and improving local resident fish goals and objectives are every bit as important to us as programs related to salmon are to downstream residents.

Historically, the region has been able to afford a "spaghetti on the wall" approach to fish and wildlife programs. We threw plate-fulls of programs on the wall, not knowing which would really work, to see what stuck. Adequate biological support for the programs, cost controls or even monitoring and evaluation so that the results could be quantified were considered secondary. The Council has led the region in making tremendous strides toward balancing our fish and wildlife obligations with an adequate, efficient, economical and reliable electric power system, but that work cannot stop.

Now is the time to begin a wholesale review of the fish and wildlife programs, objectives, results and costs. New biological data have been accumulated since the last Council Fish and Wildlife Program was developed and since the Biological Opinion targets were set. Second, the region can no longer afford the "spaghetti on the wall" approach of years' past.

The members of WMG&T wholeheartedly support the Council's review of the flow augmentation and spill programs, In particular, we strongly support the Council's proposal to modify river operations to get greater biological benefit at lower cost. In particular, we support the alternative to change storage reservoir operations now.

Second, we support the Council's efforts to clarify and prioritize the region's goals for salmon and resident fish. We are concerned that the all-out effort to meet the Endangered Species Act's requirements for salmon have shortchanged local resident fish goals and objectives, which are just as if not more important to our consumers.

Third, river operations for fish must be based upon sound science and must be adjusted as additional data are collected. Spring flow augmentation and certain spill regimes that show no particular benefit to migrating salmon should

be halted or drastically modified. For example, we support the alternative spill operations that do not allow spill that results in greater than 115% total dissolved gases, except during certain spill evaluation tests - and these dam-specific spill-survival tests should begin immediately.

I also want to emphasize that all these changes we are supporting are incremental changes. We are not talking about eliminating the spill or flow augmentation programs.

A has been very heartening to us to learn that the over \$5 billion dollars in ratepayer funds spent on regional fish and wildlife programs over the last 20 years are showing results. The recent announcement that more than 474,000

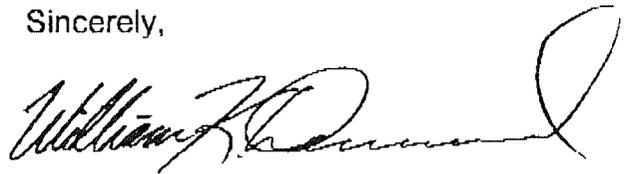
adult fall Chinook have been counted at Bonneville Dam this year, the highest since the National Marine Fisheries Service started counting salmon in 1938, is certainly good news- That total of 474,000 returning adult salmon also does not include the over 90,000 fall Chinook that were harvested on the Columbia River below Bonneville Dam. Coupled with the 269,000 spring Chinook and 127,000 summer Chinook counted this year, the 2002 fall run is the largest on record. Steelhead are also showing remarkable progress; over 480,000 were counted this year, the second largest run on record. I would also note that the jack counts are high again this year, which implies a good out-migration in 2001 and portends a good adult return for next year.

The Council pioneered the concept of adaptive management many years ago. That concept is equally valid today. Given the uncertainty of the biological benefits resulting from the flow augmentation and spill programs, the results of the data collected on these programs should be used to inform and modify the programs themselves. Where the data show that existing spill and flow augmentation programs do not provide biologically-significant benefits to fish, they should be halted.

We applaud the Council's willingness to aggressively review the existing fish and wildlife programs, and to recommend drastic changes where the biology and the cost-effectiveness dictate. That is what the concept of adaptive management is all about. Breaking the momentum that has grown around some biologically-dubious fish and wildlife programs can be extremely difficult. The region and our consumers, however, deserve no less.

We appreciate the opportunity to comment on the Power Planning Council's Mainstem Amendment process.

Sincerely,

A handwritten signature in black ink, appearing to read "William K. Drummond". The signature is fluid and cursive, with a large loop at the end.

William K. Drummond
Manager

Cc: WMG&T Board of Trustees
Member System Managers
Ed Bartlett – NWPPC
John Hines – NWPPC
Rob Walton - PPC