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Montana

November 12, 2003

## **MEMORANDUM**

**TO:** Council members

**FROM:** Tom Karier, Vice Chair

**SUBJECT:** Follow-up to Columbia Basin Trust presentation

At the October 14-15 Council meeting in Missoula, Josh Smienk, Chairman of the Board of Directors of the Columbia Basin Trust (CBT), and Don Johnston, Chief Executive Officer, discussed the current and future activities of the CBT, including opportunities for our two agencies to work together on issues of mutual interest. After the meeting, at the direction of Chair Danielson, our staff worked with staff of the CBT to follow up on the presentation.

Here is a review of our work to date:

### **Next meeting**

Chairman Smienk presented a letter signed by himself on behalf of the CBT, Bill Bennett, a Minister of the Legislative Assembly from Cranbrook, and Jim Abbott, the Member of Parliament for the east Kootenay area (he is also from Cranbrook), inviting the Council to meet in the Canadian part of the basin "to develop a better understanding of the role of the Council in resource planning and management in transboundary areas" and "to give you the benefit of our understanding of issues and concerns and areas for possible cooperative action along the 49<sup>th</sup> parallel."

On October 28, Judi Danielson responded with a letter (attached) accepting the invitation. The best time for this visit appears to be in conjunction with the CBT Board's summer meeting in Cranbrook on July 16<sup>th</sup> & 17<sup>th</sup>, 2004, (the CBT's March and May meetings are in Valemount and Nakusp, respectively, which are more remote and difficult to get to). This July meeting is also the CBT Annual General Meeting and will provide an opportunity to meet with a number of the CBT's partner organizations. Also, of course, Bennett and Abbott live in Cranbrook.

The meeting would constitute the annual visit of the vice chairs, a commitment we made in our Memorandum of Understanding with the CBT in 2000. Staff will work with Council members and the staff of the CBT to develop an agenda for the meeting. To begin that effort, staff (John Harrison and Peter Paquet of the Council and Kindy Gosal of the CBT) met twice by

telephone conference since the Missoula meeting and discussed the following issues, which were raised by Chairman Smienk in his presentation to the Council:

### **Water Initiatives Strategy/Columbia River Treaty**

Chairman Smienk proposed that the Council and CBT take a lead role in initiating a “transboundary dialogue” regarding the current and future management of the Columbia River system in order to better understand the range and scope of water management issues that might be addressed in negotiating a new Columbia River Treaty. The CBT has had similar discussions with the Canadian Department of Foreign Affairs and International Trade, and the two agencies committed to work together to develop a draft framework for this “transboundary dialogue.” CBT and Council staff have discussed collaborating in the further development of both this draft framework and discussion papers that would outline the range and scope of issues. Meanwhile the CBT has appointed an advisory panel of experts to assist in defining relevant issues in the Canadian Columbia Basin. The first meeting of the panel is scheduled for November 25.<sup>1</sup>

For its part, the Council could address potential treaty issues in the Fifth Northwest Power Plan, making clear that while the Council is not the official treaty entity for negotiating purposes the states -- and Governors -- have obvious interests in water and power issues that would be addressed in a new treaty. As a first step, the Council could prepare an issue paper, perhaps in collaboration with the CBT. The current schedule for the power plan anticipates release of a draft for public comment in the spring.

It is anticipated that all of these items would be discussed in more detail at the July meeting.

### **Subbasin planning**

The CBT, in cooperation with a number of other Canadian agencies and entities, would like to begin to increase Canadian participation in subbasin planning in the transboundary areas of the Mountain Columbia and Intermountain provinces. These agencies and entities have expended organizational resources to begin coordinating this initiative. For example, a coalition of provincial agencies and citizen groups, led by the Columbia-Kootenay Fisheries Renewal Partnership in consultation with the CBT, has formed for the purpose of identifying relevant Canadian technical data to include in the subbasin plan and to convene public meetings to discuss relevant issues and present information about the U.S. planning process. The long-term objective would be to identify projects on both sides of the border that have mutual benefit and then identify organizations and resources to implement these projects. At some point the Council and the CBT should clarify the funding role of each entity in transboundary planning and project implementation.

The July meeting of the Council and CBT would be about two months after the May 28 deadline for submitting subbasin plans, and so an update report on the entire effort, including the Kootenai work, may be appropriate.

### **Salmon recovery**

The CBT supports salmon restoration in the Columbia River mainstem and its tributaries in British Columbia. The new powerhouse at Keenleyside Dam (Arrow Lakes Generating

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<sup>1</sup> Each of the panel members is an expert in the Treaty or Columbia River water management issues or both. The members are Hans Schreier, a professor of geomorphology at the University of British Columbia; Tim Newton, retired from B.C. Hydro's Columbia River Treaty office; Nigel Bankes, a professor at the University of Calgary Law School; Richard Paisley, director of the natural resource law program at the University of British Columbia; and Chad Day, professor emeritus in the School of Resource and Environmental Management at Simon Fraser University.

Station) and the new powerhouse planned for Brilliant Dam on the Kootenai River, which is immediately upstream from the confluence with the Columbia, both are designed to facilitate anadromous fish passage if that becomes feasible in the future.

Canadian salmon restoration activities are being studied in the Okanagon River Basin, but that basin is outside the CBT's jurisdiction. The Council's fish and wildlife program supports reintroducing anadromous fish into blocked areas, where feasible. The staffs recommend that while there are no specific plans to reintroduce anadromous fish above Grand Coulee dam, it would be appropriate for Canadian entities to be involved in those projects or discussions if and when they occur.

The goal would be to engage Canadian organizations at an early stage of discussions to explore the feasibility of re-introducing anadromous salmon into all sections of the Columbia River Basin. This would have obvious benefits north and south of the border.

### **VarQ**

The CBT is concerned that VarQ operations were implemented "without proper and due considerations of Canadian interests and without proper consultation with Canadian organizations," according to Chairman Smienk's presentation. The fish and wildlife program supports VarQ operations at Libby and Hungry Horse dams. The staffs recognized that there is disagreement about the impacts of VarQ operations on Kootenay Lake levels, and that further analysis could help clarify the matter. The CBT is working with the Montana Department of Fish, Wildlife & Parks on such an analysis, and the matter may be clearer by July.

### **Transmission**

The CBT would like to discuss the possibility of convening interested parties from both sides of the border for discussions to "ensure a stable supply and distribution of power in our region for the future." The CBT, as a power generator through its subsidiaries, has more direct interest in transmission issues than does the Council. Nonetheless, the staffs recommend that the CBT and Council discuss cross-border transmission issues at their July 2004 meeting.

### **Dissolved gas**

Columbia Power Corporation (CPC), which represents the Province in a joint venture partnership with the CBT to build power projects, is in the initial planning stages of a new powerhouse at Waneta Dam. Additional turbines at Waneta could reduce the amount of dissolved gas reaching Lake Roosevelt from the Pend Oreille River. The CBT and Columbia Power Corporation already have reduced dissolved gas in the Columbia River through the construction of the Arrow Lakes Generating Station and powerplant upgrades at Brilliant Dam.

The CBT and CPC would like to discuss the possibility of U.S. investments in the new powerplant at Waneta Dam. In addition to making more power available in the region, the turbines could reduce the amount of dissolved gas reaching Lake Roosevelt, and this could have benefits for fish in the river and lake. There is at least one recent study<sup>2</sup> that assesses the potential to reduce dissolved gas discharges from the Pend Oreille River, and the authors could be invited to make a presentation at the July meeting. That study, interestingly, shows that much of the dissolved gas in the Canadian portion of the Pend Oreille River originates at Boundary and Box Canyon dams on the U.S. side of the border. So an obvious issue is whether -- and how --

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<sup>2</sup> RL&L Environmental Services Ltd., Castlegar, B.C., July 2002. *Fisheries Resource Information and TGP Risk Assessment for the Canadian Portion of the Lower Columbia River Basin, Prepared for the Columbia River Integrated Environmental Monitoring Program*. RL&L Report No. 856D, [www.rll.ca](http://www.rll.ca).

to involve the operators of those dams (Seattle City Light and Pend Oreille PUD, respectively) in reducing dissolved gas in the Pend Oreille River.

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October 28, 2003

The Honorable Jim Abbott, Member of Parliament  
125-D Slater Road  
Cranbrook, British Columbia V1C 4M4

Dear Honorable Member Abbott:

Thank you for your letter of October 7 reaffirming your interest in ensuring a cooperative and mutually beneficial relationship between Canada and the United States regarding the Columbia River Basin. Thank you, as well, for inviting the Power and Conservation Council to visit the Canadian Columbia Basin to discuss issues of common interest.

On behalf of our Council members, I am pleased to accept your invitation. I have directed our staff to begin working with the staff of the Columbia Basin Trust, your staff and others as appropriate to identify issues for our discussion and a place and time for the meeting.

As you know, the Council is responsible for developing plans to mitigate the impacts of hydropower dams on fish and wildlife in the Columbia River Basin and assure the Northwest region an adequate, efficient, economical and reliable electric power supply. By definition, these tasks imply cooperation and collaboration with entities in Canada, as our two nations share the many benefits of the Columbia River system. By working together, we will ensure these benefits for the people and the environment of the basin we share.

I appreciate your long interest in the Council and its work, and I look forward to our meeting in British Columbia.

Sincerely,

Judi Danielson  
Chair

cc: The Honorable Bill Bennett, Minister of the Legislative Assembly  
Josh Smienk, Chair, Columbia Basin Trust

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