Bruce A. Measure Chair Montana

Rhonda Whiting Montana

> W. Bill Booth Idaho

James A. Yost Idaho



Dick Wallace Vice-Chair Washington

Tom Karier Washington

Melinda S. Eden Oregon

Joan M. Dukes Oregon

April 1, 2010

MEMORANDUM

TO: Council Members

FROM: Peter Paquet, Manager Wildlife & Resident Fish

SUBJECT: Report and Council guidance to the Wildlife Crediting Forum

BACKGROUND:

The Wildlife Crediting Forum (WCF) has met twice since its initial meeting in January. As reported, the January meeting identified key objectives, issues, priorities and schedules for future meetings. The February meeting then provided forum participants with background on the history of the wildlife provisions in the Council's Fish and Wildlife Program, the development of the Habitat Evaluation Procedure (HEP), the role of HEP in the Council's Fish and Wildlife Program, and an update from Bonneville on the wildlife habitat unit crediting ledger (www.nwcouncil.org/fw/wcf). Subsequent to these presentations, participants developed a list of issues they felt the forum should address.

Following the February meeting, Council staff and forum facilitators sorted the list of issues participants wanted addressed into four categories: Agreed to "Off-the-Table", "Clear Path" Issues, "Uncertain Path" Issues, and "Unclear Path" Issues (www.nwcouncil.org/fw/wcf).

In March, the WCF came to an agreement on how to proceed with the first two categories of issues. The participants also agreed that the following principles should be accepted and not subject to further debate within this forum:

- 1. The Council's 2009 Columbia River Basin Fish & Wildlife Program is the controlling program
- 2. Use of Pisces for the Wildlife Crediting Ledger
- 3. Continued use of HEP as primary model and accounting tool
- 4. Current effort will be confined to construction and inundation losses

503-222-5161 800-452-5161 Fax: 503-820-2370 In addition, the WCF agreed to form two subgroups to address the key issues affecting the accuracy and acceptability of the wildlife crediting ledger. One subgroup will focus on identifying and evaluating the primary factors contributing to inconsistencies in the current ledger. Issues that this group will address includes such things as how to account for minimum habitat units, stacking issues, crediting overlaps, inaccurate initial habitat unit evaluations and several other accounting issues. The second subgroup will work on developing recommendations for assessing how much wildlife credit Bonneville should receive for fish habitat projects that provide benefit to wildlife species. Both subgroups will be providing recommendations to the full WCF at the May meeting.

COUNCIL GUIDANCE NEEDED

If the Council members have any concerns about the four principles described above and agreed to by the WCF participants, please let us know during the meeting. Otherwise, the forum will proceed along these lines. Staff believes that removing these items from further debate within the WCF will help focus forum discussions and will assist in moving the forum towards an agreement on the wildlife crediting ledger.

In addition, staff seeks Council concurrence with a fifth principle: "annualization" is not an issue that the WCF needs to debate in formulating an agreed- upon wildlife crediting ledger. It is the staff's understanding that the Council addressed any issues of annualization in the 2000 and then the 2009 Fish and Wildlife Program when it chose to adopt the 2:1 crediting strategy for the remaining habitat units. The Council's 2009 Program states the following:

The Council chose the 2:1 crediting ratio to address the inability to precisely determine the habitat units resulting from acquiring an interest in property that already has wildlife value or the additional losses represented by annualization of the losses. The Council adopted and continues to endorse the 2:1 crediting ratio for the remaining habitat units.

In other words, the Council chose the 2:1 crediting ratio for the remaining habitat units as a substitute for deciding whether to apply annualization as part of the Habitat Evaluation Procedure. Staff understands the Program language to mean that the question of annualization is no longer relevant under the Fish and Wildlife Program with regards to mitigation for the construction and inundation wildlife losses. Staff is seeking Council concurrence with this interpretation.

503-222-5161 800-452-5161 Fax: 503-820-2370

¹ Annualization is a method for calculating *Average annual habitat units (AAHU)* which represent the total number of HUs gained or lost as a result of a proposed action, divided by the life of the action.