

Tom Karier
Chair
Washington

Frank L. Cassidy Jr.
"Larry"
Washington

Jim Kempton
Idaho

W. Bill Booth
Idaho



Joan M. Dukes
Vice-Chair
Oregon

Melinda S. Eden
Oregon

Bruce A. Measure
Montana

Rhonda Whiting
Montana

Council Meeting Walla Walla

May 15-16, 2007

Minutes

Tom Karier called the meeting to order at 1:33 p.m. on May 15 and adjourned it at 1:35 p.m. on May 16. All members were present.

Joan Dukes moved that the Council add to the agenda of the meeting a discussion of recent Ninth Circuit Court decisions, find that Council business requires this discussion and that no earlier notice was possible. Larry Cassidy seconded, and the motion passed unanimously on a roll-call vote.

Dukes moved that the Council add to the agenda of this meeting an executive session to discuss matters related to participation in civil litigation, find that Council business requires this discussion and that no earlier notice was possible. Bill Booth seconded, and the motion passed unanimously on a roll-call vote.

Dukes moved that the Council meet in executive session at the call of the Chair to discuss matters related to participation in civil litigation. Rhonda Whiting seconded, and the motion passed unanimously on a roll-call vote.

Welcome to Walla Walla from Lt. Colonel Anthony J. Hofmann, District Commander, U.S. Army Corps of Engineers.

Lt. Colonel Anthony Hofmann, District Commander for the Corps of Engineers, welcomed the Council to Walla Walla. He said the district is the center of expertise for fish passage and spends \$55 million annually on such projects, including screens, collection facilities, and barging.

With about 4,400 MW, our district is the second largest hydro producer behind the Portland district, he noted. We maintain 173 navigable miles of water from Umatilla to Lewiston, Hofmann said. Sixteen percent of our work force is deployed in Iraq and Afghanistan, he added.

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

Rhonda Whiting chair, fish and wildlife committee; and Jim Kempton, chair, power committee.

Whiting reported the Fish and Wildlife Committee discussed follow-up actions for FY 2007-09 projects, the FY 2008 start-of-year budget process, and within-year project funding adjustments. The committee heard presentations on Bonneville's PISCES system and a summary of 2006 Corps of Engineers' funded research, she said. Also on the agenda were reports from staff and the Columbia Basin Fish and Wildlife Authority (CBFWA) on program amendment preparations and regional coordination, Whiting stated.

Jim Kempton reported the Power Committee discussed modeling that looked at the CO₂ effects of such actions as replacing the Lower Snake dams and different summer spill scenarios. The committee also talked about conservation penetration rates, conservation crediting, and revising fuel forecasts in the Fifth Power Plan, he noted. Other topics included the Wind Integration Forum and status reports on the Regional Adequacy Forum and Pacific Northwest Demand Response Program, Kempton said.

1. Council decision on quarterly review on within-year project funding adjustments for implementation:

Mark Fritsch, manager, project implementation.

Staffer Mark Fritsch presented a request for second quarter within-year project funding adjustments for the Southern Idaho Wildlife Mitigation Project, an ongoing project to monitor and evaluate wildlife mitigation related to four hydro projects in the Middle and Upper Snake provinces. Dukes moved that the Council recommend that BPA approve the three within-year funding requests proposed by BPA for the second quarter in an amount not to exceed \$245,000 in expense and \$2,500,000 in capital funding in FY 2007. Booth seconded, and the motion passed.

2. Presentation by ISAB on Latent Mortality Report:

Tom Poe, ISAB member; and Rich Alldredge, ad hoc ISAB member.

Tom Poe of the ISAB presented the findings of the panel's Latent Mortality Report, undertaken at the request of NOAA Fisheries. He said latent mortality refers to the mortality associated with the FCRPS that occurs after fish pass Bonneville Dam as juveniles that would not occur absent the hydro system.

The ISAB recommended future monitoring and research to quantify biological factors contributing to variability in estimated post-Bonneville mortality, he said. In particular, the ISAB recommends acoustic tags continue to be developed and used to assess mortality in the lower river, estuary, and ocean, Poe added.

3. Presentation by project sponsors on the Umatilla project:

Gary James, Confederated Tribes of the Umatilla Indian Reservation.

Gary James, fisheries program manager for the Umatilla Tribes, made a presentation on the Umatilla subbasin and the fish and wildlife projects under way there, noting that the Independent Scientific Review Panel (ISRP) would be conducting a project review and tour on May 16-17 in connection with the project's FY 2007-2009 project funding recommendation. He said the Council and ISRP recommended that there be a thorough review of how the projects in the subbasin work together and noted that the project sponsor had delivered a report explaining the linkages in the project two weeks ago.

4. In-season update on Columbia/Snake River Adult Fish Runs:

Robin Ehlke, Washington Department of Fish and Wildlife.

Robin Ehlke of the Washington Dept. of Fish and Wildlife updated the Council on the status of the spring chinook salmon run. The 2007 preseason forecast, based on jack counts, was 78,500 upriver spring chinook, she reported. That includes 9,200 Upper Columbia fish, 1,200 of which are wild; and 38,500 Snake River spring chinook, with 13,100 wild fish, Ehlke said. Our constraints, put in place for managers before the run begins, include Endangered Species Act (ESA) impact limits, *U.S. v. Oregon* impact allocation, and non-Indian allocations, she explained.

Open public comment on any subject before the Council.

Kirby Heath of the Warm Springs Tribes read a statement from the Columbia River Inter-Tribal Fish Commission (CRITFC) about the Fish Passage Center Oversight Board expressing reservations about the Council's ability to play a neutral role. CRITFC requests that the Council postpone seeking candidates to serve on the Oversight Board until the Council meets with tribes and addresses their concerns, he said.

5. Presentation on electric hybrid vehicles:

Steve Marshall, Cascadia Discovery Institute.

Steve Marshall, formerly with Snohomish PUD and now with the Cascadia Center of the Discovery Institute, gave a presentation on the possibilities and promise of plug-in hybrid electric vehicles (PHEVs).

6. Presentation by ISAB on Climate Change Report:

Bob Bilby; ISAB member; and Nate Mantua, ad hoc ISAB member.

Robert Bilby and Nate Mantua presented an overview of the Independent Scientific Advisory Board's (ISAB) new report on climate change impacts on Columbia River Basin fish and wildlife (F&W). Mantua said the earth's climate has been warming in the last century and a half, mostly due to human activities, and that the warming rate for the Pacific Northwest over the next century is projected to be in the range of 0.1 to 0.6 degrees centigrade per decade.

The main impacts will be more precipitation falling as rain rather than snow, and diminishing spring snowpack, with altered streamflows, he predicted. Peak river flows will likely increase, and water temperatures will continue to rise, according to Mantua.

As a result, all future climate scenarios predict increases in wildfires in western North America, including the Columbia Basin, Bilby said. Temperature increases will render 2 to 7 percent of the trout habitat in the Northwest unsuitable by 2030, he stated. Salmon habitat may be more severely affected because salmon can only occupy areas below barriers and thus are restricted to lower, and warmer, elevations within the region, Bilby said.

7. Update on Fiscal Year 2008 start-of-year budget process:

Peter Paquet, acting director, fish and wildlife division; Patty O'Toole, program implementation manager; and Mark Fritsch.

In a presentation on the FY 2008 start-of-year budget process, staffer Patty O'Toole noted that since we are seven months through FY 2007, if the Council is going to make recommendations to Bonneville for FY 2008, they need to be made soon. In the next few weeks, Bonneville will lay out its revised budget, and we'll respond to that, and then it will become the "working budget" for FY 2008, for tracking program and project spending, she said. In March, Bonneville identified about \$17-20 million that was available for project funding, but it looks like after Bonneville makes the latest round of adjustments, the remainder of unallocated funding is likely to be around \$11-12 million for FY 2008 and FY 2009, O'Toole explained. These funds will be available for interim Council recommendations and Biological Opinion (BiOp) needs, she said. Bonneville has told us that additional BiOp needs will be coming down the road, O'Toole added.

8. Council decision on follow-up actions for Fiscal Year 2007-09 projects:

Mark Fritsch.

- **Project 1993-060-00 - Select Area Fisheries Enhancement Project**
- **Project 2006-003-00 - Desert Wildlife Area O&M (Wetland Enhancement)**

Fritsch presented a request to fund two FY 2007-2009 F&W projects, the Select Area Fisheries Enhancement (SAFE) Project, and the Desert Wildlife Area O&M Project. He said, based on joint ISAB and ISRP review, the sponsors of the SAFE project have adequately addressed the funding conditions placed on the project by the Council. Fritsch said staff recommends support for BPA's funding recommendation for the Desert Wildlife project, based on a favorable review by the ISRP.

Steve Fick of the Clatsop Fisheries Project Task Force spoke in favor of the SAFE project, noting that its costs are competitive and that the project is a significant economic engine for the area. Dukes moved that the Council: find that the Select Area Fisheries Enhancement Project, Project 193-060-000, has met the conditions the Council placed on the project; find that the Desert Wildlife Area O&M Project, Project 2006-003-00, has met the scientific review criteria; and therefore recommend that BPA fund these projects, as recommended by the F&W Committee. Cassidy seconded, and the motion passed.

9. Briefing on All "H" Analyzer (AHA):

Chip McConnaha and Jesse Schwartz, Jones and Stokes.

Peter Paquet kicked off a discussion of two analytical tools being used in the region to support salmon recovery planning and hatchery reform, the All-H Analyzer (AHA) and the All-Population Evaluator (APE). He said both the Congressionally mandated Hatchery Reform Project and the review of Mitchell Act hatcheries under NEPA are using the two tools.

Chip McConnaha of Jones and Stokes explained that AHA analyzes a single fish population in regard to the four Hs, while APE is a tool for "rolling up" AHA results for all fish populations to evaluate

biological performance at the province or Evolutionarily Significant Unit (ESU) levels. For the Council's program, the tools can help in the development of biological objectives at the provincial, subbasin, and basin scales, he said.

Jesse Schwartz of Jones and Stokes said APE pulls together AHAs and allows a comparison of how different fish populations are doing and different subbasins are performing. The next step is to refine the variables for the non-habitat Hs, such as future hatchery policy, and how the hydro system is going to be configured in the future, McConnaha explained. We also need to decide how to address climate change in the models, he noted.

I disagree with using this to set biological objectives, said Tom Iverson of the Columbia Basin Fish and Wildlife Authority (CBFWA). This is a valuable tool to test your objectives, but it can't set them, he added.

10. Briefing on Ad Hoc Workgroup on Biological Objectives:

Peter Paquet.

Paquet reported that an Ad Hoc Biological Objectives Workgroup has been meeting to discuss how to address biological objectives in the Council's upcoming fish and wildlife amendment process. Members of the group include Council staff; Bonneville reps; customer groups, including PNUCC, the Public Power Council, and RiverPartners; and fish and wildlife managers, he noted.

The group has agreed on six points to guide its activities, according to Paquet. Those include: identifying opportunities to improve the articulation of biological objectives in the Council's program; determining the risks and benefits of including new biological objectives in the program; identifying the role the objectives will play in program implementation; and discussing the relationship of the objectives to Bonneville's mitigation responsibility.

11. Discussion of Willamette Wildlife Crediting and use of the Combined Habitat Assessment Procedures:

Peter Paquet; Greg Delwiche, Bonneville Power Administration; and others.

Karier prefaced a discussion of Willamette wildlife mitigation by noting that there's been a longstanding dispute over how wildlife losses have been assessed and credited there. One question before the Council is whether a new methodology, the Combined Habitat Assessment Procedure (CHAP), should now be used in the Willamette, he said. Karier pointed out that in the past, the ISRP recommended funding CHAP elements for some projects, but not in the Willamette.

Greg Delwiche of Bonneville gave an overview of the Willamette wildlife mitigation program, noting it had one of the first Habitat Evaluation Procedure (HEP) wildlife loss assessments performed on its eight Federal Columbia River Power System (FCRPS) dams. The loss assessments were done in 1985, and they were "a subjective analysis," he said.

HEP Meets HAB

Tom O'Neil of the Northwest Habitat Institute said CHAP includes a new approach, the Habitat Appraisal and Barter (HAB) method, which incorporates current ecological thinking and accounts for multiple species. HAB measures habitat quality using diversity, complexity, and available habitat size, he

explained. CHAP is adaptive and can be refined and updated – it will not be used to recalculate the original loss assessments, O'Neil said.

Karier asked staff to report back on what alternatives are available for Council action.

12. Council business:

- **Public comment on Council budget**

There was none.

- **Approval of minutes**

Dukes moved to approve the minutes for the April 17-18, 2007 Council meeting held in Libby, Montana. Booth seconded, and the motion passed.

- **Council approval of letter regarding marine mammals**

This item was deferred to the next meeting.

13. Briefing on recent Ninth Circuit Court of Appeals decisions:

John Shurts, general counsel.

Staffer John Shurts reported that on May 3, the Ninth Circuit Court released two opinions, *PGE v. BPA*, involving the residential exchange agreements, and *Golden Northwest Aluminum v. BPA*, involving challenges to Bonneville's 2002-2006 rates. The decisions have lots of implications, and together, "they make quite a snarl," he said.

This could open up all Bonneville rate cases to arguments about whether fish and wildlife costs, or any other of the agency's costs, are reasonable, he noted. "It will be a different world for Bonneville if that holds," Shurts predicted.

Approved June 13, 2007

/s/ Joan Dukes

Vice-Chair

x:\jh\ww\minutes\may07 short version.doc