

FRANK L. CASSIDY JR.  
"Larry"  
CHAIR  
Washington  
  
Tom Karier  
Washington

Eric J. Bloch  
Oregon  
  
Gene Derfler  
Oregon

## **NORTHWEST POWER PLANNING COUNCIL**

851 S.W. SIXTH AVENUE, SUITE 1100  
PORTLAND, OREGON 97204-1348

JUDI DANIELSON  
VICE CHAIR  
Idaho  
  
Jim Kempton  
Idaho

Ed Bartlett  
Montana  
  
John Hines  
Montana

**Fax:**  
503-820-2370

**Phone:**  
503-222-5161  
1-800-452-5161

**Internet:**  
[www.nwccouncil.org](http://www.nwccouncil.org)

### **Council Meeting Coeur d'Alene, ID**

**November 13-14, 2002**

### **Minutes**

The meeting began at 9:00 am on 11/13 and ended at 3:40 pm on 11/14. All were present.

#### **Decision – Add agenda item**

Judi Danielson made a motion that the Council: add to the agenda a presentation by the Yakama Nation regarding concerns related to Bonneville's implementation of the Council's fish and wildlife program; find that Council business requires consideration of this matter; and find that no earlier notice was possible. Cassidy seconded, and the motion passed on a roll-call vote.

#### **Decision – Meet in Executive session**

Danielson moved that the Council meet in executive session at the call of the Chair to discuss matters protectible under the internal personnel matters and civil litigation exceptions. Cassidy seconded, and the motion passed unanimously on a roll-call vote.

#### **Decision – Add agenda item**

Danielson moved that the Council: add to the agenda consideration of a comment letter to the RAND Corporation regarding its report, "Generating Electric Power in the Pacific Northwest: Implications of Alternative Technologies"; find that Council business requires consideration of this matter; and find that no earlier notice was possible. Karier seconded, and the motion passed unanimously on a roll-call vote.

### **1. Presentation by the Columbia Basin Trust: Update on Trust Activities in the transboundary area and elsewhere in the Canadian Columbia River Basin**

Josh Smienk, Trust Chair; Gary Merkel, Trust Vice Chair; Don Johnston, Trust CEO

A trio of representatives from the Columbia Basin Trust, headquartered in Castlegar, British Columbia, paid a visit to talk about opportunities for cooperation with the Council. The Trust is a regional corporation created in 1995 to ensure that the management of water issues related to the Columbia River Treaty reflects the region's interest in a range of values, according to a brochure.

Josh Smienk, Chair of the Trust, noted there is over 20 million acre-feet of water being stored in the Canadian portion of the basin annually as a result of the Columbia River Treaty. Storage creates downstream benefits, such as a 40 percent increase in electrical production at Grand Coulee, he said.

The Council and the Trust have a Memorandum of Understanding that says the two organizations will work together, said Garry Merkel of the Trust. He noted that Canada and the U.S. have to give notice as to their intentions with respect to the Columbia River Treaty's power provisions by 2014, and that "it's highly likely" the Trust will be an integral part of renegotiating the Treaty. We would like to hold another Transboundary conference like we did a few years ago, Merkel told the Council.

The Northwest and the Council pay attention to Canada, but others in this country don't, said Karier. When FERC came here recently, it put up a map that left Canada off, he noted. We should work together to teach others about the importance of our relationship, Karier said. Council members asked for the Canadians' comments on the draft mainstem amendments and expressed a desire to cooperate. If you are offering to host the next Transboundary conference, we accept, Cassidy said.

## **2. Briefing and Submission of the Clearwater Subbasin Plan**

George Enneking, Chair; Clearwater Policy Advisory Committee; Janet Hohle and Ira Jones, Co-Coordiators, Clearwater Focus Program

Phil Jahn of the Clearwater Policy Advisory Committee submitted the Clearwater Subbasin Plan to the Council. It's a framework of fish and wildlife (Fish and Wildlife) restoration in the subbasin across all ownerships, he said.

Ira Jones of the Clearwater Focus Program said "it's been a long road" to get to today. He recounted the events that led to the development of the Clearwater plan, and he thanked the Council for its support. Janet Hohle of the Clearwater Focus Program explained the contents of the document and noted that it includes a memo explaining which parts of the plan vary from the Council's Technical Guide for Subbasin Planners and why.

Kempton asked about the relationship of the NMFS Technical Recovery Team (TRT) to the plan. We have had discussions with NMFS and agreed to work more with them after we get this plan under review by the Council, Jones replied. We think the plan will be useful to the TRT, he added. We met with NMFS, but until NMFS comes up with definitions for things like "unit of recovery," we thought there was no point in proceeding further, said Darin Saul of Ecovista, the consulting firm that helped put together the plan.

This is the first subbasin plan from any of the states, noted Danielson. All the other subbasins should talk to you and benefit from your experience in being the first to do this, she stated. It's a good example for subbasin plans to come, agreed Karier.

### **3. Presentation by the Corps of Engineers on project survival studies**

Rock Peters, Kevin Crum, Tim Wik and Rebecca Kalamasz, Corps of Engineers

Rock Peters of the Corps of Engineers kicked off a panel on recent survival studies at the federal projects, noting that while previous BiOps focused on Fish Passage Efficiency (FPE), the 2000 BiOp is survival-based. The Corps, he said, is seeking to optimize survival by: maximizing passage through non-turbine routes, improving survival through all routes, providing good upstream migration conditions, maintaining water quality standards, and minimizing cost and generation loss.

Peters described the models the Corps uses and the improvements it is making, including survival improvements in forebays, conveyance systems, and tailrace egress. He said that at Bonneville Dam, at 30 to 40 percent spill, the spillway was very efficient in drawing fish in, but at 60 to 70 percent spill, the number of fish per volume of water goes down.

At Bonneville Dam in FY 2000, there was about 95 percent juvenile survival in the spring, but in FY 2001, it dropped to 94 percent in the spring and 90 percent in the summer, Peters reported. Do your numbers reflect a predator factor? Cassidy asked. Yes, we were trying to measure survival at the dam and in the immediate tailrace -- it's not about reach survival, Peters replied.

At The Dalles Dam, we spill 40 percent of the total river flow, he pointed out. The Dalles is very efficient in FPE, but it hasn't had the kind of survival the other projects have had, mainly because there's a shallow basin, Peters noted. How can that be solved? Cassidy asked. We are trying to install training walls for the fish that will help move them out of the basin as quickly as possible, Peters said.

Do you have a mechanism to increase the number of fish going through the sluiceway? John Hines asked. Yes, we have a mechanism, but it is costly, and test results on it are not back yet, replied Peters. We may try to install a new curtain, he added.

Why are you spilling at 40 percent here? Tom Karier asked. We tested between 60 percent and 30 percent and then went to 40 percent, responded Peters. We found the FPE drops at 30 percent, but at 40 percent, we are picking up more mortality -- that's why we hope to install a curtain, he said. Is The Dalles unique? Cassidy inquired. "The Dalles is very unique and is a very big headache," replied Peters.

At John Day, current operations are 60 percent nighttime spill or the gas cap, Peters stated. We are testing 12 versus 24-hour spill, he said. With chinook and steelhead, we had high survival under the 12-hour spill, but it dropped under 24-hour spill, according to Peters. Those results don't make sense to me, he acknowledged. We'll retest 12 versus 24-hour spill in 2003, Peters said.

In our draft mainstem amendments, the Council calls for rigorous tests of spill at the projects, noted Hines. How many years of testing do you think are needed to get good results you can have confidence in? he asked. I'd want two to three years, replied Peters. But, he noted, each test can cost \$3 million to \$4 million.

Rebecca Kalamasz of the Corps continued the report, noting that McNary Dam is now being operated with 12-hour nighttime spill. "According to the BiOp, this project works pretty well," she said. The BiOp estimates survival through the bypass system at the dam at 98 percent and through the turbines at 90 percent, Kalamasz noted, but she added these figures "may not be real."

There's a lack of data at McNary, she stated. Right now, "McNary is considered a hydraulic bottleneck," and involuntary spill is not uncommon, Kalamasz said. Our expectation is that modernization work will enable us to increase turbine capacity, she added.

One concern at McNary is making sure our studies there involve both Snake and Columbia River fish, Kalamasz said. Do you have survival data on the differences with 110, 115, and 120 Total Dissolved Gas (TDG) levels? Jim Kempton asked. No, we are just starting the survival studies at this project, Kalamasz replied.

Kalamasz said the Corps has installed spill deflectors at Ice Harbor and that the project has "pretty good performance." In FY 2000, we had about 98 percent juvenile survival in the spring and 88 percent in the fall, which matched the estimates in the BiOp, she stated. But in 2002, spring chinook survival was between 88 percent and 92 percent, not what we expected and "shockingly low," Kalamasz said. We need to verify this data and find out what's happening, she stated.

Lower Monumental is considered "a lower performing project," Kalamasz continued. Survival through the spillway is 97 percent or less, depending on the species, she said. We need to identify the problems and make some decisions on how to make it perform better, Kalamasz added.

Little Goose is "a good performer," she stated. The BiOp estimates survival there at 100 percent through the spillway and 92 percent through the turbines, Kalamasz said. Lower Granite is very similar to Little Goose and is also a "good performer," she noted. At both projects, there is a fully operating transportation program, and the Corps intends to continue its studies of transportation in the next two years, Kalamasz said.

Kevin Crum of the Corps described the testing of a Removable Spillway Weir (RSW) at Lower Granite Dam. The RSW is a prototype concept to safely bypass fish via a modified spillway, based on the fact juvenile fish tend to be surface-oriented and that "surface flow" is a more effective method to pass fish than 50-foot-deep "gated" flow, he said. The expected advantages from the RSW, according to Crum, include: a reduction in forebay residence time (delay) for fish; reduced spill due to more efficient fish passage (more fish per unit of flow); less gas supersaturation, improved water quality, and power generation benefits; and removability, in the event of a major flood.

The prototype weighs 2 million pounds, he noted. What does it cost? Bloch asked. About \$11.8 million including construction, delivery, and installation, replied Crum. What is the life of a RSW? Judi Danielson asked. There's a 20-year life on the coating of the RSW at Lower Granite, Crum answered.

Corps fisheries biologist Tim Wik said their studies showed that the RSW passed a high percentage of fish in a small percentage of water, compared to all other passage routes. We found the RSW works particularly well during the day when fish are surface-oriented, he stated. The RSW passed a large percentage of fish regardless of spill volume and over a wide range of project operations, Wik concluded.

Hines asked if the Corps has analyzed the costs and benefits of the RSW versus the amount of water that would have been used in conventional spill. Crum said they had not, adding that Lower Granite may not be the ideal place to have the RSW, but it is the best place to test it. We didn't do a test of the economics because we don't know how the RSW will be operated, he added.

Can we conclude that not waiting in the forebay is beneficial to fish? Danielson asked. Yes, replied Wik. Would you envision installing multiple RSWs at projects? Bloch asked. We think the Snake projects may need just one per project, but projects on the Columbia could need more than one, replied Crum. It also depends on the balance of transportation and spill, testing, and the goals of each project, he added.

Are there any downsides to this? Karier inquired. Only the cost, replied Crum. This gives a lot of flexibility to a project in changing the proportions of fish that you want to go over a spillway and those you want to divert for transport, he noted.

Wouldn't the high cost be offset by the fact less water is being used? asked Danielson. Yes, replied Crum.

#### **4. Presentation by the Corps of Engineers and the Bonneville Power Administration on proposed configuration and operations changes at the mainstem dams**

Therese Lamb, Bonneville Power Administration; and Rock Peters, Corps of Engineers

Bonneville and the Corps are considering several hydro system operational changes that could reduce costs in light of Bonneville's financial difficulties, Therese Lamb of Bonneville said. These options are not in the draft 2003-2007 Implementation Plan that identifies actions to meet performance standards in the Biological Opinions (BiOps), she noted. Since the Implementation Plan came out in August, Bonneville's financial situation has necessitated a review to ensure actions in the plan are achieving the highest survival at the least cost, Lamb said. In the review, we tried to look for actions that "could be informed by readily available new information" and that required immediate action, she stated.

Lamb explained the federal agencies are considering five “spill/flow” hydro actions, which together would result in an estimated cost savings of \$15 million-\$20 million a year as early as 2003. They are:

1. Eliminate spill at Bonneville Dam for the March Spring Creek hatchery release.
2. Eliminate daytime spill during the spring at John Day, if 2002 spill test data turns out to be consistent with previous data.
3. Test alternative nighttime spill levels during the spring at John Day, below the BiOp level of 60 percent. We find that higher spill levels may be contributing to fish not getting out of the tailrace, and we thought we’d try another level of spill, such as 40 percent, Lamb said.
4. Evaluate spill in the spring and summer at Ice Harbor to optimize tailrace egress and project passage survival.
5. Explore chum operations as a priority over the April 10 Upper Rule Curve (URC) in some conditions. The BiOp contemplated there would be conflicts between chum flows and reservoir refill, and in this action, we are asking if there are some years when the chum operations should have priority over the April 10 URC, she explained.

Cassidy said he thought the last option would have the biggest impact. In dry years, this action would provide benefits, but not in other types of water years, responded Lamb. The other four options would provide benefits in all years, she said.

Bloch wondered if adopting option 5 would be “jumping the gun” before the region “has a good enough data set.” This just highlights that we have to make some decisions soon and signals we will be looking hard at the 2002 data when it comes out, Lamb stated.

Kempton said the five options, while titled “spill/flow,” did not address flow. Did you consider flow changes and then decide not to recommend any? he asked. The last option is a shift of flow from one time to another, replied Lamb. Our time frame for making decisions is so tight that other flow options didn’t fit in with it, she added.

What do you lose in option 1 if there’s no spill at the Spring Creek hatchery? Karier asked. We would be looking at moving fish to other hatcheries, replied Peters. It’s a small cost and would not reduce any production in the basin, he said.

The Council’s draft mainstem amendments call for the agencies to conduct spill tests, and my concern is whether those tests will be well-designed so we get “information value” for the dollars spent, stated Bloch. Will your test designs be reviewed? he asked. Absolutely, replied Peters. The tests will be designed and done by the region, not the Corps, he said.

Lamb presented three “configuration” actions, which she said could save \$15 million to \$20 million a year.

1. Accelerate the schedule for 2005 installation of the RSW and Behavioral Guidance System (BGS) and modify spill at Ice Harbor.
2. Accelerate the schedule for the 2006 installation of the RSW/BGS and modify spill at Lower Monumental.
3. Accelerate the schedule for the 2006 installation of a forebay physical guidance device and modify spill at The Dalles.

Karier asked why there aren't plans to install a RSW at a lower Columbia Dam. There are egress issues related to predation, replied Peters. The lower Snake dams are smaller and we understand more about them, he stated. I'm not confident a RSW at a lower Columbia dam would be successful, Peters said.

Lamb said the Technical Management Team will make the decisions about the priority of chum operations and Spring Creek hatchery spill this winter.

Discussions on the other spill actions will begin in the Fish Facilities Design Review Work Group (chaired by the Corps) and be coordinated with the Regional Forum teams in order to have a decision prior to the migration season, she explained. The System Configuration Team will consider the configuration actions, and decisions will be made this winter through allocation or reallocation of appropriated funds, according to Lamb. All the decisions will be made by the end of March, she noted.

I have a favorable reaction to all these alternatives, said Ed Bartlett. He wondered why Bonneville didn't seek to make these part of the Council's mainstem amendment process. We would have preferred that you come to us first with this, rather than go to the action agencies, Cassidy agreed. We could have incorporated some of these actions into our amendment process and gotten action on them, he said.

## **5. Council decision on Fish and Wildlife projects**

### **PTAGIS**

Staffer Mark Fritsch presented a request from the Pacific States Marine Fisheries Commission (PSMFC) for \$532,450 for staffing, system upgrades, and to acquire software and services to make the data from the Columbia River Basin PIT Tag Information System Project more available on the Internet. The Commission needs to purchase the equipment in time for the 2003 migration, he noted.

### **Decision – Recommend Funding**

Judi Danielson moved that the Council recommend, pursuant to a request from the PSMFC, that Bonneville reallocate, from the FY 2003 unallocated placeholder, \$532,450 for Project 1990-08-000, "The Columbia River Basin PIT Tag Information System." Bloch seconded, and the motion passed unanimously.

## **6. Council decision on comments to the FERC proposed rulemaking on Standard Market Design**

Dick Watson, Director, Power Division

Watson pointed out that comments on most portions of the Federal Energy Regulatory Commission's (FERC) proposed Standard Market Design (SMD) are not due until January, but that the deadline for comment on market monitoring and price mitigation is in November. He presented a proposed Council letter to FERC that urges allowing the Pacific Northwest to develop a regional solution. We encourage FERC "to make more of an effort to work with the Northwest and other regions of the country to develop approaches that are more compatible with unique regional characteristics," the letter says.

In its comments, the Council tells FERC that its proposal for automatic bid caps in response to unusual market conditions that would be applied across the region covered by the Independent Transmission Provider (ITP) "leaves open the possibility of gaming markets between ITPs, particularly in the West, where the power market is westwide." If FERC goes forward with this part of the SMD proposal, the Council emphasizes that all ITPs in the West need to be governed by the same mechanism and trigger levels, and the Council calls on FERC to ensure the coordination of price mitigation measures "across the entire relevant market."

The Council also says if the three RTO proposals in the West go forward, FERC "should defer to the recommendations of the westwide Market Monitoring entity being discussed by the three RTOs, under the umbrella of the Seams Steering Group."

### **Decision – Approval of Letter**

"This is a good, balanced letter," stated Bloch. Danielson moved that the Council approve the comment letter, Bloch seconded, and the motion passed unanimously.

## **7. Status report on council provincial review recommendations**

Dr. Tom Karier, Washington State Council

Karier said that at the end of the provincial reviews, he had asked for a summary of the recommendations the Council made for FY 2003, with a breakdown by category and Endangered Species Act (ESA) delineations. He distributed three tables: a summary of budget placeholders for FY 2003; overall Council recommendations by Fish and Wildlife category and ESA for FY 2003; and Council recommendations by province for FY 2003, comparing NMFS and Bonneville ESA delineations.

Karier noted that NMFS categorizes 45 percent of the budget as Anadromous (ESA), while Bonneville puts that category at 26 percent. The difference in the numbers may stem from different ways to define an ESA project and situations where Bonneville thought a project met a Reasonable and Prudent Alternative (RPA), while NMFS did not, he said.

I thought Council members would be interested in looking at these numbers, Karier stated. He asked the staff to review them and improve on their accuracy. If after that verification takes place, there are still discrepancies between NMFS and Bonneville, I suggest we ask those



agencies to verify the numbers, Karier said. The federal agencies need to be using the same definitions, he added. Karier also said that the Council doesn't know which of the recommendations summarized in the tables are actually under contract.

I want to see which Council recommendations are being implemented, said Hines. In the Mountain-Columbia province, there's a significant amount of projects that have not been contracted, he added. Bonneville contends it is funding 95 percent of the Council's recommendations, said Cassidy. Bonneville is now going through on a case-by-case basis and trying to catch up with all the projects, said staffer Doug Marker. Danielson asked for more clarification of the "wildlife (ESA)" category on one of the tables.

### **Presentation by the Yakama Nation regarding concerns related to Bonneville's implementation of the Council's fish & wildlife program [added to agenda]**

Virgil Lewis, Sr., Yakama Indian Nation

Virgil Lewis, Sr., of the Yakama Indian Nation asked the Council to take a more active role in ensuring adequate funding to implement its Fish and Wildlife program. We are concerned that Bonneville has decided to cut its Fish and Wildlife budget and that Bonneville is focused on projects for ESA-listed species, not resident fish or unlisted Fish and Wildlife, he said. Bonneville should honor the commitments it made to the Yakamas and other tribes in its rate case, Lewis stated.

[Former Bonneville Administrator] Judi Johansen assured us that Bonneville could fully fund its Fish and Wildlife obligations, including both the 2000 BiOp and the Council's Fish and Wildlife Program, he said. Full implementation of both is essential in restoring our tribal fishery, Lewis stated. In the current fiscal year, Bonneville has failed to fund \$100 million of projects recommended by the ISRP, he pointed out. Bonneville needs to reduce its administrative overhead, stop cost overruns at the Columbia Generating Station, and accelerate restoration actions for all Fish and Wildlife species, Lewis said.

Bonneville should increase its rates, if need be, to meet its Fish and Wildlife obligations and to repay Treasury debt, he continued. The Council has an important oversight role over Bonneville, so we ask you to urge Bonneville to live up to its commitments and to honor our treaty, Lewis said. We'd like to resolve this issue in the Northwest, but if we can't, we'll seek national attention and redress in the courts, he concluded. We're headed in the direction to try to get problems with Bonneville sorted out, Cassidy told Lewis.

### **8. Discussion of draft Council recommendations for the future role of Bonneville in power supply**

Dick Watson, Director, Power Division; and Mark Walker, Director, Public Affairs Division

Staffer Dick Watson presented a set of draft recommendations on the future role of Bonneville. He noted that Bonneville has said its own proposal won't be out until the end of January or later.

Watson recapped what's driving the need to make the recommendations. In the near term, it's the expiration of DSI contracts in 2006, and the efforts of publicly owned and investor-owned utilities to settle a dispute over benefits for residential customers of IOUs that has resulted in an "unprecedented, comprehensive proposal," he said. In the long term, we've had at least two decades of conflict over Bonneville's role in the changing electricity industry, Watson noted.

He went over the principal recommendations, such as Council support for Bonneville offering 20-year contracts, a Slice product, and a traditional requirements product, with the proviso that once new resources are required to meet load growth that customers be directly exposed to those costs. The Council supports offering a block product without requiring a customer to also take a Slice, if Bonneville's costs in shaping to block are passed on to the block customer, Watson indicated. He also said the Council's comments support the "IOU/POU settlement" and some level of service to the DSIs. DSI service could be higher than the 650 MW in the Joint Customer Proposal, but less than the current 1,440 MW, Watson stated.

The Council's recommendations support the use of a redesigned, improved Conservation Discount program, but indicate there must be a "backstop" for lack of utility performance, as well as an effort to try to avoid needing such a backstop, he continued. According to Watson, "the \$64,000 question" is, what is the extent of the conservation obligation -- "is it the entire region or only load served by Bonneville?" The Council supports some level of "above-market" expenditures for renewables, but the amount should be established through the Council's Power Plan, he said.

Bloch asked if planned net revenues for risk are included in pricing the Slice product. Yes, this is a very conscious transfer of risk from Bonneville to Slice customers, Watson replied.

Would Bonneville still be obligated to take on a new entity that qualifies? Derfler asked, noting recent reports about the city of Portland taking over Portland General Electric (PGE). We haven't discussed that, replied Watson. The Joint Customer Proposal allows a certain amount of new customer load, but would that amount cover Portland taking over PGE? It would not, he added.

#### **Decision – Release Draft Council Recommendations**

These comments are constructive and useful, and I think we should send them out for public review, said Karier. He moved to release the draft "Council Recommendations on the Future Role of Bonneville," as amended by the Power Committee, and Cassidy seconded. The motion passed unanimously.

### **9. Presentation by ISRP on mainstem/systemwide project review**

Dr. Rick Williams, Chair, ISRP

Dr. Rick Williams, chair of the Independent Scientific Review Panel (ISRP), reported on the panel's review of FY 2003 mainstem and systemwide Fish and Wildlife projects. Of the 104 projects reviewed, the ISRP rated about 60 percent fundable, about 25 percent fundable in part, and about 20 percent not fundable, he said. We've seen improvements in the quality of project proposals every year, but we are concerned the region is losing participation by some "top-end"

researchers who brought in cutting-edge ideas, due to the cumbersome nature of the project approval process, Williams stated.

One of our big concerns this year has been the new element Bonneville and NMFS added to the review process by establishing the Research, Monitoring, and Evaluation (RME) Group to provide information on the ability of proposals “to get BiOp credit,” he said.

The ISRP is concerned about a potential conflict of interest because some RME members are also project sponsors, according to Williams. There were some proposals the ISRP didn’t think were technically sound, but the RME Group thought should be reworked so they would meet Reasonable and Prudent Alternative (RPA) goals, he noted. The question is, should these project sponsors get to keep revising their projects until they get it right, when other Fish and Wildlife projects only get “a single pass through the fix-it loop,” Williams said.

The Columbia Basin Fish and Wildlife Authority (CBFWA) has submitted a proposal for a collaborative systemwide monitoring and evaluation program that is in direct conflict with a suite of proposals from NMFS, which is part of the RME Group, he stated. The ISRP thought CBFWA’s proposal was the best and that some of the NMFS proposals were technically inadequate, Williams said.

You judged CBFWA’s proposal to be better, but unlike NMFS, CBFWA isn’t in a position to assure Bonneville of ESA credit, observed Kempton. That’s right -- the region needs to sit down and define how the ESA review and crediting process should occur, Williams replied.

Williams raised the issue of the disagreements in the region over the mathematical and statistical problems in estimating smolt-to-adult return (SAR) rates. He said the ISRP recommends high priority be given to additional sampling and detection efforts for PIT-tagged juvenile fish. We put out proposed SAR numbers in our draft mainstem amendments, but maybe that was “putting the cart before the horse” until we get this issue resolved, said Hines. Yes, our recommendation is aimed at getting better results, responded Williams.

Are you suggesting a direct measurement process and moving away from using models? Kempton asked. We want to get better data to go into the models and to get larger numbers of detections, Williams answered. Is it unsatisfactory data or how the data is used in the models? Bloch asked. We are saying there isn’t enough reliable data, and even though it’s insufficient, it is being put into the models, Williams replied. That’s one issue, and the other is the way the models themselves are being used, he said.

Other programmatic issues Williams raised are whether the Vernita Bar Agreement is adequate in protecting juvenile salmonids from stranding, and the need for an independent review of gas bubble disease questions, including the relative risks of 110 versus 120 percent TDG levels. He suggested the possibility of having a “gas bubble disease SWAT team” that could be mobilized on short notice to go to a specific site to do sampling.

The ISRP is concerned about the lack of Bonneville support for projects to look at the impact of exotic species like American shad on salmon smolts, Williams said. We are also concerned that Bonneville did not fund the top three projects the ISRP recommended in the Council’s

innovative projects solicitation, he stated. Bonneville applied the RME assessment to the projects and judged that two got RPA credit, but the third did not, Williams said. The Council had some concerns that all the innovative projects were research projects, rather than “on-the-ground” efforts, noted Cassidy. He suggested the Council and the ISRP talk more about what should be considered “innovative.”

Williams said there’s a need for a regionally coordinated review process, but that recent actions by Bonneville and NMFS in regard to the RME Group are “threatening the integrity of the Council’s Fish and Wildlife program” and the peer review process established by the 1996 amendment to the Northwest Power Act. “This is a very big deal,” he added.

## **10. Presentation by Chelan County PUD and Grant County PUD Spill Evaluation Studies**

Chuck Peven, Chelan County PUD; and Stuart Hammond, Grant county PUD

Stuart Hammond of Grant County PUD presented an overview of spill studies at Wanapum and Priest Rapids dams. At Wanapum, we spill 43 percent of the daily average flow in the spring and 49 percent in the summer, he said. At Priest Rapids, we spill 61 percent in the spring and 39 percent in the summer, Hammond noted. Because we spill such a large amount, we are interested in alternatives that would use less water and achieve the same objectives, he pointed out. At both projects, the spill program is designed to protect 95 percent of spring and summer migrants, Hammond said.

We can transfer spill between Priest Rapids and Wanapum because Priest Rapids doesn’t have a gas limitation, while Wanapum does, he noted. The PUD has made several spill enhancements at Wanapum, such as installing spill deflectors, using skim spill, and a top- spill bulkhead, Hammond explained. At Priest Rapids, we’ve used full open gate spill, he said.

We have conducted radiotelemetry and PIT-tag survival studies, Hammond continued. What we’ve seen in the last four years at Wanapum has been 88 to 93 percent survival, lower than our 95 percent goal, he said. We have found, in general, that turbine survival has been at least as good or better than spillway survival in each year, which was not a result we expected, Hammond noted. What does that mean? Karier asked. It raises the question of whether we are trying to achieve the correct goal, replied Hammond.

Do these results have to do with dam configuration? Bloch asked. Yes, the spill deflectors could be the source of injury, even though we tested them extensively, or it could be the size of the gates or the tailrace conditions, since there is more predation in the Wanapum tailrace, Hammond replied. We have no conclusions at this point, he added.

At Wanapum, in 2002, 41 percent of the fish used the spillway passage route, Hammond said. We were encouraged because the top-spill bulkhead was able to pass more fish, he added.

Did you test different levels of power production? Kempton asked. At Wanapum, we have a “fish-friendly” operating mode wherein we put a constraint on the turbines, replied Hammond.

We haven't done sufficient verification of that yet, but we are also looking at other turbine designs that could be more fish-friendly, he noted.

At Priest Rapids, survival ranged between 94 percent and 98 percent over the years of the study, Hammond reported. In 2000, there was 98 percent turbine survival, he noted. As far as survival by route, we found that bottom spill made the largest contribution to fish survival, Hammond said.

Some of our next steps are to do additional top-spill testing and more testing off surface flow routes at Wanapum, he stated. We expect to install a new advanced-design turbine at Wanapum, Hammond added. We will continue radiotelemetry and PIT-tag studies and also look at acoustic tracking, he said.

Chuck Peven of Chelan County PUD said "their whole direction" is dictated by their Habitat Conservation Plan (HCP). We are trying to achieve the goal of No Net Impact (NNI) on each of the fish species in the plan, he stated. NNI consists of survival standards and compensation for unavoidable project mortality, Peven said.

The HCP survival standards are 95 percent juvenile dam passage survival, or 91 percent combined juvenile and adult project survival, or 93 percent juvenile project survival, he explained. How did you agree on those standards? Hines asked. Through negotiations, Peven replied.

At Rocky Reach, we began fisheries research in the early 1980s, tested a prototype surface collector between 1995 and 2001, and now a permanent bypass system is being installed to be ready for the 2003 spring migration, he said. The tools available to achieve the survival standards at Rocky Reach are spill, bypass, turbine improvements, and predator control, Peven indicated.

At present, spill is not very efficient at Rocky Reach, he noted. If you spill 50 percent water, you only get about 20 percent of fish passed, compared to Rock Island where for 50 percent spill, you get 70 percent passed, Peven explained. We hope that building the permanent bypass will help us achieve our standards at Rocky Reach, he added.

At Rock Island, we tested screened bypass at both powerhouses and decided to abandon bypass for spill in the mid-1990s, Peven said. We abandoned screened bypass systems because "they bonked fish," he noted.

We put in notched spill gates in the late 1990s and are currently measuring survival for HCP standards, Peven stated. In tests this year, we found survival of 95 percent using spill, he said. We've had good results with the notched gates, Peven pointed out. Karier asked about the difficulties with cutting notches in the gates. At first, plant operators resisted it, but we conducted a lot of research before we did it, Peven said. Now, spill is 20 percent at Rock Island, and we are meeting our survival objectives, he added.

Tools available to achieve survival standards at Rock Island are spill, bypass, turbine improvements, and predator control, Peven explained. Predator control is the most cost-effective way we have to keep our survival at the levels we need, he said.

We started a pikeminnow removal program at both projects in 1994, and since then, we've removed about 95,000-96,000 pikeminnow, Peven noted. We contract with the U.S. Department of Agriculture's animal control personnel to fish at the dams and to harass birds, he said.

What do you spend for pikeminnow control? Cassidy asked. Peven said the average cost per fish from dam angling is \$18, and it is \$6 per fish for a fishing derby.

## **11. Presentation by Chelan County on PUD Habitat Conservation Plan (HCP)**

Shaun Seaman; Tracy Yount and Roger Purdom, Chelan County PUD

Tracy Yount, HCP Implementation Manager for Chelan County PUD, briefed the Council on the Rocky Reach and Rock Island HCPs and Anadromous Fish Agreements, 50-year agreements that address the effects of the two projects on listed anadromous fish, as well as non-listed fish species and their habitat. He said the PUD is in phased implementation of the HCPs right now, setting up committees, working on the 2002 spill program, and developing the biological study program. Our Final EIS will be completed in early 2003, clearing the way for our incidental take permits under the Endangered Species Act (ESA), Yount noted. We expect our FERC license amendments to be done by the end of 2003, he said.

Under the PUD's Biological Plan, the goal is to achieve NNI for all species, explained Shaun Seaman, director of environmental resources for Chelan PUD. That means 91 percent combined adult and juvenile project survival, and 9 percent compensation for unavoidable project mortality, he said. The agreements allow the PUD to use the least-cost combination of tools to achieve the survival standards, Seaman pointed out. So if we make improvements in spill, bypass, or predator control, and survival numbers go up, we can use the HCP to make changes, he said. "It puts us in control, instead of being under a mandate," Seaman stated.

Under the Hatchery Plan, Chelan's existing hatchery programs will continue until 2013, with some additional sockeye production, he said. Hatchery production levels will be adjusted in 2013 and every 10 years thereafter, based on the total life cycle of salmon and steelhead, Seaman explained. The third prong of the program is a Tributary Plan, which calls for \$36 million to fund habitat improvements in five subbasins, he noted. If we don't reach NNI by 2013, that will be the first chance for all the parties involved to bail out, Seaman said.

Will the \$36 million be spread evenly over the life of the agreements? Bloch asked. The Tributary Committee can decide when to use what amount of funding, but the dollars will not be available until 90 days after the FERC license is amended, Seaman replied. The committee can use quite a bit of the funds upfront if they choose to, he noted.

We are asking the Council to incorporate our Anadromous Fish Agreements and HCPs by reference into its Fish and Wildlife program, Seaman stated. We look forward to working with the Council in the future, he added.

Karier asked if the HCP committees are working with the Upper Columbia Salmon Recovery Board, and Seaman said they are working closely with them. What is the benefit of having your

HCPs incorporated into the Council's program? Bloch asked. FERC requires coordination with regional efforts, so having our program incorporated into yours "makes it cleaner," Seaman said.

How are your efforts structured to enable you to get a consensus or make a decision on moving to the next phase once you have some research results? Bloch asked. Sometimes different parties look at the same results and decide they mean different things, he noted. Our Coordinating Committee helped design our studies and the models being used, replied Peven. We also have guidelines on what constitutes a valid study, he added. So you collaborate upfront on the design of the study? Bloch asked. We make sure the policy-level people understand what kind of calls we will be asking them to make, said Yount.

We wanted to learn more about your HCPs since you asked us to include them in our program, said Karier. But in your presentations, we found out about the value of your spill testing and predator control program, he noted. All of this information, especially your performance standards, will be useful to us, Karier told the panel.

## **12. Discussion of Council Budget Process Report to Congress**

Steve Crow, Executive Director; and Jim Tanner, Administrative Officer

Staffer Steve Crow said that the House Appropriations Committee has included language in the report that accompanies the Energy and Water Appropriations bill that requests the Council to provide information on its most recent budget formulation. Because the Council is funded from Bonneville ratepayer revenues, the committee questions whether the Council's independence is "compromised in some way" in matters pertaining to major capital funding decisions by Bonneville, he said. Provision of this information could present an opportunity to "tell our story" about the Council's budget process and history and to resolve problems with the funding formula for the Council, according to Crow.

Staffer Jim Tanner went over a proposed outline for the report to Congress. He said the Council tends to underspend its budget by about 2 to 4 percent each year. The Council's budget started at \$6.5 million, peaked around \$8.5 million and is currently about \$8.4 million, Tanner noted.

He said a section of the report would discuss the impact the volatility of Bonneville's firm power sales has on the Council's budget. The Joint Customer Proposal, Tanner noted, would result in a Council budget of about \$5.9 million. The Council's funding is limited by power sales, but over half of our budget deals with Fish and Wildlife work, he said. Tanner mentioned the irony that if the Council is successful in acquiring cost-effective conservation, that defers Bonneville power sales, which limits the Council's budget.

The three important issues, he said, are: in the short term, resolving the residential exchange issue; in the long term, modifying the Council's funding formula; and spelling out the oversight roles of both Bonneville and the Council.

If we want something to happen, shouldn't the report contain some proposed alternatives? Hines asked. This gives the history and points out the problems; the next step would be for the committee to ask us or Bonneville what should be done to fix the problems, replied Crow. One

thing that would be important is to get a clarification of the Power Act with respect to Council funding and the residential exchange, he said.

Shouldn't we mention our existing agreement with the Administrator on the Council's budget in this report? Karier inquired. Crow asked if staff should consult with Bonneville on the report. As long as our report will remain independent, replied Cassidy. It would be prudent to talk with Bonneville about this, stated Bartlett.

No one from the Northwest is on the Appropriations Committee, noted Danielson. This request "ought to spook us to death," she added. We shouldn't let this "push us into a back-and-forth" with Bonneville, Danielson said. We have no one on the committee to defend us or Bonneville, she stated.

I'll talk to Bonneville about the report, Crow said. If Bonneville takes big exception to something, bring the issue back to us for discussion, Cassidy instructed the staff.

### **13. Council Business**

#### **– Approval of Minutes**

Hines and Karier asked for changes to be made to the minutes for the October 15-17, 2002 meeting. Crow suggested that Council members review the minutes again and said they would be brought up for approval at the December meeting.

#### **– Approval of Subbasin Planning Contracts**

Staffer Brian Allee presented a request for funding of two contracts related to the development of the Hood River Subbasin Plan. One was for the Hood River Soil and Water Conservation District, and the other for a technical writer/editor for the plan. The Hood River Work Plan is consistent with the criteria in the Council's technical guide, he noted.

#### **Decision – Authorization to negotiate two contracts**

Danielson moved that the Council authorize the Executive Director to negotiate two contracts for Hood River subbasin planning: one with the Hood River Soil and Water Conservation District to serve as lead entity, in an amount not to exceed \$103,120; and one with Ms. Holly Ciccoli to serve as technical writer, in an amount not to exceed \$15,950. Bloch seconded, and the motion passed unanimously.

#### **– Approval of Letter to Bonneville on Tribal Scholarship Funding**

The Council discussed whether to send a letter to Bonneville recommending the establishment of a tribal scholarship fund. Marker said some tribal staff have asked for additional consultation on the letter before it is sent. The point of the letter is to raise the idea of a tribal scholarship program at Bonneville and encourage Bonneville to take the lead and meet with the tribes on the issue, said Karier. Kempton asked if the Council is clear that it wants to encourage Bonneville to have tribal scholarship programs that are different from the technical training programs done in conjunction with Fish and Wildlife projects funded by Bonneville. By sending this letter, we would be establishing a Council position, he said.



Bonneville has a tribal scholarship program, but it is not organized, responded Karier. The message of the letter is “let’s get it organized,” he noted. We are encouraging Bonneville to talk with the tribes about it, Karier added. We seem to be institutionalizing something that before may have been done with discretionary funds, said Hines. We could add language to the letter making it clear that we suggest Bonneville consider a more formalized scholarship program, but that we are not saying technical training related to Fish and Wildlife projects should go away, Bloch suggested.

Cassidy asked Bloch and Karier to serve as an editorial committee to revise the letter and bring it back for consideration at the Council’s December meeting.

– **Request for ISAB review of flow and flow augmentation questions**

Marker said that the staff recommends the Council ask the Independent Scientific Advisory Board (ISAB) to review a set of biological questions related to flow and flow augmentation to inform its mainstem program rulemaking. This recommendation stems from a request from Jim Kempton, and the idea is to get the information back by the end of January in time for the Council’s decision on the mainstem amendments, he noted.

Kempton explained that one set of questions concerning the relevance of conclusions about the survival effects of year-to-year differences in natural flows to the effects of within-year flow augmentation -- were identified in the Idaho Water Users’ mainstem amendment recommendations.

The second set of questions, concerning the proper statistical methods for evaluating information on flow/survival relationships, stems from a desire for scientific review of recent analyses related to flow and juvenile salmonid survival not examined in the ISAB’s review of the Giorgi Report, he said. The Fish Passage Center recently published a report that reached a “preliminary” decision connecting survival and flow, and since that has come out right before the Council’s mainstem ruling, it would be worthwhile to get an ISAB review of it, Kempton stated.

Council members asked how the review would fit in with the January 10 close of comment on the draft mainstem document. Staffer John Shurts said people will want to react to what the ISAB says and that the Council may need to have a “short, dedicated time window of comment” on the ISAB report.

**Decision – Request ISAB to review biological questions**

Danielson moved that the Council approve a request by Member Kempton to the ISAB to review a set of biological questions related to flow and flow augmentation to inform the Council’s mainstem amendment process. Bartlett seconded, and the motion passed unanimously.

– **Request for approval of APRE/HGMP contract work**

Staffer Bruce Suzumoto presented a request to amend the contract limit of the Council’s contract with Mobrand Biometrics from \$400,000 to \$600,000. It won’t increase the budget the Council already approved, he noted. The funding is for additional work, requested by Bonneville and NMFS, related to the Hatchery and Genetic Management Plan (HGMP) and the Artificial Production Review and Evaluation (APRE), Suzumoto said.

**Decision – Negotiate amendment with Mobrand Biometrics**

Danielson moved that the Council, contingent on completion of a final Hatchery and Genetic Management Plan/Artificial Production Review and Evaluation contract with Bonneville, authorize the Executive Director to negotiate an amendment to the Council's existing contract with Mobrand Biometrics, by increasing the contract limit from \$400,000 to \$600,000, to assist with the APRE process and the completion of the draft HGMPs. Bartlett seconded, and the motion passed unanimously.

**– Renewal of IEAB Charter**

**Decision – Authorization of renewal of IEAB Charter**

Staffer Steve Crow asked for Council action on renewal of the charter for the Independent Economic Analysis Board (IEAB). Danielson moved that the Council authorize the renewal of the IEAB. Hines seconded, and the motion passed unanimously.

**– New Members for IEAB**

**Decision – Appointment of new members for IEAB**

Crow explained that a nominating committee had come up with a proposed slate of names for four new members of the IEAB and said they would have four-year terms. Danielson moved that the Council appoint Dr. Joel Hamilton, Dr. Lon Peters, Dr. Susan Hanna, and Dr. Noelwah Netusil to the IEAB, and authorize the Executive Director to negotiate contracts for each of these board members in an amount not to exceed \$22,000 per board member per year for a period of four years. Karier seconded, and the motion passed unanimously.

**– Rand Letter [added to agenda]**

The Council agreed to send a letter to the RAND Corporation discussing the Council's reaction to the RAND report, "Generating Electric Power in the Pacific Northwest: Implications of Alternative Technologies." The letter expresses concern that RAND did not use the information in the Council's Power Plan, notes key omissions in the discussion of removal of lower Snake River dams, and points out that the RAND analysis "did not sufficiently involve Northwest stakeholders" and thus lacks "important Northwest-specific information and perspectives."

Approved December 12, 2002

/s/ Judi Danielson

Vice Chairman