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**20TH ANNUAL REPORT
of the
Pacific Northwest Electric Power and Conservation
Planning Council**

Submitted to the

*Committee on Energy and Natural Resources
United States Senate*

*Committee on Commerce
United States House of Representatives*

and

*Committee on Resources
United States House of Representatives*

October 1, 1999, through September 30, 2000

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The Northwest Power Planning Council was established pursuant to the Northwest Power Act of 1980 (Public Law 96-501) by the states of Idaho, Montana, Oregon and Washington. The Act authorized the Council to serve as a comprehensive planning agency for energy, fish and wildlife policy in the Columbia River Basin and to involve the public in decision-making.

This annual report has been developed pursuant to Section 4(h)(12)(A) of the Northwest Power Act. The Council's bylaws, which include its organizational structure, practices and procedures, are available to the public. Please request Document 96-13 or visit our web site: www.nwppc.org.

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September 2000

Dear Northwest Citizen:

In this first year of the 21st Century, the Northwest Power Planning Council is making an important shift in its fish and wildlife mitigation planning efforts and also undertaking new and challenging analyses of the region's energy system. The Council is amending its Columbia River Basin Fish and Wildlife Program and changing the annual project review and selection process to improve public accountability and increase scientific scrutiny. The Council also is collaborating with electric utilities, the Bonneville Power Administration and others to analyze the impacts of the deregulated and increasingly competitive electricity industry in the region and devise approaches to minimize the risk and impact of potential deficits.

As the only non-federal agency in the Northwest with a mandate to balance fish and wildlife mitigation with a reliable, affordable power supply, the Council is uniquely situated and qualified for these tasks. The Northwest Power Planning Council, authorized by the Northwest Power Act of 1980 and created by the four states in 1981, gives citizens a voice and a forum, and ultimately significant influence, over the investment of Bonneville Power Administration revenues in energy, fish and wildlife initiatives.

In this 20th annual report, we discuss our major activities during the past year. The report is brief because details of our efforts are provided in Council issue papers and other documents. These are available at our website (www.nwppc.org).

In 2000, the Council is working to refocus its fish and wildlife program for the entire Columbia River Basin and accomplish fish and wildlife mitigation through subbasin plans that are consistent with basinwide vision, goals and objectives. This year the Council also is addressing critical issues regarding the deregulation of the electricity industry, including reliability of the region's power supply, energy conservation and the creation of a regional high-voltage transmission organization. Through these efforts and others, the Council continues to provide high-quality, objective analysis of energy issues, oversee the nation's largest regional fish and wildlife mitigation and recovery program, and inform and involve the public in decision-making.

Sincerely,

Frank L. Cassidy, Jr.
Chair

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THE NORTHWEST POWER PLANNING COUNCIL

The Council is an agency of the states of Idaho, Montana, Oregon and Washington and was created as an interstate compact agency by the legislatures of the four states following President Jimmy Carter's approval of the Pacific Northwest Electric Power Planning and Conservation Act in December 1980. The Council's first meeting was in April 1981.

The Northwest Power Act gives the Council three distinct responsibilities: 1) to assure the region an adequate, efficient, economical and reliable electric power supply; 2) to prepare a program to protect, mitigate and enhance fish and wildlife of the Columbia River Basin that have been affected by the construction and operation of hydropower dams; and 3) to inform the Pacific Northwest public about energy issues and involve the public in decision-making. This annual report is organized around the Council's three key responsibilities.

There are eight Council members -- two from each state -- appointed by the Governors. A list of Council members and their office locations is at the end of this report.

POWER ISSUES

A. Reliability and Adequacy of the Region's Electricity Supply

In 1999, at the request of the Bonneville Power Administration, the Council conducted an analysis of the reliability of the region's electricity supply. There was concern about the reliability of the system in light of a number of recent developments, including: 1) limited new power plant development, 2) variability in precipitation and the resulting impact on hydroelectric system capability; and 3) the potential impact of extreme cold and dry winter weather and the resulting high demand for power.

Among the conclusions in the Council's report, which was completed in January 2000:

- The probability of some level of power supply inadequacy is becoming uncomfortably high – reaching 24 percent by 2003.
- The causes of the reliability problem are combinations of extreme cold weather, poor hydropower generating conditions and possible forced outages of generating units.
- With the exception of unscheduled generation outages, these problems are largely foreseeable. That is, they can be predicted at least a day in advance.
- The characteristics of the problem are mixed – energy deficiencies (about half); capacity deficiencies (about 20 percent), and operating reserve violations (about 30 percent).

- The frequencies and durations of these events are relatively small, although their consequences could be quite costly. Because of this limited frequency and duration, it is unlikely that the expected market price of power would support building sufficient capacity to address these kinds of problems.
- Relatively few electricity customers see real-time market prices, and this mutes the demand response to impending supply inadequacy problems.
- The most promising short-term response to these problems is voluntary load-shedding by electricity consumers, particularly large users. West Coast market opportunities may be attractive for this purpose. That is because high market prices in the late summer, driven by California loads and tight supplies throughout the West, could be an opportunity for some end-users and suppliers to make deals to their mutual benefit. The same procedures and infrastructure needed to mobilize end-users to respond to supply constraints probably can be used to respond to market opportunities.

Following its analysis of the problem, the Council began a second phase of the report in which it is developing potential solutions. To assist that effort and promote regionwide discussion of the reliability problem, in late January the Council and Bonneville convened a symposium in Portland that featured some 50 energy experts from the West Coast and attracted an audience of more than 200. In June, the Council's four-member Power Committee convened a panel of experts from businesses and industries that use large amounts of electricity to discuss potential responses and solutions.

From these meetings, a number of potential solutions emerged that the Council analyzed and assembled into a final report to the region. Among the proposals in the report, which is available at the Council's website under "Power Issues," are these:

- Provide incentives for construction of new power plants. As the result of deregulation and price competition among wholesale power suppliers, currently there is no assurance that the costs of a new plant will be recovered from power sales, and as a consequence few new plants are being built. Developers of new power plants now need periods of high prices in order to be able to recover their costs.
- Make electricity consumers, particularly the largest users, part of the solution. For example, compensate consumers for voluntary load reduction when the supply is tight, rather than involuntarily interrupting all customers.
- Revisit power sales contracts. Utilities that face the biggest problems during periods of high demand are those that buy a lot of power on the open market through short-term contracts rather than through longer-term arrangements that could be the basis for developers building new power plants.
- Investigate utilizing existing self-generation when needed. As much as 500 megawatts of installed power generation at large industries, which is used primarily by those industries,

could be dispatched into the regional power grid during an emergency, but there are potential economic and environmental barriers that need to be better understood.

- Procedures and communications protocols have to be in place for effective short-term load reduction, including metering. Now is a good time to begin creating the partnerships and preparing to respond to future emergencies, if they develop.

B. Electricity prices analysis

In the early summer of 2000, wholesale prices of electricity skyrocketed to levels never before seen in the Pacific Northwest, from an average of about \$25 per megawatt hour just a year before to as high as \$1,300. As part of the ongoing reliability study, and also in response to a request from Montana's governor, the Council conducted an analysis of the volatile wholesale power market and the reasons behind the sudden price spikes. (**Note: Due for completion in October 2000**). The price surge forced some major Northwest industries, including manufacturers of aluminum and paper, to scale back production, temporarily close plants and lay off more than 1,000 employees.

Numerous factors appeared to contribute to the high cost of bulk power, including lower-than-usual river flows in May and early June that reduced Columbia River hydropower generation, river flow and fish passage requirements intended to protect threatened and endangered salmon, rising prices for natural gas, which is a fuel for some power plants, the impact of high demand for electricity in a competitive market, and planned and unplanned outages of some thermal power plants.

In its analysis, the Council is investigating potential solutions that could be implemented by state regulatory commissions, electricity suppliers and consumers. These might include compensating customers -- particularly large industrial customers -- for voluntary load reduction when supplies are tight, changes in power sales contracts to encourage construction of new power plants through longer-term purchase agreements, and regulatory initiatives to encourage construction of new power plants.

C. Energy Conservation

The Bonneville Power Administration intends to augment its power supplies by 800 to 1,000 average megawatts to meet expected loads during the 2002-2006 rate period. It intends to accomplish this primarily through market purchases of power but also recognizes that cost-effective conservation must be part of the mix.

The Council explored how Bonneville might acquire this conservation and reported in an issue paper (Document 99-18) entitled *Bonneville Conservation Acquisition 2002 – 2006*. The Council’s analysis indicates that the approximate development schedule of the cost-effective conservation potential for loads expected to be served by Bonneville would amount to about 30 average megawatts per year at a *total* cost of approximately \$60 million per year. However, the cost to Bonneville should be significantly less because of customer and end-user contributions.

The Council’s paper also described three possible acquisition and financing approaches: a long-term approach that works best if customers who benefit from the conservation continue to buy power from Bonneville in the long term, a short-term approach that limits Bonneville’s financial risk but also may limit the amount of conservation acquired, and a hybrid of these approaches in which Bonneville pays for conservation savings as long as, and to the extent that, a customer keeps load on Bonneville. This approach limits Bonneville’s risk while permitting development of longer-term payback, cost-effective conservation.

The Council prefers the “middle ground” and recommended in its paper:

- Bonneville should strive to acquire conservation for the lowest possible cost while still meeting its goal.
- What Bonneville is willing to pay for conservation savings should be based on the market value of the savings produced.
- Bonneville should be willing to acquire conservation that would produce savings beyond the 2002-2006 period. However, if customers choose not to contract with Bonneville beyond that period, they should accept the responsibility for any costs not yet recovered or savings yet to be delivered to Bonneville.
- Conservation acquisitions should be designed to reduce the necessity for market purchases of power.

D. Regional Transmission Organization

Federal Energy Regulatory Commission (FERC) Order 2000 envisions the use of collaborative processes as the means for developing regional transmission organizations (RTOs) throughout the country. These organizations would 1) administer transmission systems in a way that encourages the efficient use and expansion of the systems, 2) manage congestion on transmission lines, 3) plan upgrades and additions, and 4) deal with technical issues on a coordinated systemwide basis.

In the Northwest, the RTO filing utilities are committed to engaging in an effective collaborative process that will permit a timely filing at FERC by October 15, 2000. The Council is participating in the collaborative process of developing a Northwest RTO.

In their deliberations, which have been conducted in public, the filing utilities and the Council are addressing a number of issues raised by regional stakeholders. The effort is more complicated in the Northwest than elsewhere in the country because most of the high-voltage transmission in the region is owned and operated by the Bonneville Power Administration. Mixing federal and non-federal transmission under the same management entity is challenging. Nonetheless, the filing utilities are developing their proposal in a collaborative process that includes discussion of creating a non-profit entity with management responsibility for the transmission assets of participating utilities, including Bonneville's.

In a letter to the utilities in April 2000, FERC Chair James Hoecker praised the Northwest effort as "the most well-organized" in the country and "truly historic in terms of both electricity policy and regional compromise and coordination." Further, Hoecker noted, "I understand the challenges faced by the economically diverse Northwest region in terms of its relationship with Canadian interests, the importance of hydro resources, the central role played by the Bonneville Power Administration in the region, and the variety of utility, consumer and environmental interests involved. It is clear that you have nevertheless seized the opportunity presented by Order No. 2000 to create a workable RTO that serves the special needs of the region."

E. Regional Technical Forum

In response to requests from Congress, the Bonneville Power Administration and a recommendation of the 1996 Comprehensive Review of the Northwest Energy System, the Council launched the Regional Technical Forum (RTF) in July 1999. The purpose of the RTF is to further the implementation of energy conservation and renewable energy resources in the Northwest. Specifically, Congress directed the RTF to develop standards and protocols by which electric utilities could assess the effectiveness of what was then anticipated to be independent conservation activities. The Comprehensive Review recommended that such an organization track and review regional progress toward conservation and renewable resource goals, and also provide feedback and suggestions for improving conservation and renewable programs in the region. Bonneville asked that the RTF establish and update recommended lists of standard conservation measures with their

estimated savings and regional value, evaluate protocols not on the standard list and track accomplishments.

The RTF issued its draft list of measures and programs, with estimates of savings and values to the regional power system, in July 2000. In August 2000, the RTF followed up with a list of protocols for estimating savings and values of measures and programs not on the standard list. The same month, the RTF conducted a test of its web-based conservation and renewables tracking system and also developed criteria for adding measures and programs to the standard list. The RTF planned to make its draft recommendations to Bonneville in September, and finalize them in 2001.

Minutes and agendas of RTF meetings, and RTF products, are posted on the Council's website under "Power Issues."

Fish and Wildlife Issues

A. Amending the Columbia River Basin Fish and Wildlife Program

In January 2000, the Council began the fifth revision of the Columbia River Basin Fish and Wildlife Program since the program initially was adopted in November 1982. As with past amendment processes, the program is being revised in phases.

Past versions of the program were criticized by scientists for consisting primarily of a number of measures that called for specific actions without a clear, programwide foundation of scientific principles. The new version of the program will express goals and objectives for the entire basin based on a scientific foundation of ecological principles. These basinwide goals and objectives constitute the first phase of the program revision, which the Council intends to finish in October 2000.

In the next phase, the Council will amend into the program locally developed plans for the 53 tributary subbasins of the Columbia River, consistent with the basinwide goals and objectives.

The Council believes this unique program structure, goal-oriented and science-based, will result in a more carefully focused, scientifically credible and publicly accountable program that will direct the region's substantial fish and wildlife investment to the places and species where it will do the most good.

The last revision of the program, in 1994-95, established interim, systemwide goals of 1) doubling the anadromous fish runs, 2) protecting, mitigating and enhancing the viability of resident fish populations to meet consumptive and non-consumptive needs in the region; and 3) fully mitigating the impact of hydropower on wildlife. These goals did not necessarily address the entire Columbia Basin ecosystem, and they did not focus on improving ecological conditions in individual

subbasins. In addition, the three goals did not share a common foundation in ecological science, a foundation that could direct implementation of actions to achieve them. Clearly, it is time to rethink the program's goals and objectives within the systemwide planning requirement of the Northwest Power Act.

In the 1994-95 program, the Council introduced the idea of a "framework" for the program and for the region's fish and wildlife recovery efforts at large. The framework would establish a logical structure for the measures in the program. Based on the framework concept, the program also would contain explicit goals and objectives and state the program's scientific basis.

To develop a framework for the program, in November 1998 the Council initiated the Multi-Species Framework Project. The Framework Project was managed by a state-federal-tribal committee and administered by the Council. The project brought together hundreds of individuals representing state and federal agencies, Indian tribes, environmental and industry groups and interested citizens to propose and discuss potential fish and wildlife recovery actions. The actions ranged from breaching dams to leaving them in place, and from shutting down fish hatcheries and fish harvest to boosting artificial production of fish. From more than 100 actions proposed in the process, the Council assembled seven alternatives for analysis using a state-of-the-art analytical system called Ecosystem Diagnosis and Treatment (EDT). The EDT analysis addressed the biological benefits of each alternative, and a separate Human Effects Analysis addressed the economic and social impacts and benefits of the alternatives.¹

The seven options represented seven different approaches to managing the Columbia River and its tributaries. The EDT analysis found that the most environmentally aggressive alternatives -- such as breaching dams -- yield the greatest likelihood of producing the most naturally spawning salmon in the Snake River. But those options also carry the greatest economic risks for the region. Options that have less economic risk can also increase the number of fish, but they rely on measures like hatcheries that carry greater biological risk.

The Council did not choose a specific Framework alternative for the 2000 program amendment process. Rather, the goals and objectives in the program were assembled from among several of the Framework Project alternatives.

Through the amendment process, the Council will restructure the program with a comprehensive, underlying framework of general scientific and policy principles that apply to the

¹ See: *The Year of Decision: Renewing the Northwest Power Planning Council's Fish and Wildlife Program*, Northwest Power Planning Council, December 1999; *Human Effects Analysis of the Multi-*

entire Columbia River Basin. In a future amendment process, the Council will adopt into the program subbasin plans that will give direction to the actions recommended by the Council and funded by the Bonneville Power Administration to implement the program.

At each geographic level -- basin, province (groups of adjacent subbasins) and subbasin -- the fundamental elements of the program are:

1. The ***vision***, which describes what the program is trying to accomplish with regard to fish and wildlife and other desired benefits from the river;
2. The ***biological objectives***, which describe the environmental conditions needed to achieve the vision; and
3. The implementation ***strategies, procedures and guidelines***, which guide or describe the actions leading to the desired ecological conditions.

In other words, the vision implies biological objectives that help establish the strategies. In turn, strategies address biological objectives and, ultimately, fulfill the vision. The scientific foundation links the components of the framework, explaining why the Council believes certain kinds of management actions will result in particular physical habitat or ecosystem conditions of the basin, or why the ecosystem conditions will affect fish and wildlife populations or communities.

The Council intends to finish the basinwide phase of the amendment proceeding in October 2000 and then begin the province/subbasin planning, completing as many subbasin plans as possible in 2001.

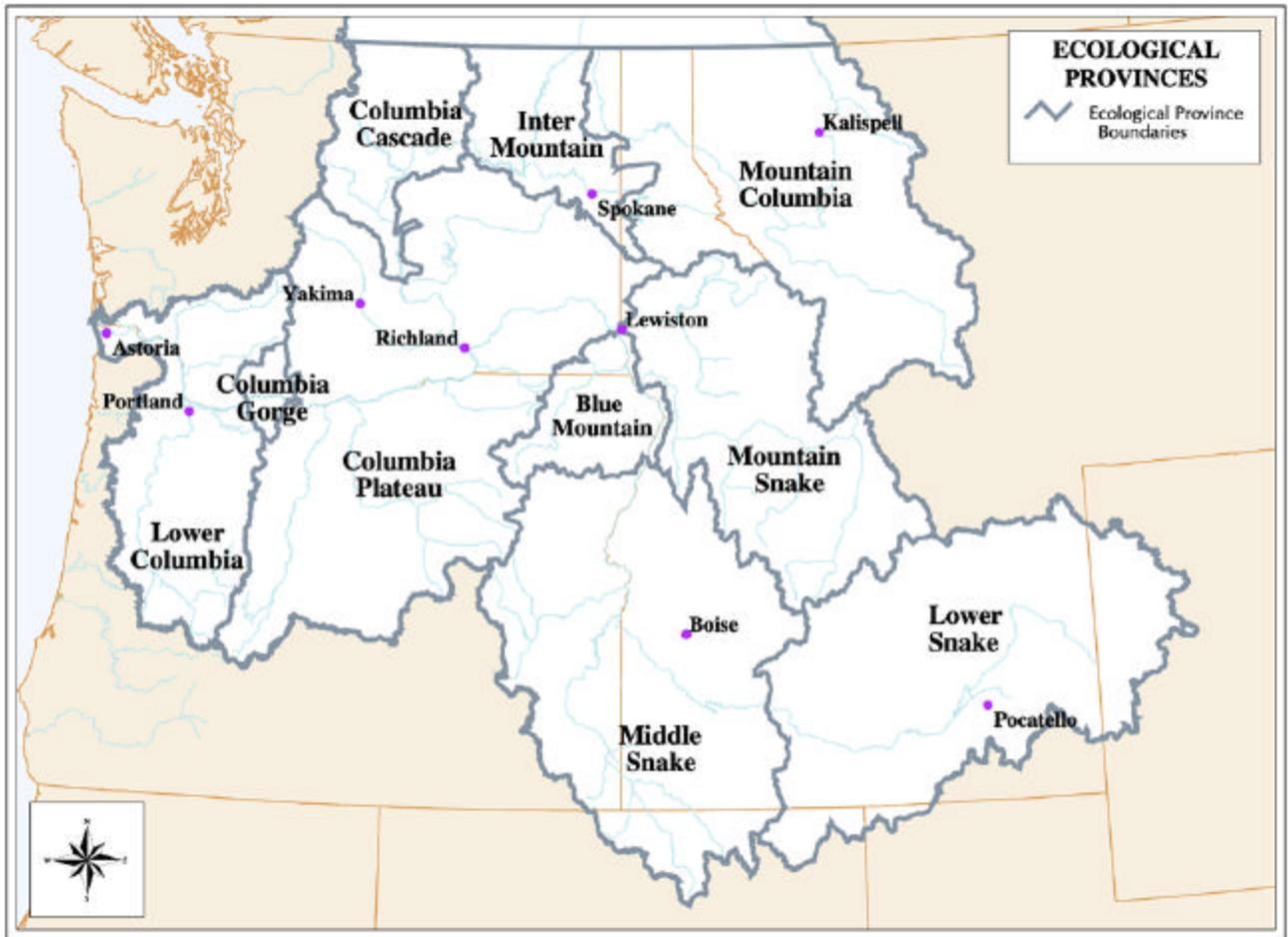


Figure 1. Ecological Provinces of the Columbia River Basin (the Columbia River estuary is considered the 11th province).

B. Annual Fish and Wildlife Project Review

1. Projects that implement the Council's program

In a series of decisions between September 1999 and January 2000, the Council selected 266 projects (from nearly 400 that were submitted) with a total budget of about \$140 million to implement the fish and wildlife program in Fiscal Year 2000. The project decisions marked an unprecedented use of independent scientific evaluation, as envisioned by Congress when it passed an amendment to the Northwest Power Act in 1996 establishing the Independent Scientific Review Panel (ISRP). Each project was assessed by the 11-member ISRP, which made recommendations to the Council, and also by the Columbia Basin Fish and Wildlife Authority, which represents the region's fish and wildlife agencies and Indian tribes and whose recommendations were compiled in a draft work plan and presented to the Council. The ISRP review was used to improve or modify a number of project proposals to better respond to the needs of fish and wildlife.

Early this year, as the program amendment process got under way, the Council began working with the fish and wildlife managers and the ISRP to establish a rolling, three-year review cycle for projects that implement the Council's program. This responds to an ISRP recommendation that the Council change its project-review process to afford the panel more time to review each project and to review them in the context of subbasin and basinwide goals and objectives. In future years, projects will be developed and funded through subbasin plans prepared by the fish and wildlife managers and other interested parties in each subbasin.

The Council also worked with the Columbia Basin Fish and Wildlife Authority, which includes all of the regional fish and wildlife managers, and the ISRP to establish a prototype for subbasin plans and to prepare interim plans for the two provinces -- Columbia Gorge and Inter-Mountain -- scheduled for review in 2000.

The Fiscal Year 2001 project solicitation, review, and recommendation process was limited in geographic scope to the Columbia Gorge and Inter-Mountain provinces -- rather than the basinwide solicitations of previous years. This province-based review process has come to be known as the "rolling review." Those provinces that are not scheduled to be in the rolling review process in Fiscal Year 2001 will be reviewed in either Fiscal Year 2002 or 2003. Ongoing projects in the provinces not participating in the Fiscal Year 2001 process will be continued until the province in which they are situated is reviewed in the next two years. An interim project renewal process was employed to establish the budgets and approve activities for ongoing projects not participating in the Fiscal Year 2001 rolling review.

In September 2000, the Council approved \$134.9 million in ongoing projects throughout the basin. At the same time, the Council solicited proposals for new projects in the Columbia Gorge and Inter-Mountain provinces. The Council plans to make three-year funding recommendations for those projects, following ISRP review, in mid-January 2001. Meanwhile, the Council issued a separate solicitation for innovative projects -- not limited to any particular subbasin -- and set aside \$2 million to fund them in Fiscal Year 2001. Establishing a separate fund and solicitation for innovative projects -- those that would employ a new technique in the basin or utilize a technique here for the first time -- responds to a recommendation by the ISRP to promote new and innovative thinking about fish and wildlife recovery. The Council plans to recommend these innovative projects, following a separate ISRP review, in mid-February 2001.

Fiscal Year 2000 was a year of change for the Council -- change in the nature of the fish and wildlife program and change in the method of selecting projects for funding in the coming year. But the Council is convinced that these changes will increase the scientific credibility and public

accountability of the fish and wildlife mitigation effort and will be well worth the effort in the long run.

2. Projects that are reimbursed by Bonneville

Responding to direction in the Conference Report on the Fiscal Year 1998 Energy and Water Development Appropriations Act, the Council, with the assistance of the Independent Scientific Advisory Board (the ISAB is a panel of 11 scientists who advise both the Council and the National Marine Fisheries Service on scientific issues related to fish and wildlife) reviewed the mainstem capital construction programs of the U.S. Army Corps of Engineers at hydroelectric projects on the Columbia and Snake rivers. In the review, the Council and the ISAB evaluated the technical need for various fish-passage strategies at the dams and reported, in part, that the Corps could benefit from more biologically driven decisions addressing a broader diversity of life history types and species. In the Conference Report to the Fiscal Year 1999 appropriations act, Congress directed the Council and the Independent Scientific Review Panel to review fish and wildlife programs that are reimbursed in whole or in part by Bonneville, including Corps capital construction projects. In its May 1999 report, the Council and the ISRP recommended a process for the annual review of these projects that the Council adopted in its Fiscal Year 2000 project review and selection process.

In short, the Council and the ISRP decided to change the nature of the project review process, as detailed above, to address projects in a three-year, rolling cycle beginning with the Fiscal Year 2001 review. In this way, all projects will receive a more thorough review than is possible in the approximately six months that has been set aside for that purpose in recent years. Reimbursable projects will be reviewed by the ISRP in the province in which they reside. For Fiscal Year 2001, for example, reimbursable projects in the Columbia Gorge and Intermountain provinces will be reviewed along with projects that are funded directly by Bonneville.

C. **Other Fish and Wildlife Initiatives**

1. Caspian Tern Relocation

This year, the Council continued to participate in the effort to relocate a nesting colony of Caspian terns, said to be the largest in the world, away from concentrations of salmon and steelhead smolts in the Columbia River estuary. A working group composed of researchers is managing the relocation effort, employing the following strategies:

- Prevent all nesting by Caspian terns on Rice Island and other dredged material islands in the upper estuary.

- Attract Caspian terns that formerly nested on Rice Island to nest on East Sand Island in the lower estuary.
- Restore Caspian tern nesting colonies at coastal sites outside the Columbia River estuary.
- Provide further incentive for terns to emigrate to restored colony sites outside the estuary by in-season adaptive management at the East Sand Island colony.
- Collect data throughout the nesting season in order to constantly monitor and evaluate management actions.

This year, a federal court injunction prohibited the actual harassment of terns, but by the time the injunction was handed down many terns already had chosen East Sand Island over Rice Island for nesting. Following the 2000 nesting season, the working group began developing its management plan for 2001, which will include investigation of alternate nesting sites outside the Columbia River estuary. In September 2000, Dan Roby of Oregon State University, the principal scientist in the tern relocation project, reported that while the total number of terns in the estuary had not declined this year, there was significant progress in relocating the birds from Rice Island to East Sand Island. The temporary restraining order prohibiting human disturbance of the tern colony on Rice Island remained in effect, and management of the birds in 2001 (active versus passive harassment) will depend on whether the order is lifted.

2. Artificial Production Review final report

In July 1997, Congress directed the Council, with the assistance of the Independent Scientific Advisory Board, to conduct a thorough review of all federally funded artificial production programs in the Columbia River Basin. Congress directed the Council to recommend, based on the report, a coordinated policy for future operation of artificial production programs and to how to obtain such a policy.

In its October 1999 report to Congress, the Council stressed that the region needs action and leadership to implement new artificial production policies, to decide whether and where to use artificial production, and to ensure that future artificial production funding is contingent on reforms being made. These decisions need to be made for each subbasin and implemented as part of a broader strategy to meet regional fish recovery goals. The Council is incorporating the recommendations of the Artificial Production Review in its amended fish and wildlife program, and also has set in motion the needed subbasin planning effort.

In their report, the Council and ISAB made six recommendations for implementing new artificial production policies:

1. Tribal, state and federal agencies should evaluate the purposes for each artificial production facility and program in the basin within three years.
2. Program managers should evaluate and improve the operation of artificial production programs that have agreed-upon purposes, consistent with the proposed policies in the report.
3. Program managers should use existing processes to implement artificial production reforms. Examples of existing processes include the annual federal agency and Council funding processes, Endangered Species Act implementation and the Council's periodic revisions of its fish and wildlife program.
4. Congress and the Bonneville Power Administration need to ensure that money to implement the reforms is available.
5. The Council should assist in the formation of an interagency team to oversee and evaluate the reforms.
6. The Council, other regional decision-makers and Congress should assess the success of the recommended reforms after five years.

The Council also recommended 10 policies to guide the future use of artificial production:

1. The purpose and use of artificial production must be considered in the context of the environment in which it is used.
2. Artificial production remains experimental. Adaptive management practices that evaluate benefits and address scientific uncertainties are critical.
3. Artificial production programs must recognize the regional and global environmental factors that constrain fish survival.
4. Species diversity must be maintained to sustain populations in the face of environmental variation.
5. Naturally spawning populations should be the model for artificially reared populations.
6. Fish managers must specify the purpose of each artificial production program in the basin.
7. Decisions about artificial production must be based on fish and wildlife goals, objectives and strategies at the subbasin and basin levels.
8. Because artificial production poses risks, risk management strategies must be implemented.
9. Production for harvest is a legitimate management objective of artificial production. But to minimize adverse impacts on naturally spawning populations, harvest rates and practices must be dictated by the need to sustain naturally spawning populations.

10. Federal and other legal mandates and obligations for fish protection, mitigation, and enhancement must be fully addressed.

Public Involvement

One of the Council's primary tasks is to fulfill the directive of the Northwest Power Act to inform and involve Northwest citizens about the Council's activities. Section 2(3) states a purpose of the Act is "to provide for the participation and consultation of the Pacific Northwest states, local governments, consumers, customers, users of the Columbia River System (including federal and state fish and wildlife agencies and appropriate Indian tribes) and the public at large within the region" in the Northwest's planning for electrical power and protection of fish and wildlife resources. Section 4(g)(1) of the Act requires the Council to develop "comprehensive programs" to ensure public involvement and to "inform the Pacific Northwest public of major regional power issues."

To involve the public, the Council arranges consultations and public meetings to discuss and explain key issues. For example, in 1999 the Council arranged public meetings and consultations regarding the recommendations of the Columbia Basin Fish and Wildlife Authority and the Independent Scientific Review Panel for projects to fund through the Council's fish and wildlife program in Fiscal Year 1999. This is an annual effort, which culminates in the fall and early winter with the Council's project recommendations to Bonneville. As well, the Council's staff worked with the Multi-Species Framework Project management committee to arrange public meetings around the region to solicit comments on framework activities. The Council also convened public meetings around the region to explain progress and receive comments on the review of artificial production of fish in the basin, and conducted four meetings with fish and wildlife managers and one meeting for the public to discuss the fish and wildlife program amendment and a conceptual version of the new program.

To inform the public, the Council produces a newsletter as well as special informational materials, media briefings and several types of news releases, including a periodic report on successful fish and wildlife projects. The Council also regularly updates its Internet web site (www.nwppc.org) and uses other approaches to inform interested citizens about fish, wildlife and energy issues. The Council conducts all its regular meetings, committee meetings and working sessions in public. In addition, the Council holds public hearings and consultations on many issues.

A. Memorandum of understanding with the Columbia Basin Trust

The Northwest Power Act directs the Council to address the Columbia River Basin as a system, and the Council's fish and wildlife program and power plan recognize that a significant portion of the basin is in British Columbia, where the river originates. The United States and Canada are bound by the Columbia River Treaty and the Pacific Salmon Treaty to operate the river's hydroelectric system and establish salmon fishing seasons in a coordinated manner, and the Council's fish and wildlife program specifically calls for efforts to enhance transboundary stocks of fish and wildlife affected by the construction, operation and development of the hydroelectric system. To address the needs of these transboundary stocks, the Council began working in 1996 to improve its relations with fish and wildlife agencies and First Nations in the Canadian Columbia River Basin.

The Council's closest counterpart agency is the Columbia Basin Trust, an agency created by the British Columbia Legislature in 1995 and given the authority to mitigate the environmental, social and economic impacts of the construction of the Columbia River Treaty dams -- Mica, Keenleyside and Duncan in British Columbia, and Libby in the United States. Lake Koocanusa, the reservoir behind Libby Dam, extends into British Columbia.

The Council and the Trust have collaborated in several joint meetings, co-hosted a 1998 international conference on ecosystem-based management of fish and wildlife resources in the basin and designated their vice chairs as liaisons. This year, the Council and the Trust formalized their relationship with an exchange of letters. In the letters, the two agencies recognized the relationship as a means of advancing 1) the Council's interest in enhancing transboundary cooperation on key issues related to ecosystem management and fish and wildlife resources, and 2) the Trust's mandate to promote understanding of the importance of river basins and its goal of playing a creative role in positive change in the basin.

Specifically, the Council agreed to work collaboratively with the Trust to:

1. Foster and promote an attachment between residents of the Columbia River Basin on the two sides of the international border through public outreach and information.
2. Encourage public awareness and support for the concept of subbasin planning consistent with basinwide goals and objectives.
3. Pursue the development, funding and implementation of projects to protect, mitigate and enhance transboundary species of fish and wildlife, consistent with each organization's project-funding requirements and processes.

4. Share scientific information and pursue mutually beneficial scientific research, consistent with the unique program goals and project-funding requirements of each agency.
5. Conduct joint activities such as public workshops, conferences and meetings that address Columbia River Basin fish, wildlife, energy and water issues.
6. Exchange visits by our liaisons (vice chairs) at least annually to report on current and future planned activities and provide notice of initiatives of mutual interest.
7. Continue an informal dialogue on Columbia River Basin policy issues including, but not limited to, water management, water quality and mitigating the impact of hydropower on transboundary fish and wildlife, with the understanding that this dialogue could lead to common policy positions that could be communicated to state, provincial and national elected officials and action agencies, when appropriate.

Fiscal Year 2001 Council Budget

Since Fiscal Year 1992, the Council has increased its workload while making significant efforts to reduce its budget. Through an agreement reached with Bonneville in 1997, the Council set a goal of reducing its budget by approximately \$2 million during fiscal years 1998-2001. The Fiscal Year 2001 budget reflects the Council's commitment to meet the target budget levels.

The Council's Fiscal Year 2001 budget is \$7,777,000. In comparison, the Council's Fiscal Year 1992 budget was \$8,484,000, and the 2000 budget was \$7,091,000.

Each year, the Council attempts to underspend its budget. This is accomplished by adjusting staff workloads and deferring some contract studies while having others performed by Council staff. In addition, the Council continues to freeze some position vacancies or abolish other positions through organizational restructuring.

More Information

For additional details about the Northwest Power Planning Council's activities, budget, meetings, comment deadlines, policies or bylaws, call 1-800-452-5161 or visit our web site at <http://www.nwppc.org>. Copies of our publications are available at the web site or by calling the toll-free number above. All Council publications are free.

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To comment on this document [click here](#).

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