

Tom Karier
Chair
Washington

Frank L. Cassidy Jr.
"Larry"
Washington

Jim Kempton
Idaho

Judi Danielson
Idaho



Joan M. Dukes
Vice-Chair
Oregon

Melinda S. Eden
Oregon

Bruce A. Measure
Montana

Rhonda Whiting
Montana

Council Meeting Spokane, Washington

August 15-16, 2006

Minutes

Tom Karier called the meeting to order at 1:35 pm on August 15 and adjourned it at 3:30 pm on August 16. All members were present.

Reports from Fish and Wildlife, Power and Public Affairs committee chair:

Rhonda Whiting, chair, fish and wildlife committee; Jim Kempton, chair, power committee; and Larry Cassidy, chair, public affairs committee.

Jim Kempton reported that the Power Committee discussed possible Council comments on Bonneville's Regional Dialogue proposal, model conservation standards for commercial buildings and the DSI study.

Rhonda Whiting reported that the Fish and Wildlife Committee discussed within-year project funding requests, Bonneville's capitalization policy, and Fiscal Year 2007-2009 fish and wildlife project funding recommendations.

Larry Cassidy reported the Public Affairs Committee has received a long list of nominees to be recognized at the Power Act lunch in Portland on December 14, 2006, and he discussed speakers invited to the event. The committee is working on a renewable energy video and brochures on energy efficiency, climate change, and fish and wildlife accountability, he noted.

Tribal Drumming Presentation

The Upper Columbia United Tribes made a presentation on the 25th anniversary of the Northwest Power Act. Tim Peone, manager of the Spokane Tribes' hatchery, and Dr. Allan Scholz of Eastern Washington University talked about why the Act is important to the tribes.

1. Update on Fiscal Year 2007-2009 funding recommendations:

Doug Marker, director, fish and wildlife division; and Patty O’Toole, program implementation manager.

Staffer Doug Marker kicked off a discussion of the Fiscal Year 2007-2009 Fish and Wildlife project selection process by pointing out that the Fish and Wildlife Committee has scheduled a meeting August 31 in Portland to develop recommendations for the 19 “mainstem on-the-ground and multi-province” project proposals. There will also be further discussion of “basinwide” proposals, he noted.

In September, the Council will decide whether to release a set of draft fish and wildlife project funding recommendations for public comment, said staffer Patty O’Toole. A final Council decision is scheduled for October, she added. Bonneville has now told the Council that one set of fish and wildlife projects -- for tributary passage -- can be capitalized, and staff will review what impact that decision has on funding priorities, O’Toole stated.

2. Council decision on release of provincial objectives issue paper:

John Shurts, general counsel; Peter Paquet, manager, wildlife and resident fish; and Lynn Palensky, subbasin planning project manager.

Staffer Doug Marker presented a draft issue paper on developing biological objectives for ecological provinces under the Council’s fish and wildlife program. Joan Dukes moved that the Council release the issue paper for public comment and direct staff to give notice of the opportunity for comment through October 31. Cassidy seconded, and the motion passed.

3. Presentation on preliminary Fiscal Year 2007 priorities for Columbia River Fish Mitigation Program:

Jim Ruff, manager, mainstem passage and river operations; and John Kranda, U.S. Army Corps of Engineers.

Staffer Jim Ruff and John Kranda of the Corps of Engineers briefed the Council on the System Configuration Team’s preliminary FY 2007 priorities for the Corps’ Columbia River Fish Mitigation (CRFM) program.

4. Council decision on within-year project funding requests for third quarter:

Mark Fritsch, manager, project implementation.

Staffer Mark Fritsch presented three within-year funding requests for fish and wildlife projects, pointing out that two are capital and one is expense.

– **Project # 1991-057-00, Yakima Basin Screen Fabrication Phase II**

Dukes moved that the Council recommend that BPA approve the request for the Yakima Basin Screen Fabrication, Phase II, Project 1991-057-00, as presented by staff and recommended by

BPA, in an amount not to exceed \$14,911 in capital funding in FY 2006. Cassidy seconded, and the motion passed.

– **Project # 1991-075-00, Yakima Fish Screens Construction**

Dukes moved that the Council recommend that BPA approve the request for the Yakima Fish Screens Construction, Project 1991-075-00, as presented by staff and recommended by BPA, in an amount not to exceed \$60,000 in capital funding in FY 2006. Cassidy seconded, and the motion passed.

– **Project # 1996-046-01, Walla Walla Basin Fish Habitat Enhancement**

Dukes moved that the Council recommend that BPA approve the request for the Walla Walla Basin Fish Habitat Enhancement, Project 1996-046-01, as presented by staff and recommended by BPA, in an amount not to exceed \$150,000 in expense funding in FY 2006. Eden seconded, and the motion passed.

5. Presentation by the Bonneville Power Administration on the Regional Dialogue Draft Policy:

Mark Gendron, Bonneville Power Administration.

Bonneville’s Mark Gendron gave the Council its first look at the agency’s Regional Dialogue proposal, which defines Bonneville’s long-term role in the region’s future power supply. The proposal reflects much regional consensus on many issues and is consistent with the Council’s plan, Gendron pointed out.

6. Panel on Bonneville’s Draft Regional Dialogue Policy:

Marilyn Showalter, Public Power Council; Jack Spear, Alcoa; Larry La Bolle, Avista; Nancy Hirsh, NWEC.

Jack Spear of Alcoa Aluminum said when his company’s Vancouver aluminum plant was built in 1939, Clark County PUD did not exist so Alcoa became a DSI customer of Bonneville. By the 1970s, there were 10 smelters in the Northwest using over 3,000 MW of Bonneville power, and there wasn’t enough power to meet utilities’ growing demands, he noted. “The fair solution” to the problem in 1980 was the passage of the Northwest Power Act, Spear said.

Nancy Hirsh of the Northwest Energy Coalition said the Council’s Fifth Power Plan, with its emphasis on conservation and renewables, established “a real vision and a road map.”

Marilyn Showalter of the Public Power Council said that PPC and its members fully recognize the worthiness of the Regional Dialogue proposal, which is to lock up the value of the Bonneville system for the Northwest, as well as to advance other values.

Larry La Bolle of Avista, representing all the investor-owned utilities in the Northwest, said “overall, we are pleased with Bonneville’s pursuit of long-term contracts and tiered rates.”

7. Presentation on nutrients and salmon restoration:

Dr. John Stockner, Limnologist, Eco-Logic, Ltd.

Dr. John Stockner of Eco-Logic Ltd. and the University of British Columbia Fisheries Centre reported the results of his research on the role of nutrients in rebuilding lake and river salmonid populations.

8. IEAB report on alternative approaches to habitat preservation (IEAB document 2006-1); and IEAB report on adequacy of data for cost-effectiveness analysis (IEAB document 2006-2):

Terry Morlan, director, power division; and Dr. Joel Hamilton, IEAB.

Dr. Joel Hamilton of the Independent Economic Analysis Board (IEAB) reported on the results of two recent IEAB studies. In the first, the IEAB was asked to compare different approaches to acquiring and preserving desirable habitat. Our primary conclusion is that no single approach to habitat preservation is best in all circumstances, but there can be advantages of particular approaches in certain instances, he said.

Hamilton reported the second IEAB study looked at available cost data to better inform the fish and wildlife project selection process, specifically information that could support cost benchmarking and cost-effectiveness analyses. We looked at a sampling of 11 project proposals, evaluated the Pisces system's information and organization, and looked at data adequacy, he explained. Our general finding was that there is enormous variability in the type of work and local conditions that makes cost comparisons difficult, he noted.

9. Review of draft monitoring and evaluation guidance document:

Steve Waste, manager, program analysis and evaluation.

Staffer Steve Waste briefed the Council on the latest version of the guidance document for developing monitoring and evaluation as a program element of the Columbia Basin Fish and Wildlife Program. The guidance document explains the steps necessary for developing the capacity to collect monitoring information in a consistent, statistically valid manner and could become the basis for developing a coordinated approach to monitoring for the Council's fish and wildlife program and for the region.

10. Briefing on ISAB review of data center paper and summary of public comment:

Peter Paquet.

Staffer Peter Paquet briefed the Council on comments received on a proposal the Council released in May for a Columbia Basin Data Center. Most of the comments we received were supportive of the concept and goals we set out. The ISAB said this project is important and should have high priority, but that it should be initiated as a demonstration project to be tested

over a year, Paquet noted. Staff will bring a proposal for this to the Council at the October meeting, he said.

11. Council Business:

– **Approval of minutes**

Dukes moved to approve the minutes for the July 11-12, 2006 Council meeting held in Missoula, Montana. Cassidy seconded, and the motion passed.

– **Annual disclosure of members’ outside earned income and notice of availability of financial disclosure forms**

Staffer Bill Hannaford said Council members are required to disclose income they earn each year outside their positions on the Council. Cassidy and Measure reported outside income, and disclosure forms will be available at the end of August, Hannaford said.

– **Approval of Charter and formation of Demand Forecasting Advisory Committee**

Dukes moved that the Council approve the charter of the Demand Forecasting Advisory Committee and appoint Massoud Jourabchi as chair and Ken Corum as vice-chair. Eden seconded, and the motion passed.

– **Approval of contract for enhancement and testing of Energy 2020 model**

Dukes moved that the Council authorize the Executive Director to negotiate a contract with Systematic Solutions, Inc., in an amount not to exceed \$36,200, to modify the Energy2020 model in support of a new Council demand forecasting system. Cassidy seconded, and the motion passed.

Approved September _____, 2006

Vice-Chair
