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MEMORANDUM

TO: Fish and Wildlife Committee

FROM: John Ogan and Doug Marker

SUBJECT: Project Selection Post-Subbasin Plan Adoption

One of the major pieces of work the Council has been engaged in over the past two years is developing subbasin plans that can be adopted into the fish and wildlife program. The 2000 Fish and Wildlife Program provides that adopted subbasin plans will guide future Bonneville funding of fish and wildlife activities.

The staff has been discussing how the project selection process may be structured once subbasin plans are developed. In the course of those discussions, we have identified several large-scale issues that will eventually require Council consideration. There will be much more to detail to discuss and develop in the future as we continue our work on post-subbasin plan program implementation, but we believe the time is right to start the dialogue on even the broadest issues with the Committee.

1. Should the project selection process continue to be organized around the province scale?

Prior to Fiscal Year 2001, the Council did a basinwide selection process for each fiscal year. In the 2000 Fish and Wildlife Program the Council stated that it would shift to a model where "needs [are] identified at a province and subbasin scale". Beginning with Fiscal Year 2001, the Council moved to the rolling provincial review project selection.

The staff observation is that there is broad support for a project selection process organized around the provinces. The ISRP has praised it, and after something of an adjustment period, we believe that the project sponsors find it a superior approach. Our assumption is that the province format will continue to be used after subbasin plans are adopted, but we want to test that with the Committee. The staff opinion is that the province organization will continue to be a desirable approach for this work once subbasin plans are adopted. We do note, however, that this organization did, from time-to-time require the Council, Bonneville, and project sponsors to rely heavily on the a within-year reallocation process to fund needs identified in areas that were not currently within (or shortly would be in) the provinces under review. We were able to overcome

most of the problems encountered with “out-of-sequence” project needs with the flexibility of that within-year reallocation process. On this last point, we note that Bonneville’s accounting rules and practices applied to Fiscal Year 2003 may not provide for the type of within-year reallocation process we have used in the past. We will need to work with Bonneville to develop accounting rules and budget management practices that would provide a way to deal with critical “out-of-sequence” project needs if we retain a province based format.

2. Will the direct fund continue to be apportioned?

To facilitate the province-based review format, the Council apportioned the amount of funding available for a fiscal year among the provinces. This was necessary to ensure that funds would be available for provinces towards the end of the cycle.

The first question to consider is whether or not the Council expects to continue to make provincial allocations. It would seem that this is going to be necessary. The more interesting question may be whether or not the Council would take another step, and with subbasin plans adopted into the program, make subbasin level allocations. The staff would use the Committee’s sense of this as the guidance for further work.

3. If the fund will be apportioned, on what basis will this be done?

If it is decided that an apportionment of the fund at the province (or perhaps subbasin) level is advantageous, we need to consider the basis for that apportionment. In the last round of provincial reviews, the provincial allocations were based on historical funding in the province. The Council recognized this as an equitable, but imperfect basis for what is essentially a prioritization of the direct fund across the basin.

There may be other considerations to take into account. For example, as we completed the provincial reviews, we heard arguments that some areas of the basin have been historically under-funded and should receive more funds. We also heard arguments that the presence of listed salmon/steelhead should warrant increased funding. We also heard statements that areas that had fewer mainstem passage obstacles would yield more bang for the buck and should be funded more aggressively. The staff believes these are just a few of the positions that we might hear from across the region when this issue is squarely on the table. At some point, the Council will need to decide what factors or considerations will be applied to apportion the limited fund across the basin.

The staff can begin to develop some ideas about the considerations that might go into making an apportionment, but wants to hear the Committee’s ideas and thoughts first.

4. What roles will the Council, fish and wildlife managers, subbasin planning groups or others play in project prioritization once subbasin plans are adopted?

The Council was exploring these issues a year or so ago. The primary question relates to how each of these groups may participate in defining project priorities. Prior to the provincial review process, the collective fish and wildlife managers, working through CBFWA, would take the initial cut at defining project priorities. During the provincial reviews, CBFWA continued to provide priority recommendations, but the project sponsors in the particular province under review (including the fish and wildlife managers in the province) played an important role in defining project priorities. As the Council knows, the subbasin planning exercise has organized new groups at both the state/tribal/recovery board scale (Level II) and the subbasin scale (Level I) to develop subbasin plans. To date, the Council has not made a formal policy decision that those Level II and/or Level I groups would move on to play a primary role in defining project funding priorities after plans are completed. The staff believes that some of those groups may be expecting to play such a role. We also know that some Council members have sought to explore this question in the past.

Knowing that this has previously been an issue of interest for the full Council, the staff does not expect the Committee to make any definitive statements at this time. Rather, we want to refresh this issue and hear any initial thoughts that the Committee members may have as we prepare to dig deeper on this.

5. At what scale should funding approvals be made?

Since the Council was given the responsibility to make funding recommendations to Bonneville, most of those recommendations have been for site-specific “projects” -- e.g. screening a certain diversion point; fencing a specific riparian area; funding the monitoring of a particular variable at a specific location. With the adoption of subbasin plans, the staff sees the opportunity of pulling back a bit from the fine details of the project scale, and focusing the Council’s review and approvals at the “strategy” scale.

Recall that subbasin plans will identify “strategies” to meet the objectives and vision established in the subbasin plan. Those strategies are broader and less site-specific than our traditional notion of “projects”. For example, a subbasin plan may adopt a strategy of consolidating irrigation diversions throughout the subbasin to reduce entrainment of juvenile salmon. This strategy could be in furtherance of an objective to increase smolt to adult survival and a vision for the subbasin that includes increased adult salmon returns. Using this example, the staff wants to explore the possibility of the Council making broader funding recommendations that would focus on the subbasin strategy to “consolidate diversions”, as opposed to the reviewing numerous projects that focus on each individual irrigation diversion that would be treated.

6. How long should the funding approval last?

Our current provincial review recommendations are intended to provide a three fiscal-year block of funding certainty. Once subbasin plans are adopted, a longer funding approval may be

desirable. We want to test this possibility with the Committee before moving further into the details.

7. What if subbasin plans are not adopted by the time the current funding approvals expire?

We are confident that that subbasin planning will be successful, and that we will eventually adopt subbasin plans basinwide. The staff believes that the Council's post-subbasin planning project selection process should presume a successful subbasin planning initiative, and not be compromised by building in exceptions and contingencies for short-term delays or set-backs that might be encountered in subbasin planning.

At the same time, we know that some subbasin plans will not be completed by the time that current funding approvals expire. The staff proposal is to maintain the critical work in those subbasins with a combination of project-renewals and bridge funding until a subbasin plan is completed. We would propose that new or expanded work be permitted in only the most compelling circumstances. We would propose that the subbasin summaries that were developed to provide the context for the last round of project funding decisions continue to inform the Council and others that might have to consider renewals and bridge funding in the interim.

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